# EFFECT OF FINANCIAL LEVERAGE ON FINANCIAL PERFORMANCE OF INVESTMENT FIRMS LISTED AT NAIROBI SECURITIES EXCHANGE

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A RESEARCH PROJECT PRESENTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

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# DECLARATION

I pronounce that this project I personally developed it and is not a copy of any other work submitted to any institution for assessment.

Signature............................................................        Date................................

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**D61/67070/2013**

As the University Supervisor, I approve that the research project has been submitted for examination.

Sign......................................................        Date..............................

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# DEDICATION

I dedicate the project to my lovely wife, Sarah Nooria, and my children, Maxwell Sinkeet, Janice Naisoi and Mellanie Timantoi, who encouraged and given me support throughout the process. I will always appreciate them.

# ACKNOWLEDGEMENT

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**NPM**        - Net Profit Margin

**ROA**        - Return on Assets

**ROE**        - Return on Equity

**SPSS**        - Statistical Package for Social Sciences

# ABSTRACT

Despite the growth in the Kenyan banking sector, financial leverage remains a major factor of financial performance. The choice of debt financing by investment firms listed at NSE can be advantageous or can lead to financial distress depending on how the finances are utilized by the finance managers. Prudent allocation and use of the borrowed funds lead to improved financial performance. This investigation tries to address the impact of leverage on performance of investment firms in listed at NSE using net income, total assets, total liabilities, current assets and current liabilities from 2009 to 2018. Central Bank of Kenya, CMA and financial statements and annual reports for individual investment firms were the key data sources. Descriptive statistics and correlations between the factors were done. ANOVA and F-test at 5% level of significance level was utilized to decide the regression model significance while adjusted R-square, was utilized to establish the degree of variability in financial performance explained by size of firm, leverage, and liquidity. The study results revealed performance of investment firms listed at NSE is significantly influenced by financial leverage. Therefore, investment firms should select a composition of debt and equity finances so as to adjust the cost and benefit of debt. This is because at disequilibrium a levered firm may appear to have a higher value which will not persist for long at this firm and the levered firm is overvalued and therefore the investors in this company will attempt to make switch from a levered firm to unlevered firm.

# CHAPTER ONE

# INTRODUCTION

## 1.1 Background of the Study

Financing choice among the focal parts of business choice initiative. It is logically wanted to different capacities that help chiefs on figuring out where, how and when to obtain assets to address adventure needs of the firm (Zhao & Wijewardana, 2012). As showed by Nyamita (2014), the choice on subsidizing of a firm is incredibly imperative. Leverage has been acknowledged to have prominent implications for associations to the degree at which its activities are included. Financial leverage can initiate better performance of an organization and extension just as its failure. Therefore, an organization's financial managers got to be cautious while settling on financial decisions. Financial leverage utilized by investment firms is normally anticipated to acquire more to the extent at which fixed costs on funds is concerned as opposed to costs. Financial leverage encompasses variabilities of stakeholders' income considering progress in working advantages which come about as a result of financing an organization's assets with preference to debt or stocks (Aliu, 2010).

The Pecking Order Theory by Majluf and Myers (1984) proposes that associations always lean towards inside sources of financing to outside sources. The trade-off theory additionally elucidates that perfect liability financing level of the businesses is developed by a balance of costs and benefit. That is between the benefits of borrowing and costs (Black & Sholes (1974). According to Jensen and Meckling (1976) theory of agency, high obligations gives support to executives, consequently it is associated with improved

monetary execution. According to Gill and Mathur (2011) when an association invests in the market that it expects positive cash inflows forthcoming it offers liability. This thus provides the managers assurance of receiving positive cash flows in future for enhanced planning.

The usage of liability is useful to a firm as loan profits are not taxed and that might cause increasing firm value. Liability financing has critical advantages important to the firm. Such benefits may consolidate reserve resources on tax, decline of costs recognized with agency and various expenses like money related issue which accompanies usage of obligation financing (Raza, 2014). Nawaiseh (2015) conveyed that the existence of the firm and its coherence frequently rests on its performance; particularly, its productivity which might be powered by compelling leverage. Further, the management can resolve to choose decisions which end in under-investment in its working capital due to liquidity problems. Abubakar (2015) resounded comparative assessments by stating that a developed potential return to investors is recognized once financial leverage is availed however, in case the venture winds up unusable possible failure is also higher, loan principal and accrued interests on credits essentially need to be repaid.

### 1.1.1 Financial Leverage

Miller (1958) defines leverage as that fraction of liability in the firm's capital structure. A highly geared firm has more obligations  than equity in its capital composition. Leverage can be determined by the debt ratio. The capital blend can affect ultimate value of the firm either negatively or positively. Generally, the utilization of debts in capital structure increases leverage in light of the interest tax shield.  The utilization of obligations in the capital structure does not change risk perceptions of investors thus cost of debt remains

constant. High amounts of debt normally attract high-interest rate which can adversely affect the operations of a business entity which can lead to financial distress. However, prudent use of debt can increase the returns to the shareholders, it is believed that high-risk high return hence increased profitability which will eventually have the positively contribute to financial performance changes.

