CORPORATE GOVERNANCE PRACTICES IN MIDDLE LEVEL COLLEGES IN NAIROBI CENTRAL BUSINESS DISTRICT, KENYA

BY:

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D61/60603/2013

RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

NOVEMBER, 2015

DECLARATION

This research project is my original work and has not been presented for examination in any other university.

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ACKNOWLEDGEMENT

The success of this study is an effort of many people whom I wish to acknowledge for their contribution and tireless support they accorded me in coming up with this project. My deepest gratitude is to Prof. Martin Ogutu, Prof. Zack B. Awino and Dr. John Yabs. Their support was of immense value and greatly led the realization of this work. My Gratitude to my supervisor Dr. John Yabs for his tireless effort and his indispensible assistance given without complaint, many hours of positive criticism, comments and suggestions that have brought me this far. I also take this opportunity to thank the University of Nairobi for introducing a flexible Master of Business Administration Degree and all my lecturers for their contributions in my entire pursuit of my MBA study. I thank the institutions that have supported me in collection of the data. Most especially their principals and directors they took their time to respond to my questionnaire even though the time duration given was limited. May I thank my family, more so my late mother for the encouragement in my studies, my Wife Pamela, Daughters Bernice, Faith, Winnie, Mercy and son David for their patience and support. I am proud of you all. I give thanks to the Almighty God the giver of life, for the strength, wisdom He accorded me and for enabling me successfully complete this course. Working on this project has been a great learning experience in spite of the ups and downs which are part of life. I have learnt a lot.

DEDICATION

To my dear late mother Mama Deborah Toto Omasete, my wife PamelaEmuria, Daughters Bernice, Faith, Winnie, Mercy and Son David for being there for me with their tremendous support through prayer and belief in me throughout the duration of my studies.

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ABBREVIATION AND ACRONYMS

BODs - Board of Directors

CBD - Central Business District

CEO - Chief Executive Officer

HIV/AIDS - Human immunodeficiency virus and acquired immune deficiency syndrome

NCBD - Nairobi Central Business District

NGOs - Non-Governmental Organizations

NPV - Net Present Value

OECD - Organization for Economic Co-operation and Development

ROE- Return on Equity

SACCO - Savings And Credit Co-operative

SAP – Structural Adjustment Programmes

TVET - Technical and Vocational Education and Training

ABSTRACT

This research project addresses corporate governance practices in middle level colleges in Nairobi Central Business District, Kenya. It gives a more explicit exposition of the board of directors and Chief Executive Officer of the institution in relation to corporate governance practices. It then goes on to address some of the underlying facts that promote efficient corporate governance practices, and examines some of the duality of chief executive officers in the institutions. In addition it also provides the information on ownership of the institutions and the sizes of the board of directors in the institutions. The document also provides a survey of the audit committees in the colleges on the link to corporate governance practices and management of the colleges. One of the most striking differences between countries' corporate governance systems is the difference in the ownership and control of firms that exist across countries. Systems of corporate governance can be distinguished according to the degree of ownership and control and the identity of controlling shareholders. Effective corporate governance requires a clear understanding of the respective roles of the board and of senior management and their relationships with others in the corporate structure. The relationships of the board and management with shareholders should be characterized by frankness; their relationships with employees should be characterized by fairness; their relationships with the communities in which they operate should be characterized by good citizenship; and their relationships with the government should be characterized by a commitment to compliance. Senior management, led by the chief executive officer, is responsible for running the day-to-day operations of the corporation and properly informing the board of the status of such operations. Management's responsibilities include strategic planning, risk management, and financial reporting. The board of directors has the important role of overseeing management performance on behalf of shareholders. Its primary duties are to select and oversee a well-qualified and ethical CEO who, with the senior management, runs the corporation on a daily basis, and to monitor management's performance and adherence to corporate standards. Effective corporate directors are diligent monitors, but not managers, of business operations. Good corporate governance seeks to promote: effective and sustainable corporations that contribute to the welfare of society by creating wealth, employment and solutions to emerging challenge. Responsive and accountable corporations, legitimate corporations that are managed with integrity, probity and transparency, recognition and protection of stakeholders' rights, an inclusive approach based on democratic ideals, legitimate representation and participation. Governance is concerned with the processes, systems, practices and procedures – the formal and informal rules – that govern institutions, the manner in which these rules and regulations are applied and followed, the relationships that these rules and regulations determine or create, and the nature of those relationships. Essentially, governance addresses the relationship role in the institutional framework. Corporate governance, therefore, refers to the manner in which the power of a corporation is exercised in the stewardship of the corporation's total portfolio of assets and resources with the objective of maintaining and increasing shareholder value and satisfaction of other stakeholders in the context of its corporate mission.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

(Kihumba, 1999), defined Corporate Governance as the manner, in which the power of a corporation is exercised in the stewardship of the corporation's total portfolio of assets and resources with the objective of maintaining and increasing shareholder value and satisfaction of other stakeholders in the context of its corporate mission. Corporate governance is of paramount importance to a company and is almost as important as its primary business plan (Leo Sun, 2000). When executed effectively, it can prevent corporate scandals, fraud and the civil and criminal liability of the company It dictates the shared philosophy, practices and culture of an organization and its employees.

A corporation without a system of corporate governance is often regarded as a body without a soul or conscience (Donaldson & Davis, 1991). Corporate governance keeps a company honest and out of trouble. If this shared philosophy breaks down, then corners will be cut, products will be defective and management will grow complacent and corrupt. The end result is a fall that will occur when gravity – in the form of audited financial reports, criminal investigations and federal probes – finally catches up, bankrupting the company overnight. Dishonest and unethical dealings can cause shareholders to flee out of fear, distrust and disgust.Recent thinking about strategic management and business policy has been influenced by agency theory. This holds that managers will not act to maximize the returns to shareholders unless appropriate governance structures are implemented in the large corporation to safeguard the interests of shareholders (Jensen and Meckling, 1976). The board of directors has an important function here and in particular the relationship between the chairperson and the chief executive officer is key (Tricker, 1984).

The middle level colleges like other organizations operate in an environment and are open systems (Kinyanjui, 2000). In this case they are dependent on the environment. They are shaped by influences emanating from the economy at large, population demographics, societal values and lifestyles, governmental legislation and regulation, technological factors and other external environmental factors that have influence outside the company's boundaries, important enough to have a bearing on the decision the company ultimately makes about its direction, objectives, strategy and business model. According to Ansoff and MacDonnell (1990) in the strategic hypotheses, note that the organization strategy and internal capability must keep changing to match the environmental conditions.Since they share in the circumstances of other organizations, their effective organization, leadership and decision making is contingent (dependent) upon the internal and external situations.

1.1.1. The Concept of Strategy

A strategy is all about integrating organizational activities and utilizing and allocating the scarce resources within the organizational environment so as to meet the present objectives (David, 2011). While planning a strategy it is essential to consider that decisions are not taken in a vacuum and that any act taken by a firm is likely to be met by a reaction from those affected, competitors, customers, employees or suppliers.It is also defined as the process by which managers make a choice of a set of strategies for the organization that will enable it to achieve better performance (Johnson et al, 2008).Strategy is Significant because it is not possible to foresee the future without a perfect foresight; the firms must be ready to deal with the uncertain events which constitute the business environment.Strategy deals with long term developments rather than routine operations, that is it deals with probability of innovations or new products, new methods of productions, or new markets to be developed in future. Strategy is created to take into account the probable behavior of customers and competitors. Strategies dealing with employees will predict the employee behavior. A strategy is a long term plan of action designed to achieve a particular goal, most often "winning". Strategy is differentiated from tactics or immediate actions with resources at hand by its nature of being extensively premeditated, and often practically rehearsed.

In recent years, virtually all firms including learning institutions have realized the importance of strategic management. However, the key difference between those who succeed and those who fail is that the way in which strategic management is done and strategic planning is carried out makes the difference between success and failure. Of course, there are still firms that do not engage in strategic planning or where the planners do not receive the support from management. These firms ought to realize the benefits of strategic management and ensure their longer-term viability and success in the marketplace.