Financial leverage resembles a credit acquired from a monetary organization by the firm with an unmistakable goal of using assets in progressively significant way, for instance, the income from the venture is higher than loan fees (Abubakar, 2015). A company can apply debt and equity mix with the objective of accomplishing propelled continues for fixed costs assets than their costs (Enekwe, Agu & Eziedo, 2014). The venture's profits of the investors can be stretched out by monetary control which by and large produce comes back to the level that toll forced is worried on obtaining. Along these lines, the choice of money related control is chief as firms can use a particular equity-debt blend to finance their activities like speculation adventures or general tasks (Gill and Mathur, 2011).

Debt-equity blend largely is on the liability used for the organization's resource structure. It surfaces as a fixed firm's monetary cost. It has a fixed binder of interest payment. Two distinct results are conceivable by the utilization of financial leverage, either affirmative for example, boosting the benefit or harmful for instance, minimization. The organization is prone to risk in view of great obligation stages which ought to be reimbursed at a charge (Al-Otaibi, 2013). Organizations use financial leverage so as to expand their profits on ventures. Over dependence of leverage can be a calamity if not very much managed.

**1.1.2 Financial Performance**

Financial performance is how well a firm uses its assets to generate revenue. One way to calculate performance is by use of ratios compared from one year to the next which helps identify strengths and weakness of a firm. According to (Yahaya & Lamidi, 2015) a firm's value highly depends on how well it designs and implements its financial framework. Efficiency and effectiveness of a firm's operations, financing and investing activities is clearly depicted in its high performance (Kajirwa (2015).

Financial statements provide information to management, investors and creditors on the available assets, how they are financed and how the company uses the assets to generate revenue (Omondi & Muturi, 2013). Financial statements give the quantitative information related to operation which highlights profitability and performance of a firm. This information is always subject to analysis and interpretation (Nyamita, 2014). The analysis assesses the firm's profitability, liquidity, operation and risk (Maghanga & Kalio, 2012). Financial performance is measured using absolute and relative measures such as earnings before tax, return on investments, return on assets, profits and return on equity. Measures frequently used include ROE and ROA (Dufera, 2010). ROA will be applied in measuring financial performance in this study.

**1.1.3 Financial Leverage and Financial Performance**

There are different precise and hypothetical clarifications of the manner in which leverage and profitability are connected. Speculatively, the Pecking Order Theory contends that associations have a request for tendency on financing. The request for financing depends upon cost identified with the accessibility of such reserve types (Mule & Mukras, 2015).

The Modigliani and Miller theory (1958) confirms that in an ideal market, affiliation's value isn't impacted by the benefits structure mix of commitment and worth. A Trade-off speculation recommends optimal connection of capital is fundamentally developed once the cost of commitment financing is balanced by strategies for the associations' commitment central focuses (Raza, 2014). Organization proposal strengthens that impact can be used as a response for any affiliation matter that may develop (Jensen & Meckling, 1976).

Abubakar and Hafafari (2016) did leverage contribution to firm's performance changes. The investigation showed that leverage significantly contributed to the changes on company's performance. Subsequently, investigation inferred that organizations with advanced obligation levels are more beneficial than those at lower obligation levels. Funguni (2015) did contribution of financial leverage on changes in financial performance and discovered there is an affirmative association between liability equity ratio, sales growth, assets' profit and performance. Also, performance is inversely related with liability equity ratio, net revenue, yield on equity and income per share.

**1.1.4 Investment Firms in Kenya**

An investment firm carries out banking activities which are not classified as commercial banking. According to market line industry profile (2015) publication, investment firms are basically involved in security writing which is the process of investment firms buying securities from the issuer and resale to final investors. Investment firms issue securities for example debt and equity, in financial market which help firms to raise funds. Investment firms support the transaction by scrutinizing financial information and business claims, performing due diligence and above all evaluating pricing cases. Through securitization

process, an investment firm assists firms to use their assets such as loans to issue debts (CMA, 2018). The fees and commissions charged by investment firms for providing advisory services and other financial transaction services are the main sources of their profits. Another revenue generator is proprietary trading, although this is by definition not a customer-facing role.

Investment firms are regulated and registered by NSE in Kenya. NSE is a body corporate set up under the companies Act and it comprises licensed stock brokers as the shareholders while NSE is publicly listed, it is mandated to facilitate and supervise transactions carried out by investors and supervise transactions carried out by investors of the registered investment firms and companies. Another player in the Kenyan Capital Market is the Capital Markets Authority. Formed in 1989, CMA is charged with the role of regulating and licensing capital market players such as stock brokers, the securities exchange and the listed entities. As at 31st December 2018, there were 975 investment firms in Kenya across 10 sectors (CMA, 2018).

Generally, investment advisory services are dominated by large corporates which can afford to hire advisor experts in several fields. Investment industry competitors include the stock specialists and other significant commercial banks. The foreign investment firms are well developed posing a stiff competition to the local investment banks.  Some of the major investment firms in Kenya include; Centum Investment Limited, Home Africa Limited, Kurwitu ventures, Olympia capital holdings and trans-century limited. Unlike in industrialized economies where Capital Market systems are relatively elaborate effective and quite competent, the Kenya Capital Market is still immature on most fronts. To increase on the value of these firms, whenever they are in need of additional debt, capital,

they naturally subscribe to commercial bank loans as their main source of debt finance. Most of investment companies in Kenya are funded by a combination of liability and equity. Bank loans in Kenya are however characterized with significantly high interest rates regime which further strains the firms. Despite that, the value of investment firms in Kenya has greatly improved and this is evident from the improved share prices of these companies.

## 1.2 Research Problem

Leverage and money related execution are chief issues in business fund (Aivazian, Ge and Qiu, 2005). As indicated by the Pecking Order Hypothesis, a perfect capital course of action is resolved by means of examination investigation on the advantages of acquiring and costs, holding association's assets and speculations plans consistent. Jensen and Meckling (1976) presumed that monetary influence impacts the assets structure of the firm in that it affects executives' monetary choices and hence the decisions take a resulting influence on the financial performance. Modigliani and Miller (1958) theory in contrast contends that the firms' value is just dictated by actual assets level and not equity and liability in their capital arrangement. Subsequently, there is no concurred hypothetical argument on the influence of leverage and financial performance leading to an uncertain riddle.

In Kenya, several investment firms have experienced improved financial performance though others have encountered deteriorating affluences which has been ascribed to the manner in which investment firm managers' lack sufficient skills required to achieve best financing choices (Ayako, Kungu & Githui, 2015). As per Mwangi, Makau and Kosimbei (2014), most fall of various investment firms in Kenya has been a direct result of financing issues or firms' conduct.

The association among leverage and firm's performance with the basis of finance has been analyzed severally with different conclusions. Empirical investigations by (Emkwe, 2013) explored the influence of leverage on efficiency of Nigerian commercial banks. The investigation found that leverage insignificantly contributed to improvement of commercial banks productivity. According to Bakir (2015), the financial leverage had a negative influence on the firm's values. The findings of Rutherford (2010) indicate that Japanese firms relied heavily on debt financing while US and UK firms' value of their respective firms greatly improved. Another study by Roy (2014) did leverage and profitability for Saudi pharmaceutical firms and concluded financial leverage and profitability are inversely related.

In Kenya, Kenga (2016) assessed impact of leverage on banks' profitability recorded at NSE and set up that, obligation financing in an associations' capital course of action undesirably affects profitability of the Kenyan banks. The open examinations on monetary influence unite both money related and working influence impact on the associations' budgetary exhibition. Along these lines, available literature on the leverage and performance of firms in Kenya is flawed. In this manner, this investigation tries to address the examination question: how does leverage contribute to performance of investment firms in listed at NSE?

**1.3 Objective of the Study**

To determine impact of financial leverage on financial performance of investment firms listed at NSE.

## 1.4 Value of the Study

The results will be reference for forthcoming investigators, scholars and students pursuing to embark on studies on the same or almost related area. The specialists and researchers may likewise will find it useful as a distinguishing proof of additional study areas and linked areas by indicating topics that want additional research and going through present experimental literature to find study gaps.

This present investigation's revelations will benefit government and other system making bodies as a measuring stick for improvement approaches readiness identified with the division in the economy. The administration will profit by the finishes of this investigation as it will be taught through understanding the association of leverage and endeavor firms in Kenya. The study could also assist the economic policy developers to gain insight into the operations of investment firms and offer a concrete reference for the formulation of new wide-reaching policies that could enhance the performance of the firms.

The investment firms in Kenya will benefit from the study on determining the key performance factors for consideration to spur their success in a fiercely competitive business condition. The success factors can be used by like-minded organizations to ensure success of their organizations.

# CHAPTER TWO

# LITERATURE REVIEW

## 2.1 Introduction

The section explores theories and experimental works on firms' financial performance, financial performance determinants, conceptual framework and ends with a literature review summary.

## 2.2 Theoretical Review

This examination will be based on three philosophies which are identified with financial performance and they incorporate; Pecking Order Theory (Myers, 1985) which argues that organizations are incline towards internal sources of assets to external sources of funds; trade off theory (Black and Scholes, 1974) posits that organizations will choose a blend of debt and equity finances in order to regulate the cost and advantages of liability and Modglian and Miller (1958) which expresses that market estimation of any firm is independent of its capital arrangement.

## 2.2.1 Pecking Order Theory

It is based on the financing decisions by firms. The theory argues that firms always select internal sources of financing. A typical firm would always follow a particular order of financing starting from internal finances to external finances (Myers & Majluf, 1985). Firms are inclined to retained earnings as compared to debt. Some firms also choose the short-term debt due to their short-term repayment period compared to long term debt which

takes a longer period of time and they tend to attract more finance costs in terms of the interest payments. The non-issuance entities are a good tool for information asymmetry.