1.1.2. The Corporate Governance

Corporate Governance has become an issue of worldwide importance. The scale of the issuing of fake certificates by institutions across the globe begs whether the failure is one of Corporate Governance practices or not. (Jeremy Bradley, 2010), Corporate governance has become a buzz word in the business management field. Owners of businesses of all sizes are employing the concepts of corporate governance to develop a strategic plan for operations. This includes systems and procedures designed to structure authority, balance responsibility and provide accountability to stakeholders at all levels. In essence, corporate governance is about balancing profitability with sustainability.

Everywhere that people organize themselves into structures, and especially where these structures have mixed obligations to owners, staff, customers, among others, Corporate Governance is relevant.Corporate Governance also offers a very interesting perspective to consider human characteristics of leadership, authority, ego, wealth creation and accumulation, greed, risk, responsibility, ethics, morality, etc., and how these tendencies reconcile or conflict with organizational and market dynamics, and the needs of society, environment, quality of life, economic health, etc. The concern over corporate governance stems from the fact that sound governance practices by organizations, middle level colleges' inclusive results in higher firm's market value, lower cost of funds and higher profitability (Block, Jang & Kim, 2006 &Claessen, 2006). Several codes have been developed as a guide to corporate governance; however, the best guide to global corporate governance was developed by the OECD (1999). Given the globalization of business and the need to ensure uniformity in the practice of corporate governance the world over, the Hampel Committee (1998) developed some basic principles of good corporate and sets out a code of best practices called the "combined code".

However, there is no single model of corporate governance. Governance practices vary not only across countries but also across firms and industry sectors. However, one of the most striking differences between countries' corporate governance systems is in the ownership and control of firms that exist across countries (Maria Maher and Thomas Anderson). The major objective of adequate corporate governance practices is the satisfactory compensation of company shareholders.The concern over corporate governance stems from the fact that sound governance practices by organizations, middle level colleges' inclusive results in higher firm's market value, lower cost of funds and higher profitability (Block, Jang & Kim, 2006 &Claessen, 2006). Several codes have been developed as a guide to corporate governance; however, the best guide to global corporate governance was developed by the OECD (1999). Given the globalization of business and the need to ensure uniformity in the practice of corporate governance the world over, the Hampel Committee (1998) developed some basic principles of good corporate and sets out a code of best practices called the "combined code".

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1.1.3 Middle Level Colleges in Kenya

These are two- or three-year post-secondary school institutions also termed colleges. They award certificates, diplomas and higher national diplomas after successful completion of relevant courses. Courses offered by these institutions include Business

Education, Accounting, Secretarial Studies, Nursing, Teacher Training, Computer Studies, Journalism, Media, Design, Culinary Studies, Foreign Languages, Tourism and Technical Skills. In order of credibility or accreditation, national polytechnics rank first, followed by government training institutes, teacher training colleges and private institutions. Although generally termed colleges, these institutions do not award degrees. Degrees are only awarded by universities.These are institutions that are involved in training high school leavers in various vocational subjects e.g. carpentry, accounts, welding, mechanics, catering and teaching, leading to certificates or diploma awards.

Tertiary education also referred to as third stage, third level, and post-secondary education, is the educational level following the completion of a school providing a secondary education (Wikipedia). The World Bank for example, defines tertiary education as including universities as well as institutions that teach specific capacities of higher learning such as colleges, technical training institutes, community colleges, nursing schools, research laboratories, centers of excellence, and distance learning centers.

Tertiary education in Kenya has historically been among the most significant sectors of the government concern. It is expected that students seeking tertiary education by 2015 will range between one hundred sixty thousand and One hundred eighty thousand, thereby increasing the proportion of those accessing tertiary education from 4.2% to 15% by 2020 (Kinyanjui, 2007). Technical and vocational education and training (TVET) has emerged as one of the most effective human resource development strategies that African countries need to embrace in order to train and modernize their technical workforce for rapid industrialization and national development (Afeti, 2011).

Education as a complex system rooted in the society's political socio-cultural and economic context is primarily key to preparing the much needed workforce with proficiency, competencies and techniques required to develop and transform global economies of states and governments (Kipkebut, 2010.). The directorate of Higher Education in Kenya caters for secondary school education, tertiary colleges and universities. The education system is therefore supposed to evolve in tandem with the dynamic needs and demands of the society it serves (Suda, 2011).Education is one of the most important factors in improving people's lives.According to Kipkebut (2010) there has been an increasing demand for tertiary education due to job market requirements and increasing population. In 2010, the ministry of higher education, science and technology listed 592 post-secondary school institutions operating country wide without registration and hence not accredited by Commission for University Education (Ng'ang'a, 2010).While in January 2011, the ministry for higher education science and technology ordered some colleges to be closed because of operations without registration with the ministry of Education accreditation Commission for University Education (Lime et al; 2011).

The private middle Level Colleges play a significant role in providing tertiary education in Kenya. They complement the government owned public middle level colleges in providing career focused education and training programmes to the post-secondary clientele. The middle level colleges bridge the gap between supply and demand of tertiary education, a demand that ordinarily cannot be met by public funded colleges. By 2014, the country had over 790 registered middle level colleges and over 405 colleges in Nairobi.Due to global economic changes, necessitating implementation of structural adjustment programmes (SAP) in developing countries, workers have been displaced, this poses great challenges; they need retraining for new occupations. The impact of HIV/AIDS has necessitated emphasis on Skills development to replace skills lost across a wide range of occupations; AIDS depletes scarce human resources. HIV/AIDS also reduces the capacity of TVET systems to deliver their functions, since it decreases the supply of highly trained personnel and causes deterioration in the quality of the system.The Bonn Resolution of October 2004 noted that TVET is the "Master Key" for alleviation of poverty, promotion of peace, and conservation of the environment, in order to improve the quality of human life and promote sustainable development. Kenya can reorient itself towards sustainable development, using TVET as a vehicle for socio-economic and technological transformation. It is critical that Kenya, through TIVET meets the challenges of increased unemployment, poverty, food insecurity and environmental degradation.

The skills development is important for economic growth, poverty alleviation, youth and women's empowerment and social inclusion. Nevertheless, the role of TVET is absent to a large extent in most policy documents. This gap is particularly 'puzzling'; Governments and donor countries consistently emphasize the need for concerted efforts to build the human assets of the poor. Yet TVET is accorded limited importance in donor financing schemes and discussions since the late 80s' (Bennell, 1999).The demand for university education in Kenya has significantly increased and continues to swell. Many secondary school graduates and the working class look for opportunities to pursue further education. Middle Level Colleges being accountable to the public as stakeholders need to guarantee that they offer quality teaching, research and community service to its students. With the increasing numbers of students seeking places in Tertiary Institutions, the question of quality is critical and requires urgent attention.

1.1.4 Middle Level Colleges in Nairobi Central Business District (NCBD)

A central business district (CBD) is the commercial and business centre of a city (https://en.wikipedia.org/wiki/Wikipedia). In larger cities, it is often synonymous with the city's "financial district". Geographically, it often coincides with the "city centre" or "downtown", but the two concepts are separate: many cities have a central business district located away from its commercial or cultural city centre or downtown. Both the CBD and the city centre or downtown may also coincide with the central activities district like the NCBD.A city's CBD is usually typified by a concentration of retail and office buildings. The CBD usually has an urban density higher than the surrounding districts of the city, and is often the location of the tallest buildings in the city. The CBD is often also the "city centre" or "downtown", but this is also often not the case. For example, London's "city centre" is usually regarded as encompassing the historic City of London and the medieval City of Westminster, whereas the City of London and the transformed Docklands area are regarded as its two CBDs.