This means that issuance of equity can be costly as information asymmetry between insiders and outsiders rise (Pandey, 2005). When companies are in need of external financing, the option they have is to issue the securities that are very safe in the market which implies that they start the debt securities and the equity qualifies to be the last resort pecking order theory appreciates a hierarchy of financing and any business entity always tries to use the internal sources when they are readily available compared to external sources.

Held income is typically given first need amid funding since it is viewed as best safe by organizations. The pecking order theory has been criticized severally, as per the Basikin (2001), the theory depends on the overall funding expenses of an organization whereby organizations will dependably must utilize the financing model with insignificant expenses to maximize the worth of the organizations at the expense of other components which influence the firm, for instance the impact of macroeconomic factors. The theory is applicable to this study as it reveals more insight into the significance of inner financing as opposed to outside financing.

Desai (1990) disapproved the pecking order theory founded on the fact that the idea is grounded on the expenses of acquiring funding and tends to ignore factors which are likely to affect the choice of financing by various firms. The factors include, the government policy, the interest rates and the relationship between the borrowers and the lenders. Based on this theory, the decisions made by companies should be done with some level of

expertise, and this requires effective financing decisions. The practices will enable the companies to be able to manage their finances effectively. Hence the theory's implication is that through understanding the effectiveness of financial leverage, they may able to minimize any risks in order to rise the financial performance.

**2.2.2 Trade off Theory**

This concept was established by Black and Sholes (1974). This theory clarifies differences among cost of money related to debt and imposed tax benefit linked to the usage of debt in the capital arrangement. It recommends that business trades off a number of aspects including exposure of the organization's insolvency and activity cost against interest tax shield benefit. In this way the last capital arrangement adopted by the organization is a trade-off between advantages and expense. This imply that there is a target of optimal liability to equity ratio.

This idea of capital structure forecasts that the company will select a mixture of liability and equity finances so as to stabilize the charge and advantage of debt. Therefore, the ideal capital arrangement will be where the advantage is maximized and the cost minimized. The theory assumes the existence of advantages associated with leverage and the resources combination applied till the attainment of an ideal capital arrangement. A high level of obligation in business entities is very risky since the investors will not be interested in such a venture. However, researchers are trade off theory concluded mixed results. A research by Titman (1990), affirms that the most cost-effective firms are likely to source funds externally lower the real trade-off forecast that the greatest profitable firms ought to go for additional debt so that tax obligations are reduced.

### 2.2.3 Modgliani and Miller Theory

Franco Modgliani and Merton Miller (1958) investigated capital arrangement and made several propositions. At the onset, they found that the traditional perspective unacceptable in port because it seemed unsupported by the theoretic frameworks. In particular, they found little reasons apart from some marketing perceptions which they seemed to have an influence on the firm's capital arrangement and hence altering firms' value. After all, neither the earnings streams nor the inherent risk could alter the value because it would remain the same under the same industries. The capital structure changes will have no impact on the current market worth of the firm.

Modglian and Miller (1958) concluded that at equilibrium point the market worth of a levered firm shall equal to the unlevered firm's market worth. A levered firm is a firm which is financed using a blend of both equity and liability capital. A leveraged firm must have liability finance in their capital structure, unlevered firm lack liability finance in their capital arrangement which means it's financed solely by equity.

At disequilibrium a levered firm may appear to have a higher value which according to MM will not persist for long at this firm and the levered firm is overvalued and therefore the investors in this company will attempt to make switch from a levered firm to unlevered firm. Such investors will sell shares of a levered, borrow an amount which is equivalent to the amount which the management of the firm had borrowed on his behalf and then invest the entire cash proceeds in the levered firm. As investors attempt to make a switch from a levered to an unlevered firm the levered firm's market value will come down to equilibrium point where the levered firm's market worth shall equal to unlevered firm (Modglian and

Miller, 1958). Cost of Capital and the worth of the firm do not change with a change in leverage. Any firm's market worth is independent of its capital arrangement.

## 2.3 Determinants of Firm Value of Investment Firms

Cost of capital and firm's worth do not change with a change in leverage. Any firm's market worth is independent of its leverage, profitability, liquidity and firm size.

### 2.3.1 Leverage

The meaning of leverage is the percentage of liability to equity funds of a firm. There have been point by point impacts of the two on the resources cost and the firm's worth (Pandey, 2007). The monetary performance of a specific organization is dictated by the due obligation of a similar firm. Jensen (1986) contended that the moral hazard conduct is diminished throughout financing by decreasing income at the managers' disposal hence expanding the pressure to perform and this enhances the performance of the firm monetarily.

Thus, firms with high leverage are in great position to fiscally perform better. Recent researches have concentrated on the linkage between leverage and performance of the firm and came to conclusion that high leverage diminishes the conflict amongst managers and shareholders leading to increase in performance and eventually a positive relationship develops.