Nairobi has grown around its central business district. This takes a rectangular shape, around the Uhuru Highway, Haille Selassie Avenue, Moi Avenue, and University Way. It features many of Nairobi's important buildings, including the City Hall and Parliament Building. The city square is also located within the perimeter. Most of the skyscrapers in this region are the headquarters of businesses and corporations, such as I&M, the Kenyatta International Convention Centre, the City Hall and Parliament Building. The

United States Embassy bombing took place in this district, prompting the building of a new embassy building in the suburbs. In 2011, the city was considered to be about 4 million residents. Nairobi downtown area or central business district is bordered to the southwest by Uhuru Park and Central Park. The Mombasa to Kampala railway runs to the southeast of the district.The city square is also located within the perimeter. A map of the district is attached as Appendix 2.

1.2 Research Problem

The corporate governance practices --influence middle level colleges in many ways. The political anxiety, social-cultural reforms, technological advancement and global changes are some of the challenges that have greatly affected the growth of the tertiary education sector in Kenya. These environmental factors require a deep understanding by management in order to correctly respond to the market. Failure to correctly respond in time can have devastating consequences (Dess et al., 2006).Corporate Governance is a truly global concept, and when businesses and organizations become established on the moon and on the planets of other solar systems, Corporate Governance will be truly universal too. Everywhere that people organize themselves into structures, and especially where these structures have mixed obligations to owners, staff, customers, etc., Corporate Governance is relevant.

Corporate Governance also offers a very interesting perspective to consider human characteristics of leadership, authority, ego, wealth creation and accumulation, greed, risk, responsibility, ethics, morality, etc., and how these tendencies reconcile or conflict with organizational and market dynamics, and the needs of society, environment, quality of life, economic health, etc.Corporate Governance has become an issue of worldwide importance. The Corporation has a vital role to play in promoting economic development and social progress. It is the engine of growth internationally, and increasingly responsible for providing employment, public and private services, goods and infrastructure. The efficiency and accountability of the corporation is now a matter of both private and public interest, and governance has, thereby, come to the head of the international agenda.Good corporate governance, therefore, becomes a prerequisite for national economic development.

Even as middle level colleges play a critical role in Kenya's socio economic development. The corporate governance practices are making life very complex for these institutions in Kenya. Consequently, to survive, middle level colleges must engage in good corporate governance practices in order to help in national development. Various scholars and researchers in respective fields have carried out studies on the corporate governance practices. Wanga (2011) studied corporate governance practices at Twaweza Organization, while Otieno (2013) studied corporate governance practices of SACCO's in Nairobi County. Olayemi (2010) studied the poor corporate governance and its consequences on the Nigerian Banking sector. Maher & Anderson (2010) did a study on the corporate governance effects on firm performance and economic growth, while Njoroge (2010) studied the effects of corporate governance practices on private Hospitals in Kiambu County in Kenya.

The bottom-line in all these studies underscore the fact that organizations institutions must practice good corporate governance. However contextual differences make it not possible for the results obtained to be applied to any other organizations. Little was known on the corporate governance practices adopted by middle level colleges in their management. It is in this regard that the researcher was seeking to fill the existing gap by answering the question regarding the corporate governance practices adopted by middle level colleges in their management. As such the question is, what are the corporate governance practices adopted by middle level colleges in Nairobi (CBD) in management of these institutions?

1.3 Research Objective

The objective of this study was to establish the corporate governance practices at the middle level colleges in Nairobi Central Business District (CBD).

1.4 Value of the study

The finding of this study was to enable more research aimed at coming up with standardized best practice for corporate governance that is universally acceptable in order to win the interest of investors.

The findings will enhance knowledge development on corporate governance practices of middle level colleges and tools for internal quality attributes. The research will form a good literature upon which further research on middle level colleges will be based. This literature will be valuable to the academicians and researchers in Kenya for academic purposes in learning on the role of middle level colleges and the challenges they face thereof, besides the corporate governance practices adopted by this institutions. Based on the findings on the corporate governance practices in the middle level colleges,Kenya Government will be able to establish policies and reinforce quality assurance standards to protect the students and other stakeholders in these colleges.

By knowing the challenges posed by these corporate governance practices, policies and framework shall be drawn that will guide the future setting up and running of colleges in the country. The findings of this study was of interest to current and would be managers in training at the middle level colleges as it will offer comprehensive understanding and appreciation of the different issues to be taken into account during their day to day running of institutions before setting up the investment. This is relevant since it will enhance the understanding of the managers and enable them with more proactive in responding corporate governance practices.

CHAPTER TWO

LITERATURE REVIEW

2.1 Overview of the Chapter

This Chapter explores and reviews the existing literature on the subject of corporate governance practices in middle level colleges (Tertiary Colleges). This study is anchored on two critical theories namely the agency theory and the stewardship theory (Morck and Steier, 2005). In particular takes a look at the theories that inform the study, thus the agency theory and the stewardship theory in corporate governance practices.

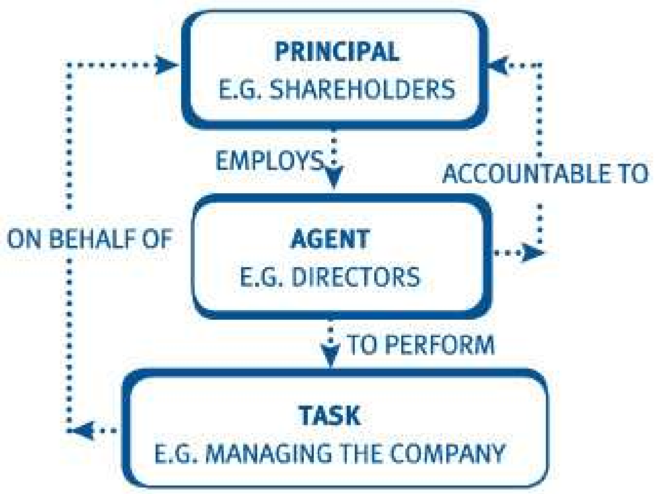
2.2 Theoretical Foundation

A related set of rules and principles that can be brought to bear as a basis for making predictions and providing explanations for a variety of phenomena in the corporate governance (Spector, 2011).A group of related ideas that provides guidance to a research project or business endeavor. The appropriateness of a theoretical framework that a marketing department is using to promote its corporate and product image to the consuming public can be an important determinant of its ultimate success. The Theoretical Foundation for the research study provides preliminary – but not complete – evidence of the theory and/or research that drives and supports the Research Study.

2.2.1 The Agency Theory

Agency theory explains the relationship between principals and agents in business (Johnson, 2011). Agency theory relative to corporate governance assumes a two-tier form of firm control: managers and owners. Agency theory holds that there will be some friction and mistrust between these two groups. The basic structure of the corporation, therefore, is the web of contractual relations among different interest groups with a stake in the company as shown in Figure 2.1.

Figure 2.1: Agents Relationship



Source: Kaplan Financial Knowledge Bank, 2009.

Agency theory is used to understand the relationships between agents and principals. The agent represents the principal in a particular business transaction and is expected to represent the best interests of the principal without regard for self-interest. The different interests of principals and agents may become a source of conflict, as some agents may not perfectly act in the principal's best interests. The resulting miscommunication and disagreement may result in various problems within companies.

2.2.2 The Stewardship Theory

A steward is defined as someone who protects and takes care of the needs of others (Anita Flynn, 2013). Under the stewardship theory, company executives protect the interests of the owners or shareholders and make decisions on their behalf. Their sole objective is to create and maintain a successful organization so the shareholders prosper. Firms that embrace stewardship place the CEO and Chairman responsibilities under one executive, with a board comprised mostly of in-house members. This allows for intimate knowledge of organizational operation and a deep commitment to success. Stewardship theory is a theory that managers, left on their own, will indeed act as responsible stewards of the assets they control(Wheelen and David, 2013). This theory is an alternative view of agency theory, in which managers are assumed to act in their own self-interests at the expense of shareholders. It specifies certain mechanisms which reduces agency loss including tie executive compensation, levels of benefits and also managers' incentive schemes by rewarding them financially or offering shares that aligns financial interest of executives to motivate them for better performance.

Al Bondigas (2011) Stewardship Theory holds that ownership doesn't really own a company; it's merely holding it in trust. This shows itself in the way it does business. The operation may be a vehicle for a higher calling or designed to honor a founder's initial vision, so making a profit often takes a back seat to meeting a company's social standards. The stewardship theory of governance has a clear objective of shareholder satisfaction. Having a single leader creates one channel to communicate business needs to the shareholders and the shareholders' needs to the business. This also avoids confusion as to who is in charge when a company needs to weather a storm. Stewardship governance requires that a CEO be trustworthy and willing to put personal gains aside for the good of the organization.

2.3 Empirical Literature Review

According to Kwakwa and Nzekwu (2003) governance is a ‘vital ingredient in the balance between the need for order and equality in society; ensuring accountability in the house of power and the protection of human right and freedoms. Governance, is, therefore, concerned with the processes, systems, practices and procedures that govern institutions, the manner in which these rules and regulations are applied and followed, the relationships created by these rules and nature of the relationships.

Pandey (2006) asserts that corporate governance implies that the company would manage its affairs with diligence, transparency, responsibility and accountability and would maximize shareholders wealth. Hence, it is required to design systems, process, procedures, and structures and take decisions to augment its finance performance and shareholders’ value in the long run. Akinsulire (2006) opined that corporate governance as a term covers all the general mechanism by which management are led to act in the best interest of the company owners.

A perfect system of corporate governed would give management all the right incentives to make value maximizing investment and financing decision and would assure that cash is paid out to investors when the company runs out of viable projects i.e investment with positive NPV. Corporate governance aims at reducing conflicts of interest, short-sightedness of writing costless perfect contracts and monitoring of controlling interest of the firm, the absence of which firm value is decreased (Denis and McConnell, 2003).

2.4: Summary of Literature Review

Each business organization is unique in its products, customers and goals. Recognizing that corporate governance is necessary is the first step to a successful business. Management then needs to determine the governance strategy that best fits its identity, whether it be agency, stewardship or shareholder or a hybrid of all three. Opting for stewardship governance requires that the right personality is on board to lead the organization.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Overview of the Chapter

This chapter describes various aspects of research methodology which was employed in this study. These include the research design, population, data collection and data analysis, which were used as a guideline in the study.

3.2 Research Design

Research methodology is a way to systematically solve the research problem (Kothari, 2011). Research Methodology can be regarded as the "how" of the collecting data, and the processing thereof within the framework of the research process. In it we study the various steps that are generally adopted by a researcher in studying his research problem along with the logic behind them. Cooper and Schindler (2008) define research design as the plan and structure of investigation so conceived as to obtain answers to research questions. A research design expresses both structure of the research problem and the plan of investigation used to obtain empirical evidence on relations of the problem. This can be regarded as a plan or blueprint of how one intends to conduct the research. The study is a descriptive survey design. Descriptive survey study is basically intended to answer the question of what, when and how of a phenomenon to give facts of the situation from the target respondents, similar approach was carried out by (Donald and Pamela, 2003).and (Boyd, westfall and stasch1990). The purpose of the research is to find out the corporate governance practices in the middle level colleges in NCBD, Kenya.

3.3 Population of the Study

A population is the total collection of elements about which the researcher wishes to make some inferences (Cooper and Schindler, 2005). A population is the entire group I am interested in, which I wish to describe or draw conclusions about. The population of interest in this study is an entire collection of all the middle level colleges registered with the Ministry of Education, located within NCBD, Kenya. The colleges were obtained from the Kenya Education Directory - 2013. There are 168 middle level colleges in the NCBD (Kenya Education directory 2013). A sample of the colleges in the Nairobi CBD listed is to be studied.

3.4 Sampling

A Probability Sampling was used in this study. Probability sampling study involves collection of data to make inferences about a sample of the population of interest at one point in time (Kothari, 2011). The study was conducted using self-administered questionnaire to collect data which was used in this study. The aim is to provide data on the population sample under study. In most of the descriptive/diagnostic studies the researcher takes out sample(s) and then makes statements about the population on the basis of the sample analysis, (Kothari, 2011). This is the most appropriate method towards effectively addressing the research objectives.

The data was collected using a structured questionnaire. The target population in the study is the directors or principals running each of the 168 colleges. A probability sampling method (Simple Random Sampling) is used in the process through the colleges. The list of about 168 colleges is collected from the Kenya Education Directory 2013.

These colleges offer professional courses namely in accounting and information technology, hospitality and general business management courses.

3.5 Data Collection

Data was collected through the use of self-administered questionnaires. Both primary and secondary data was collected. Primary data was collected using questionnaires instrument while secondary data was obtained from the internet, newspapers, journals, government publications Board meetings minutes and College magazines. The questionnaire was made up of structured questions. The questionnaire wasof two parts, first part was to identify the colleges' general information and second part was of management composition.

The questionnaires were delivered to the respondents both by email and by hand (drop and pick). It is assumed that the selected colleges are well established, have a vision, mission statements, values and a clear organization structure and have principals and directors. Because of the nature of the study that will look at corporate governance practices, only principles and executives directors of these colleges were targeted to obtain responses. The responses were on the questionnaires.

The questions formulated were standard. The respondents targeted were directors and principals of each of the sampled institutions since they are more conversant with the corporate governance practices of the institution and the responses thereof.

3.6 Data Analysis

Collected data was summarized and tabulated for ease of analysis to obtain answers to research questions. The descriptive analysis was adopted for analyzing data. Descriptive analysis was used to describe all basic features of the data in the study.The completed questionnaires and data obtained was edited, coded and entered to Microsoft excel office application package for analysis. Descriptive statistics was used to analyze the quantitative data. The data analyzed was presented using frequency tables, pie charts where appropriate and explanations on each graphical table given to assess corporate governance practices adopted by middle level colleges. Percentages and mean was used to determine the most common corporate governance practices employed by the institutions.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

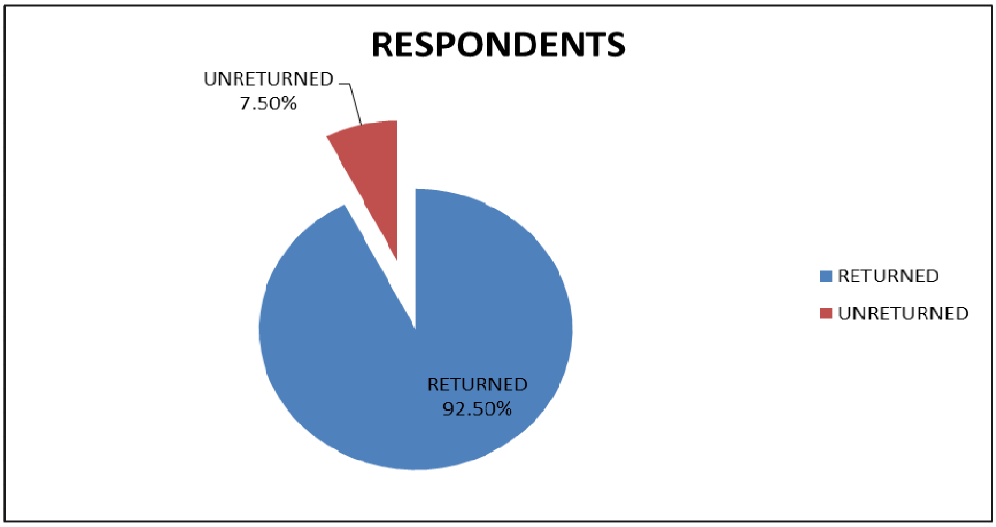
4.1 Overview of the Chapter

This chapter presents the analysis, findings and discussion. The results are analyzed in percentages and frequency distributions and presented in figures, pie-charts, and tables.

4.1.1. Characteristics of the Respondents

The research objective was to establish the corporate governance practices at the middle level colleges in Nairobi central business district, Kenya. The study targeted 67 top managers or directors i.e. of middle level colleges. A total of 67 questionnaires were issued out to the respondents and only 62 were returned. This represented a response rate of 92.5%. This percentage represents a good response and therefore is sufficient for data analysis as shown in Figure 4.1.

Figure 4.1: CHARACTERISTICS OF RESPONDENTS



4.2 General Information

The following section presents the general respondents information and organizational profile. The respondent and organizational profile considered in the study was the respondents' Job title, ownership structure of the college, size of BODs, gender composition of the BODs, Level of education, and working experience of the BODs.