### 2.3.4 Profitability

The value of a company is significantly determined by its profitability. Higher profitability indicates the company is financially stable and can finance its operations without

depending on leverages. According to the pecking order hypothesis, organizations with good monetary performance have high profits hence there is an undesirable link between profitability and leverage. Further, bankruptcy and agency costs have a direct relationship with leverage since increase I leverage leads to increase in agency and bankruptcy costs. In addition to leverage, the firm size and industry type are other moderator variables which influence profitability of a firm. Increased profits imply increased earnings to be shared among the shareholders hence increasing the firm value (Yang et. al, 2010). High returns on investment are an indicator of efficient management of firm values as well as key performance indicator of firm value.

### 2.3.2 Liquidity

Liquidity estimates the degree to which assets are exchanged at the market with no impact on the cost of the asset. The survival of any business entity depends totally on liquidity. The success of any business element depends completely on liquidity. It is the obligation of the management to guarantee that the funds are accessible on request. Along these lines, the administration has an obligation to address the accompanying inquiries. How much liquid money ought to be kept up, at what time will the organization need this money, how economic is it to keep up that level of liquid money and how safe is this money at the institution or when cash is being transported.

Theories have been developed to explain these inquiries. However, in the present period of innovative headway and the dynamic financial patterns, we too need to think of better counter measures, which will suit these rising issues in the corporate world. At the point when a business entity has enough liquid assets, it is normal that the financial performance is better contrasted with a business element with insufficient liquid assets on the grounds

that the latter can't figure out how to realize cash when in need to cater for the obligations and is thus exposed to liquidity risks. Thus, liquidity affects the financial performance (Gibbs, 2007).

### 2.3.3 Firm Size

The size of an organization influences monetary performance. (Mathur& Kenyon, 1997) in their studies they concluded that big firms have a better chance to access finances compared to the smaller firms meaning when the organization is large it generates more revenue hence being in a better and stable financial position. With their big size they are also able to vary their supposed risks effectively and react faster to any changes in the operating environment and market. On the contrary smaller firms generates smaller revenue hence making the firm's financial position not to be stable and hence unable to access the financial resources and lower cost hence low prices of the shares.

Some prior findings by (Batra, 1999; Lumpkin &Dess, 1999) indicated that time of life of the organization influences its financial performance and (Sorensen & Stuart, 1999) on their findings they concluded that firms that are old tend to be slow and they have old technology and not flexible making them difficult to adapt the market and new market and competition from new firms. On the other hand, new firms that are small take away the market share because they are aware what is happening to the market and what is exactly needed hence making them easily adjustable despite of the challenges as limited access to finances. Old firms tend to relax because they think they have won the market hence losing the market since their services and goods are old.

## 2.4 Empirical Review

Petit (2016) observed the contribution of leverage on the cost-effectiveness of pharmaceutical companies in UK between 2010 and 2015. 103 pharmaceutical firms were chosen from 314 pharmaceutical firms. The study utilized the secondary data for analysis. The examination likewise used several regression models to demonstrate the association among the study variables. The research technique was proper in this study. He inferred that leverage did ha insignificant effect on the cost-effectiveness and general worth of the pharmaceutical companies in UK.

Akrir (2016) did the influence of leverage on firm's profitability in India. 300 firms were targeted. Due to time and resource constraints, a sample of 215 firms was chosen for the study. To test for the degree of relationship, a regression was used in the information analysis. The methodology used was well organized. The investigation showed that monetary leverage had a critical direct link to the company's performance. Subsequently, it was inferred that organizations with higher obligation level are more beneficial than the less levered.

Jamal (2014) investigated the influence of leverage on productivity of Indonesia banks. A sample of 23 commercial banks was utilized for analysis from a population of 47 commercial banks. The research entirely used secondary information for analysis obtained from the central bank of Indonesia. The investigation revealed that leverage had an undesirable influence hence low liability ratios improve commercial bank productivity.

Bakir (2014) did leverage's contribution in changes on firms' performance in Tehran stock trade. Due to time and resource constraints, 215 firms were chosen for the study. To test

for the degree of relationship, regression was employed in the analysis. The methodology used was well structured. The study found that there exists a negative connection between leverage and free income per share yet the study also found a significant positive association with return of value.

Another study by Roy (2014) looked at the effect of financial leverage and profitability in Saudi pharmaceutical firms. 340 pharmaceutical firms were considered however just 152 firms were chosen as the sample. The study utilized the secondary information which was promptly accessible from the sites of the firms. Likewise, the study utilized linear regression model which was well organized and efficient. From the investigation, he concluded financial leverage and profitability have an inverse association.

Galpin (2014) evaluated debt financing and value of the pharmaceutical firms in Peru. The time of study was from 2000 to 2010. 258 pharmaceutical firms were considered but only 98 firms were selected. The study also utilized the secondary statistics which was promptly accessible from the sites of the firms. From the study, he concluded long-term liability was significant determinant of the firm value.