4.2.1 Ownership of the College

The form of ownership can have a fundamental effect on the purposes of the college and the corporate governance practices that are pursued. The respondents were requested to indicate the ownership of the college and this was important for the study in order to determine the efficiency of the colleges in implementing the corporate governance practices in their institutions. The ownership has implication to decision making process and therefore critical in this study as shown in Table 4.1.

Table 4.1: Ownership of the College

Ownership of the College	Frequency	Percentage	Cumulative Percentage
Sole Proprietorship	25	40.3%	40.3%
Partnership	13	21.0%	61.3%
Limited Liability Company	24	38.7%	100.0%
Total	62	100.0%	

The results in Table 4.1 show that 40.3% of the respondents said that the middle level colleges were owned by sole proprietors, 38.7% of the respondents indicated that the companies were limited liability companies while 21.0% of the respondents said that the colleges were owned by partners as partnerships. The results indicate that the ownership of the colleges varied and this has a bearing to the efficiency of decision making in thecorporate governance practices to be adopted.

4.2.2 Size of the BODs

The size of the BODs in the colleges was necessary for the study in order to determine the size of the college BODs and the extent to which they can implement the corporate governance practices effectively. The results are presented in Table 4.2.

Table 4.2: Size of the BODs

Size of the BODs	Frequency	Percentage	Cumulative Percentage
Less 4	10	16.1%	16.1%
4 – 6	25	40.3%	56.4%
6 – 8	18	29.0%	85.4%
8 – 10	9	14.5%	99.9%
Total	62	99.9%	

The results show that 16.1% of the respondents indicated that the colleges have BODs are less than 4 members, 40.3% of the colleges were indicated to have between 4 and 6members, 29.0% of the respondents said that the colleges have between 6 and 8members while 14.5% of the respondents indicated the number of members in the middle level colleges to be between 8 and 10. The results indicate that the colleges have small number of the board members; however the management and communication to the board members can be executed effectively as each member is assigned its duties. Further there is flexibility in delivery of the practices due to the fact that majority of employees are teaching staff who specifically attend to their classes and are not bound by tedious institutional programs.

4.2.3 Gender Composition of the BODs

The study sought to establish the gender composition of the BODs and therefore they were asked to indicate thecomposition of their BODs in order to ensure that the results obtained captures the composition of BODs. The results are presented in Table 4.3.

Table 4.3: GenderComposition of the BODs

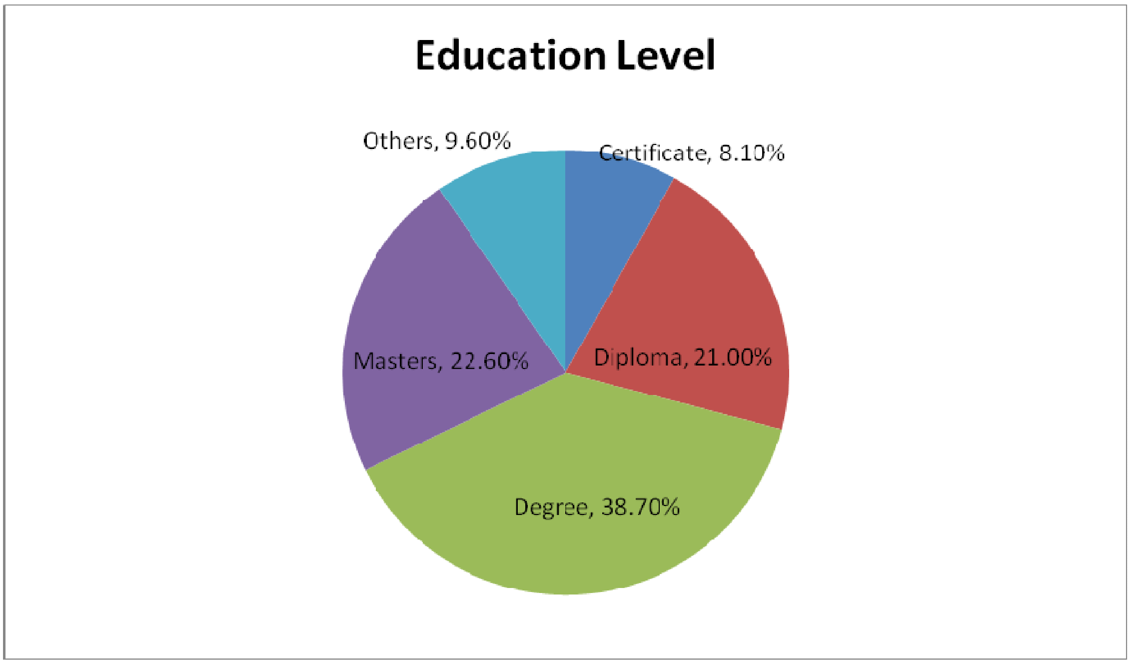
Gender	Total	Percentage
Male	328	88.2%
Female	44	11.8%
Total	372	100%

The results indicate that 88.2% of the BODs were male while 11.8% of the BODs were female. The BODs were mostly made up of more male than female. The study found out that most BODs had a higher composition of male as compared to female and hence the study was skewed towards male gender. The corporate governance practices in the institutions are being implemented by the males who are the majority in the BODs.

4.2.4 Level of the BODs Education

The respondents were requested to indicate the average highest level of Education of the BODs membership this will assist the study to determine the effectiveness of the BODs members in adopting the good corporate governance practices in the institutions as shown in Figure 4.2.

Figure 4.2: Level of the BODs Education



The results in Figure 4.1 on the colleges BODs level of education was that 24.2% of the respondents said that the colleges BODs membership composition do have certificate level of education while 21.0% of the respondents indicated that the colleges BODs members do have Diploma level of education. The respondents said that both Degree and masters have 22.6% composition of the BODs level of education, and 9.6% have Other level of education mostly PHDs, and this necessitates formulation and implementation of corporate governance that will suit the institution.The results indicate that the level of education was varied and were able to understand the corporate governance practices adopted in their colleges.

4.2.5 Working Experience in the College

The respondents were requested to indicate the duration they have worked in the college. This was important to the study in order to determine the respondents' knowledge of the college functions and the corporate governance practices adopted. The results are presented in Table 4.4.

Table 4.4: Time ofService in the College

Years	Frequency	Percentage	Cumulative Percentage
0 – 5	2	3.2%	3.2%
6 -10	3	4.8%	8.0%
11 – 20	37	59.7%	67.7%
21 – 30	20	32.3%	100.0%
Total	62	100.0%	

Table 4.4 shows the results on the respondents' working experience in the college. The results show that 3.2% of the respondents have worked with the middle level colleges for a period of 0 to 5 years, 4.8% of the respondents indicated that they have worked in the colleges for a period between 6 - 10 years while 59.7% of the respondents said that they have worked in the colleges for a period of 11 to 20 years and the respondents 32.3% indicated that they have worked in the middle level colleges for a period between 21 – 30

years. The results indicate that the large numbers of respondents have worked in the colleges for more than 10 years and therefore they have full knowledge of the college's operations in terms of the macro environment changes and the corporate governance practices adopted to deal with the management of the institution.

4.3 Independence of Directors

The independence of directorsin a business is good for corporate governance by having an effective body responsible for governance separate and independent of management to promote: Accountability [leadership that must be ready to account], Efficiency and effectiveness [hence leadership for results], Probity and integrity [hence leadership that is honest, faithful and diligent], Responsibility [hence leadership that is capable, responsible, representative and conscious of its obligations] and Transparent and open leadership with accurate and timely disclosure of information relating to all economic and other activities of the institution.

4.3.1 Independence of DirectorsIndicators

The respondents were requested to indicate the extent to which the directors are independent in corporate governance practices in their colleges. The findings are presented in Table 4.5 and discussed herein.