Kimani (2017) focused leverage financing and value of insurance companies in Kenya between 2010 and 2016. 8 insurance companies were selected from the population of 63 insurance corporations. Information was acquired from the printed reports of the companies for analysis. The study also utilized simple linear regression model for analyzing results. An appropriate methodology for the study was used. The study established that leverage financing contributed insignificantly to the value of the firms.

Kenga (2016) evaluated influence of liability on performance of Kenyan banks listed at NSE. Financial reports for the relevant banks were the sources for secondary statistics. Twenty-three (23) banks out of a total population of 43 banks were sampled. Regression model was utilized for analysis. The study established that, liability use in an organizations' capital arrangement had an undesirable impact on Kenyan commercial banks performance.

Mwake (2016) evaluated how financial leverage contributed to changes in profitability of non- listed banks. Half of the targeted population (20) non listed commercial banks formed the sample. Analysis utilized a simple linear regression model in the survey with variables being; sales growth, debt and equity ratio for the period 2009-2015. He discovered the existence of a direct connection among the growth of sales, liability equity ratio and profit and an indirect association among liability equity ratio, return on equity, net revenue, and income per share.

Oduor and Mutisya (2015) did leverage financing and performance of firms in NSE in the range of 2010 and 2014. The example was 14 organizations out of the 53 recorded organizations. The investigation relied upon data available on website. The examination utilized a numerous relapse model. The decision of the factors was alright. The examination inferred that influence altogether influenced the value of organizations at the NSE.

Kamau (2014) evaluated long-term debt and value of insurance companies in Kenya between 2010 and 2013. A sample of 18 insurance companies was identified for analysis from a population of 34 insurance firms. The research majorly relied on secondary information for analysis and it was acquired from the insurance regulatory authority. The study utilized linear regression analysis. The period of the investigation was short hence

study not conclusive. The study concluded that the use of liability financing significantly influenced their profitability positively.

From the findings of the studies, researchers arrived at different outcomes on the influence of leverage on the firm's values among different business entities surveyed. Some studies concluded that leverage indeed improved the value of their entities. Some studies however, proved that leverage was insignificant on the firm values. Therefore, this investigation is carried out to unearth the truth on financial leverage contribution on performance changes for firms listed at NSE.

## 2.5 Conceptual Framework

For this study, independent factor is financial leverage while firm size and liquidity are the intervening factors and the dependent variable is financial performance. Figure 2.1 below shows the conceptual framework.
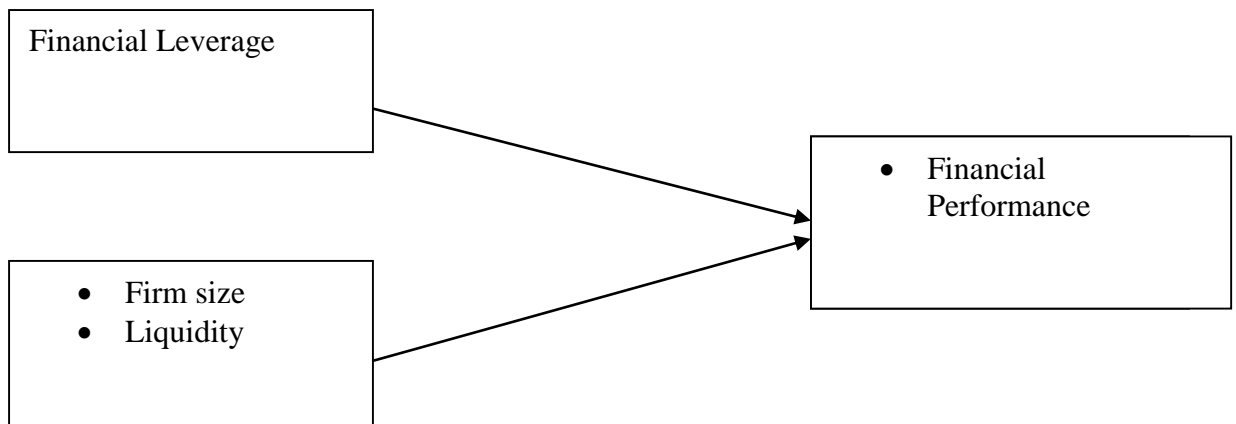


**Figure 2.1 Conceptual Framework**

**2.6 Reserch Gaps**

From researches reviewed, period of study was short in some studies, some studies lacked the analytical model. The study also concluded that there are no conclusive findings as most researches have been carried out in top nations whose markets developed markets. The relevance of financial leverage has not been fully researched with regards to investors and in spite of a several studies, the actual linkage between financial leverage and financial performance as inconsistent. A few investigators have confirmed a direct association while some have confirmed a negative linkage with some studies not conclusive. These inconsistencies in the outcomes call for a more conclusive review.