Table 4.5: Independence of Directors Indicators

Independence of Directors	**Yes**	**No**
The board is involved in the appointment of Directors	100.0%	0.0%
Directors understand extent of their personal liability to entity's affairs	100.0%	0.0%
Is there a formal and transparent process for appointing and removal of Directors?	67.7%	32.3%
Does the Institution have any kind of mechanism for rotating Directors?	72.6%	27.4%
Mean Total	85.1%	14.9%

The results indicate that all the institutions have accorded the directors independence in dealing with the corporate governance practices in their institutions by having a mean total score of 85.1%. The results indicate that majority of the respondents expressed the board is involved in the appointment of directors (100%), directors understand extent of their personal liability to entity's affairs was expressed at 100% by the respondents. The respondents further noted that a formal and transparent process for appointing and removal of directors were indicated by (67.7%) as affecting the colleges, 72.6% of the respondents said that the institutions do have some kind of mechanism for rotating the directors. The results indicate that colleges are giving the directors a free hand in corporate governance practices in the management of the institutions to achieve its objectives.

4.3.2 The Audit Committee

The respondents were requested to indicate whether they have Audit Committees in their colleges. The results are presented in Table 4.6.

Table 4.6: The Audit Committee

The Audit Committee	Yes	No
Is there an independent audit function within the institution?	59.7%	40.3%
The board has established and appointed an audit committee	48.4%	51.6%
The Audit Committee focuses on improving the institution performance and competence	41.9%	58.1%
The Audit Committee is adequately resourced and has adequate techniques for fraud prevention	32.3%	67.7%
The Audit Committee is independent, completely and complies with the conventional audit guidelines and best practice	100%	0.0%
The Audit Committee is expected to oversee Corporate Governance financial reporting, internal control structure, internal audit functions and external audit services.	100%	0.0%
The Audit Committee participates in evaluating performance and recommending changes to improve operation efficiency of the institution.	100%	0.0%
Mean Total	68.9%	31.1%

The results presented in Table 4.6 indicate the Audit Committee established in the middle level colleges in NCBD. The results indicate that all the respondents (100%) said that the Audit Committee is independent, the Audit Committee is expected to oversee Corporate Governance financial reporting, internal control structure, internal audit functions and external audit services and the Audit Committee participates in evaluating performance and recommending changes to improve operation efficiency of the institution.

The respondents further noted that an independent audit function within the institutionwas indicated by 59.7%, 48.4%of the respondents said that the board has established and appointed an audit committee in the colleges while 41.9%of the respondents indicated that the Audit Committee focuses on improving the institution performance and competence and 32.3% of the respondents said the Audit Committee is adequately resourced and has adequate techniques for fraud prevention in the colleges. The results indicate that colleges have the Audit Committee that assists the colleges in accountability which is one of the pillars of a good corporate governance practice.According to Kihumba (1999),good governance is founded upon the attitudes, ethics, practices and values of the society regarding accountability of power based on the fundamental belief that power should be exercised to promote human well-being. In order to effectively achieve the firm’s objectives, these good corporate governance pillars are necessary for the colleges to be managed properly.

4.3.3The Duality of the CEO

The combining of the chairman and CEO roles is common in some colleges and not in others. Devolution in the organizations is particularly effective when centralization is mixed with devolution in the top managers. There are two key tasks at the top of the company, that of running the Board and that of the Chief Executive responsible for running the company. Therefore as a general rule, there is a clear division of these roles to ensure that a balance of power and authority is maintained, and that no one individual has unfettered powers of decision. Where these roles are combined, the reasons thereof shall be publicly explained.The roles of Chairperson of the Board and Chief Executive Officer are separated and held by different personsCEO duality refers to the situation when the CEO also holds the position of the chairman of the board.The board of directors is set up to monitor managers such as the CEO on the behalf of the shareholders. They design compensation contracts and hire and fire CEOs. A dual CEO benefits the firm if he or she works closely with the board to create value.

Establishing a unity of command at the head of the firm allows the firm to send a reassuring message to shareholders. However, it is also easier for the CEO to assert control of the board and consequently make it more difficult for shareholders to monitor and discipline the management.Whether to split the titles of the Chief Executive Officer (CEO) and the Chairman of the Board (COB) is one of the most contentious corporate governance issues in recent years.Respondents were asked to indicate the type of CEO and the functions of the CEO in the middle level colleges their indications are presented in Table 4.7.

Table 4.7: The Duality of the CEO

The duality of the CEO	Yes	No
The performance of the CEO is evaluated annually	100.0%	0.0%
The CEO is the chairman of the BOD	29.0%	71.0%
The role of the CEO and that of the chairman of the BOD is separated and held by different persons	71.0%	29.0%
There is an established clear job description for the board chairperson and members which is different from that of the CEO and management team	100.0%	0.0%
Separating the roles of CEO and chairperson of the BOD potentially leads to confusion and lack of clarity, both internally with employees and externally with other stakeholders	0.0%	100.0%
Separating the CEO's and chairperson's roles doesn't necessarily guarantee a strong monitoring function. If the collective board is otherwise weak	37.9%	62.1%

As shown in Table 4.8, middle level colleges use different types of CEOs as shown in the results. The respondents said 100% the CEOs performance is evaluated annually and there is an established clear job description for the board chairperson and members from that of the CEO and management team. This means the CEO and management team of the colleges are being monitored by the BODs. The respondents gave a verdict of 29.0% of the CEO to be the chairman of the BODs, 71.0% for the role of the CEO and that of the chairman of the BODs is separated and held by different persons, 37.9% for the separating of the CEO’s and chairperson’s roles doesn’t necessarily guarantee a strong monitoring function,if the collective board is otherwise weak.

4.4 Discussion

Corporate governance includes the processes through which corporations' objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies and decisions of corporations and their agents. The board needs sufficient relevant skills and understanding to review and challenge management performance. It also needs adequate size and appropriate levels of independence and commitment. Integrity should be a fundamental requirement in choosing corporate officers and board members. Middle level colleges should develop a code of conduct for their directors and executives that promotes ethical and responsible decision making. Middle level colleges should clarify and make publicly known the roles and responsibilities of board and management to provide stakeholders with a level of accountability. They should also implement procedures to independently verify and safeguard the integrity of the company's financial reporting. Disclosure of material matters concerning the colleges should be timely and balanced to ensure that all stakeholders have access to clear, factual information. Middle level colleges should respect the rights of stakeholders and help stakeholders to exercise those rights. They can help stakeholders exercise their rights by openly and effectively communicating information and by encouraging stakeholders to participate in general meetings.

Former Chairman of the Board of General Motors John G. Smale wrote in 1995: "The board is responsible for the successful perpetuation of the corporation. That responsibility cannot be relegated to management." A board of directors is expected to play a key role in corporate governance. The board has responsibility for: CEO selection and succession; providing feedback to management on the institution's strategy; compensating senior executives; monitoring financial health, performance and risk; and ensuring accountability of the institution to its investors and authorities. Boards typically have several committees (e.g., Compensation, Nominating and Audit) to perform their work.

The results are consistent with Kihumba (1999) that there must be an effective body responsible for governance separate and independent of management to promote: Accountability [leadership that must be ready to account], Efficiency and effectiveness [hence leadership for results], Probity and integrity [hence leadership that is honest, faithful and diligent], Responsibility [hence leadership that is capable, responsible, representative and conscious of its obligations], Transparent and open leadership with accurate and timely disclosure of information relating to all economic and other activities of the institution.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Overview of the Chapter

In this chapter a summary of the results of the study are provided, conclusions drawn, limitations of the study highlighted and recommendations given. The suggestion for further research was also highlighted. The objective of this study was to establish the corporate governance practices at the middle level colleges in Nairobi Central Business District (NCBD).

5.2 Summary

The results show that majority of the respondents have worked in the college industry for a long time and therefore they understand the management challenges that face the industry and the corporate governance practices. The results indicate that the ownership of the colleges varied and this will determine the efficiency of decision making in order to reciprocate good corporate governance practices. The results on the colleges existence show that majority of the colleges have been in operation for a longer duration of time and therefore understand the dynamics of the industry and the responses that should be adopted by the operators in order to be meet their goals. The number of BODs in the colleges varied and this can be attributed to the size of the colleges and the ownership of colleges. The colleges independence of the Directorsindicate that all the institutions have accorded the directors independence in dealing with the corporate governance practices in their institutions and this is good in decision making in the colleges.The colleges have the audit committees to manage the accountability of the colleges as one of the pillars of good corporate governance practices. The colleges'duality role of the CEO and that of the chairman of the BODs is separated and held by different persons with aim of monitoring of the performance of the colleges.There is a clear division of these roles to ensure that a balance of power and authority is maintained, and that no one individual has unfettered powers of decision.

Good corporate governance should contribute to better college's performance by helping a board to discharge its duties in the best interests of stakeholders; if it is ignored, the consequence may be vulnerability or poor performance. Good governance should facilitate efficient, effective and entrepreneurial management that can deliver shareholder value over the longer term. The presence of an effective corporate governance system, within an individual college and across an economy as a whole, helps to provide a degree of confidence that is necessary for the proper functioning of colleges. Corporate governance limits the potential for bad behavior of employees by instituting rules to reduce potential fraud and conflict of interest. The practice of good corporate governance followed by colleges will allow them to gain the trust of the stakeholders, the government and the community at large. This will have a positive impact on the college's reputation and it will be recognized as a fair and transparent college. This image will help the college prosper in the long run and achieve its goals more quickly.

5.3 Conclusion

Good Corporate Governance requires that the college to put in place and maintains an enabling environment in which efficient and well-managed college can thrive. It is the responsibility of the owners of the college to elect competent directors and to ensure that they management the college in a manner consistent with their stewardship. As such the management of the colleges should continue putting in place good corporate governance practices that will enable the colleges to respond management challenges that occur. It is the interaction of these different types of strategies that drives a firm’s competitive advantage and the catalytic effect on the others and it is this cumulative catalytic impact that makes an organization develop sustainable competitive advantage.

The response strategies pursued by the colleges play an important strategic role of creating value and improving business performance. As such the competitive advantage of middle level colleges in today's economy stems not from market position, but from the strategies which they implement and how it responds to the challenges they face. The generated value is the result of the colleges’ ability to manage its processes and, on the other hand, the effectiveness and efficiency of performing organizational processes based on its competencies. Management of the colleges will enable the college to grow and develop the appropriate good corporate governance practices. Therefore, the fact that collegemanagement is based on the effective and efficient management practices. However, there is need to understand the good corporate governance that the Board of Directors governs the college in a way that maximizes shareholder value and in the best interest of society.

5.4 Limitation of the study

Despite the research having met its objectives, there were challenges that were experienced by the researcher. This study was based on a sample limited to Middle level colleges operating in NCBD. It did not cover other Middle level colleges operating outside NCBD. The scope and depth of the study was also limited by time factor and financial resource constraints. These factors placed the researcher under immense time pressure. The researcher also encountered various problems with the respondents' unwillingness to complete the questionnaires promptly. Some of them kept the questionnaires for too long, thus delaying data analysis.

5.5 Implication on policy and practice

The high level of expansion registered in the Middle level colleges in NCBD is an indication of a potential capacity in the education sector and hence giving a challenge to the policy makers of the need to formulate and implement policies that will foster its growth and also facilitate healthy competition among the players in the field. The high customer level knowledge in the Middle level colleges necessitates the need to maintain good corporate governance practices to prevent mismanagement of these colleges and therefore there is need to maintain vigilance on good corporate governance practices by the middle level colleges.

5.6 Recommendations for Further Research

The context in this study was middle level colleges operating in Central Business District. The generalizability of the results could be expanded by doing similar case studies in somewhat different settings. This research therefore, should be replicated in other middle level colleges within Nairobi County and the results compared so as to establish there is consistency among the Middle level colleges.The study established that the middle level colleges use different corporate governance practices to management of the colleges in the NCBD. The study established that the appointment of a properly constituted Audit

Committee shall therefore be an important step in raising standards of corporate governance.The study also recommends that every director to be more clearly aware of their collective and individual accountability and liability in regard to their acts of commission and omission. The study established that there is a clear division of the roles CEO and those of the chairman of the BODs to ensure that a balance of power and authority is maintained, and that no one individual has unfettered powers of decision. Where these roles are combined, the reasons thereof shall be publicly explained. To improve on the competitiveness of the middle level colleges, the management of the institutions should ensure that they involve its employees on every aspect they intend to pursue in order to make them to feel part of the process.

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APPENDIX I: UNIVERSITY LETTER OF INTRODUCTION

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAMME

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 18/8/2015

TO WHOM IT MAY CONCERN

The bearer of this letter OMASETE WILLIAM SCOUT

Registration No. D61/60603/2013

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

UNIVERSITY OF NAIROBI
18 AUG 2015
P.O. Box 30197 – 00100, NAIROBI

PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS

APPENDIX II: RESEARCH QUESTIONNAIRE

This research is meant for academic purpose. The objective is to find out the Corporate Governance practices in middle level colleges in NCBD. I will kindly appreciate if you could fill the following questionnaire. All the information obtained in connection with this study will remain confidential. You are not required to write your name nor that of your company anywhere on this questionnaire. The questionnaire has eight questions. You are requested to answer them to your best.

Job title…………………………………………………….

1. What is the Ownership structure of your college? (Kindly tick one below)

a) Sole proprietorship [ ] b) Partnership [ ] c) Limited liability company [ ] d) Others (please specify [ ]

2. What is the size of the BODs? (Please fill in figures) …………….

3. What is the gender composition of the BODs?

Male	
Female	

4. What is the average highest level of Education of the BODs (please tick as appropriate)

a) Certificate [ ] b) Diploma [ ] c) Degree [ ] d) Masters [ ]

e) Others [ ]

5. What is the average working experience of the BODs (Please tick as appropriate)

0 – 5 Years	
5 – 10 Years	
10 – 20 Years	
20 – 30 Years	
Above 30 Years	

6. Independence of Directors

(Please tick as appropriate)	Yes	No
The board is involved in the appointment of Directors		
Directors understand extent of their personal liability to entity's affairs		
Is there a formal and transparent process for appointing and removal of Directors?		
Does the Institution have any kind of mechanism for rotating Directors?		

7. The Audit Committee

(Please tick as appropriate)	Yes	No
Is there an independent audit function within the institution?		
The board has established and appointed an audit committee		
The Audit Committee focuses on improving the institution performance and competence		
The Audit Committee is adequately resourced and has adequate techniques for fraud prevention		
The Audit Committee is independent, completely and complies with the conventional audit guidelines and best practice		
The Audit Committee is expected to oversee Corporate Governance financial reporting, internal control structure, internal audit functions and external audit services.		
The Audit Committee participates in evaluating performance and recommending changes to improve operation efficiency of the institution.		

8. **The Duality of the CEO**

(Please tick as appropriate)	Yes	No
The performance of the CEO is evaluated annually		
The CEO is the chairman of the BOD		
The role of the CEO and that of the chairman of the BOD is separated and held by different persons		
There is an established clear job description for the board chairperson and members which is different from that of the CEO and management team		
Separating the roles of CEO and chairperson of the BOD potentially leads to confusion and lack of clarity, both internally with employees and externally with other stakeholders		
Separating the CEO's and chairperson's roles doesn't necessarily guarantee a strong monitoring function. If the collective board is otherwise weak		