**2.7 Summary of the Literature Review**

The following theories were reviewed in this study. Pecking order theory (Myers, 1985) which claims that organizations tend to choose internal sources of assets over external sources of funds; trade off theory (Black and Scholes, 1974) posits that organizations will choose a blend of liability and equity finances in order to adjust the cost and advantages of liability and Modglian and Miller (1958) which expresses that market estimation of any organization is independent of its capital arrangement.

Empirical literature reviewed include the following; Petit (2016) studied the influence of leverage on the profitability of pharmaceutical companies in UK between 2010 to 2015; Akrir (2016) evaluated leverage contribution to firm's performance changes in India; Jamal (2014) did leverage and productivity of Indonesia banks; Roy (2014) looked at the influence of financial leverage and profitability in Saudi pharmaceutical firms; Galpin (2014) looked at the debt financing and changes in value of the pharmaceutical firms in Peru; Kimani (2017) focused on leverage financing contribution value of insurance

companies in Kenya between 2010 and 2016; Kenga (2016) evaluated influence of liability on performance of Kenyan commercial banks listed at NSE; Mwake (2016) observed the impact monetary influence on money related execution of non-recorded business banks; Oduor and Mutisya (2015) did leverage financing on the budgetary presentation of organizations recorded on the NSE somewhere in the range of 2010 and 2014 and Kamau (2014) assessed long term obligation and estimation of insurance agencies in Kenya in the range of 2010 and 2013.

It was noted that researchers arrived at varied outcomes on the influence of leverage on the firm values among varied business entities surveyed. Some studies concluded that leverage indeed improved the value of their entities. Some studies however, proved that leverage was insignificant on the firm values. The chapter finally covered the conceptual framework where financial leverage was the independent variable, size of firm and liquidity intervening factors and financial performance explained variable.

# CHAPTER THREE

# RESEARCH METHODOLOGY

## 3.1 Introduction

The chapter involves the study design highlighted section 3.2, the study population under section 3.3 and the procedure of collection of data under section 3.4., Section 3.5 makes discussions relating to the approaches of analyzing data.

## 3.2 Research Design

This involves techniques utilized to lead the investigation. This study utilized descriptive research design since it helps in the depiction of the problem under study. Descriptive research design is appropriate in acquiring data about the current status of variables of interest or conditions in a circumstance. It likewise includes the correlation which researches the connection between factors. This research design outlines the different factors considered.

## 3.3 Population

This is a collection of all things to be investigated Mugenda (2005). Target population for the study was 5 investment firms outlined in appendix I.

## 3.4 Data Collection

This examination relied on the secondary information from the published financial statements which were acquired from the Nairobi Securities Exchange and the respective investment firms' financial statements and websites because the secondary data was readily

available. Data was collected for a 10-year period from 2009 to 2018. Information collected included; net income, total assets, total liabilities, current assets and short-term liabilities

## 3.5 Data analysis

According to Mugenda (2005), examination of information is the way toward giving meaning and order to the data gathered. Secondary data was gathered and examined utilizing the descriptive statistics by use of averages.

### 3.5.1 Diagnostic Tests

The tests were done on the optional information so as to guarantee that suspicions are not disregarded just as test for ordinariness and multi-collinearity. Before information was examined, a typicality test was led utilizing skewness and kurtosis to decide the ordinariness of circulation of information in every one of the factors utilized in the examination. A multi-collinearity test was then completed to set up the presence of any likeness among the model determinants. Autocorrelation, kurtosis, skewness, relationship coefficient and Variance Inflation Factor (VIF) were utilized to test the presence of connection between the autonomous factors. A solid connection connotes a high level of closeness among the free factors. In like manner, nonattendance of multi-collinearity demonstrates a decent relapse model.

### 3.5.2 Analytical model

The model was of great importance in showing the direct correlation which exists in both the dependent and independent variables as outlined in the conceptual framework. The linear regression model took the following form:

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + e$$

Where Y is the firm's value measured by return on assets of the firm. $\beta_0$ Is the constant term of the equation. $\beta_1, \beta_2 and \beta_3$ Are the independent variables coefficients.

$x_1$ = Financial leverage measured by the total debt divided by the total assets.

$x_2$ = firm size calculated by natural log of total assets

$x_3$ = firm liquidity measured by current assets to short-term liabilities ratio

$e$ = the error term

### 3.5.3 Test of Significance

The F-test and t-test were utilized in testing the significance of both the model and free factors where suitable. T-test inspected the noteworthiness of the logical factors though the F-test tried relapse condition essentialness.

# CHAPTER FOUR

# DATA ANALYSIS, RESULTS AND DISCUSSIONS

## 4.1 Introduction

This section highlights analysis, results and discussion of secondary statistics used. During data analysis descriptive and inferential statistics were incorporated. Finally, an interpretation of the findings was given.

## 4.2 Descriptive Statistics

The variables analyzed here included ROA, leverage, liquidity and firm size. Descriptive statistics of variables under study were tabulated as shown below.