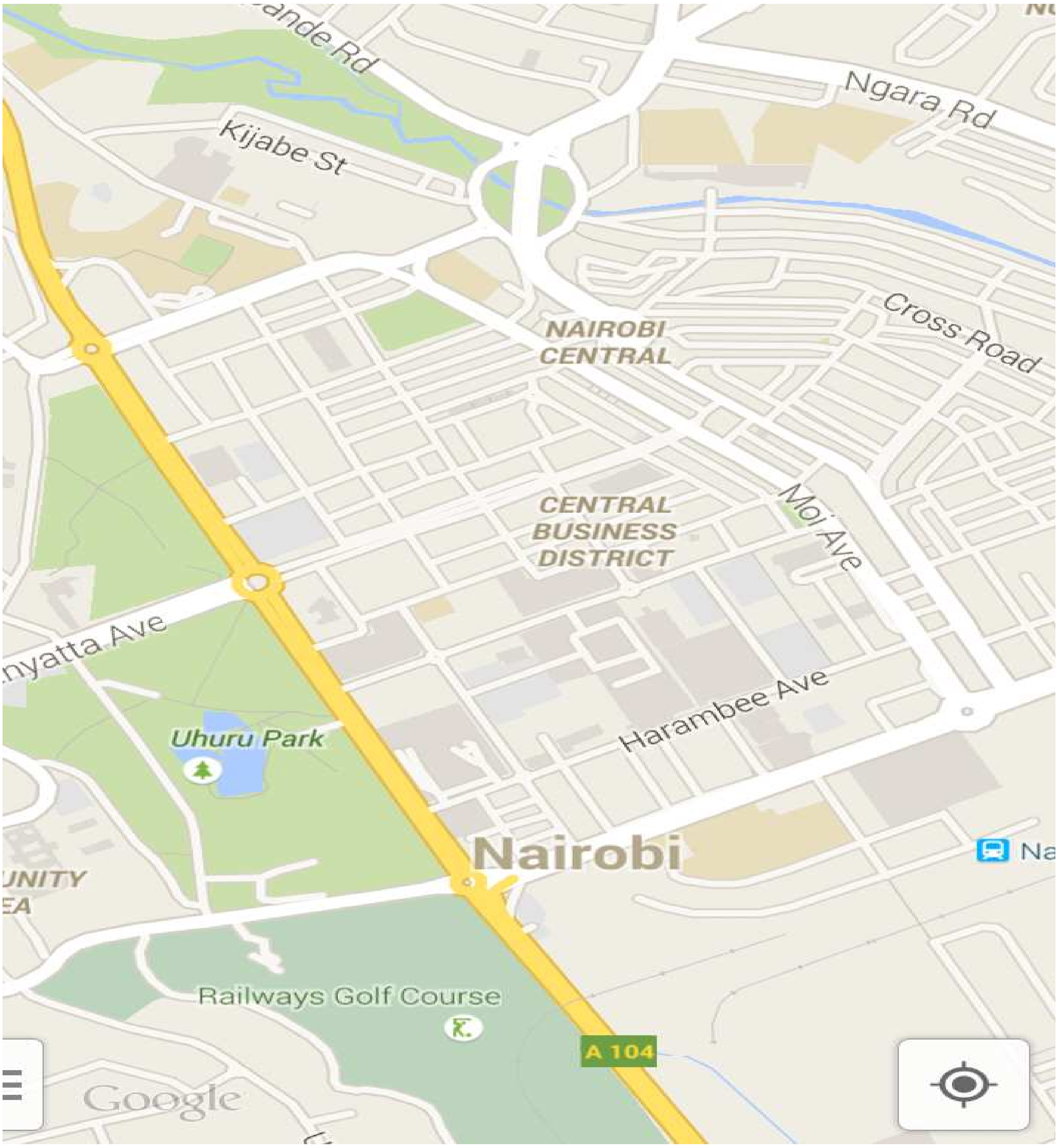
APPENDIX III: LIST OF SAMPLED MIDDLE LEVEL COLLEGES IN NAIROBI CENTRAL BUSINESS DISTRICT – KENYA

1. Academy of Professional Studies - Lakhamshi house - Moi Avenue
2. Africa Institute for Higher Technical Training & Research – Haile Selassie
3. Air Travel & Tours Training College - Kenya Cinema Plaza- Moi Avenue
4. Andrew Hardy Academy ltd – City Square
5. Arena Arts Multimedia College - Biashsara Street
6. Bell Institute of Technology - Asili Cooperative House - Moi Avenue
7. Blanes College - Electricity House - Harambee Avenue
8. Causeway Institute of professional Studies – Yala Towers – Biashara Street
9. Centre for Accountancy and Business Management (CABM) -
10. Centre for Professional Language - Gilfilian House - Kenyatta Avenue
11. Computer Aid International - International House - Mama Ngina Street
12. Computer Training Centre - Kimathi House - Kimathi Street
13. Data Centre ltd - Caxton House - Kenyatta Avenue
14. Dominion Computer College - Information House - Mufangano Street
15. Dreamline College - Ambank House - University Way
16. East Africa Institute of Certified Studies - Lengo House- Tom Mboya Street
17. East Africa Institute of Information Studies- Kenbanco House-Haile Selassie Ave
18. East African School of Business – I&M Building – Kenyatta Avenue
19. East Africa School of Management - Commonwealth House - Moi Avenue
20. Easton Training Institute - Church House - Moi Avenue
21. Edmas College - Impala House -
22. Excel Institute of Professionals - Murathe Plaza -
23. Fourth Dimension College - Sonalux House - Moi Avenue
24. German Institute of Professional Studies- Park Plaza- MoktaDaddah Street
25. Goethe Institute, Nairobi - Maendeleo House -
26. ICE Training & Consultancy Ltd - Queensway House - Kaunda Street
27. Infotech Training Centre - Finance House - Loita Street
28. Institute of Advanced Technology – Loita House – Loita Street
29. Institute of Applied Studies & Research- Corner House - Kimathi Street
30. Institute of Human Recourse Management-National Bank Building Harambee Av
31. Institute of Petroleum Studies – Tumaini House – Moi Avenue
32. Institute of Software Technology – Anniversary Towers – University Way
33. Intraglobal Training Institute – Commonwealth House – Moi Avenue
34. Job Institute of Management – Utalii House – Utalii Street
35. Kamata School of Music – Woodland House
36. Kenya College – MuljiJetha Mansion House – Latema Road
37. Kenya College of Distance Training – Aush Plaza – Kigali Lane
38. Kenya Institute of Bankers – Lyric House
39. Kenya Institute of Development studies – Tumaini House – Moi Avenue
40. Kenya Institute of Finance & Applied Management – Lyric House
41. Kenya Institute of Professional Counseling – View Park –
42. Kenya Institute of studies in Criminal Justice – City Hall Annex
43. Kenya Institute of Supplies Management – Cambrian Building

44. Kenya International Institute of Business Studies – Latema Road
45. Kenya School of Credit Management – St. Georges House
46. Kenya School of Technology Studies – Accra Trading Centre – Accra Road
47. The KIM School of Management – Town Campus – Emperor Plaza
48. Kiwan Computer College – Uniafric House – Koinange Street
49. Logical school of Professional Studies – Mitihani House – Mfangano Street
50. Loita Institute for Finance and Technology – Ambank House – University Way
51. Magenta Training institute – Giwa House – Moi avenue
52. Nairobi Aviation College – Uchumi House – Aha Khan Walk
53. Nairobi Institute of Computer Science – Co-op House – Haile Selassie Avenue
54. Nairobi Technical Training School – ICEA Building – Kenyatta Avenue
55. Orbit School of Management Studies – Agriculture House – Harambee Avenue
56. Pinnacle School of Business – Guilders Center – Moi Avenue
57. Project Management Institute – Uniafric House – Koinange Street
58. Premese Africa Development Institute – Vision Plaza –
59. Regional Aviation Training Institue – Reli Coop House –
60. Regional Institute of Business Management – Pioneer House – Moi Avenue
61. Riccatti Business College of East Africa – Agriculture House – Harambee Av.
62. Rocky Computer College – Cargen House – Harambee Avenue
63. Skynet Business School – Jamia Towers – Muranga Road
64. Tazama Tutorial college – Jamia Towers – Muranga Road
65. Techno Brain (k) Ltd – Fedha Towers – MuindiMbingu Street
66. Times Professional Institute – Commerce House – Moi Avenue
67. Wisemen Training Consultants Ltd – Union Tower – Moi Avenue

Source: www.kenya-schools.com (Kenya Education Directory – 2013)

APPENDIX IV: NAIROBI CENTRAL BUSINESS DISTRICT MAP



Source: www.googles.maps