**Table 4.1 Descriptive Statistics Analysis**

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| ROA | 50 | 0.005 | 0.120 | 0.02600 | 0.017720 |
| Leverage | 50 | 0.190 | 1.930 | 0.80380 | 0.498142 |
| Liquidity | 50 | 0.012 | 1.658 | 0.56560 | 0.457873 |
| Firm size | 50 | 16.787 | 20.156 | 18.56664 | 0.894700 |

Based on the descriptive analysis, the minimum values of ROA was 0.005 and a maximum of 0.12, 0.026 as the average and 0.01772 as the standard deviation. The lowest leverage value was 0.19, the highest value was 1.93, mean 0.80380 and the standard deviation 0.498142. The minimum value of liquidity was 0.012 while the maximum value was 1.658. The standard deviation and average values for liquidity were 0.457873 and 0.5656 respectively. Firm size minimum value was 16.787, maximum value was 20.156 the

average was 18.567 and the standard deviation was 0.895 which shows very small variations.

## 4.2 Correlation Analysis

**Table 4.2: Correlation Matrix**

|  |  | ROA | Leverage | Liquidity | Firm Size |
|---|---|---|---|---|---|
| ROA | Pearson Correlation | 1 |  |  |  |
|  | Sig. (2-tailed) |  |  |  |  |
|  | N | 50 |  |  |  |
| Leverage | Pearson Correlation | -0.342 | 1 |  |  |
|  | Sig. (2-tailed) | 0.015 |  |  |  |
|  | N | 50 | 50 |  |  |
| Liquidity | Pearson Correlation | -0.210 | -0.039 | 1 |  |
|  | Sig. (2-tailed) | 0.144 | 0.789 |  |  |
|  | N | 50 | 50 | 50 |  |
| Firm size | Pearson Correlation | -0.062 | -0.386 | -0.285 | 1 |
|  | Sig. (2-tailed) | 0.671 | 0.006 | 0.045 |  |
|  | N | 50 | 50 | 50 | 50 |

The results of correlation analysis confirmed an inverse link between leverage and ROA which was significant since the correlation coefficient and P-values were-0.342 and 0.015 respectively. The findings showed further that liquidity was negatively linked to ROA and insignificant with 0.144 as P-value and -0.21 as correlation coefficient. Firm size was also negatively related to ROA with a coefficient of correlation -0.062 and 0.671 as a P-value higher than 0.05 hence the relationship is insignificant.

**4.3 Regression Analysis**

**Table 4.3: Model Summary**

**Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|------|----------|-------------------|----------------------------|
| 1 | 0.506 | 0.256 | 0.207 | 0.015779 |

The value 0.506 represents the correlation coefficient from the table above is which confirmed existence of a link between the variables of study. 0.207 as the adjusted R square value means 20.7% of the influence of organization size, liquidity and leverage is explained by the model.

**Table 4.4 Summary of One-Way ANOVA**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|-------|-------|
| 1 | Regression | 0.004 | 3 | 0.001 | 5.265 | 0.003 |
| | Residual | 0.011 | 46 | 0.000 | | |
| | Total | 0.015 | 49 | | | |

The significance value was 0.003 which is below 5% significance level thus indicating general significance of the model.

**4.4 Regression Coefficients**

**Table 4.5 Regression Analysis**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | | |
|---|---|---|---|---|---|---|
| | | **B** | **Std. Error** | **Beta** | **T** | **Sig.** |
| 1 | (Constant) | 0.173 | 0.056 | | -3.061 | 0.004 |
| | Leverage | -0.017 | 0.005 | -0.487 | -3.478 | 0.001 |
| | Liquidity | -0.013 | 0.005 | 0.326 | 2.420 | 0.020 |
| | Firm size | -0.007 | 0.003 | -0.342 | -2.346 | 0.023 |

The regression equation above established that, with no change in independent variables, 0.173 would be the value of return on assets of investment firms. Increasing leverage by one unit would cause 0.017 units reduction in returns on assets. Increase in liquidity by a unit would push returns on assets downward by 0.013 units. Firm size increase in a unit would trigger return on assets decrease by 0.007 units.

The standardized beta coefficient of leverage was -0.487 hence leverage has a moderate influence on the returns on assets. The standardized beta coefficient of liquidity was 0.326 which implies that firm size fairly influences the returns on assets. The standardized beta coefficient of firm size was -0.342 meaning a fairly strong effect of the liquidity on the returns on assets.

## 4.5 Interpretation of the Findings

Descriptive statistics evidenced that on average, the investment organizations reported an rise in their sizes over the study period. The firm size recorded the lowest and highest values of 16.787 and 20.156 respectively. Leverage, liquidity and return on assets posted mixed results. It implies that leverage, liquidity and returns on assets were not dependent on time factor.

From the regression analysis results, the research established a number of variables that affect ROA and they included; leverage, liquidity and firm size. The intercept value for all these factors was found to be 0.173 for the years analyzed. The variables explained their effect on the financial performance up to 20.7% as shown by adjusted R square. This implies that the three independent variables input 20.7% on the returns on assets and the remaining 79.3% is contributed by the factors not studied.

This research found out that the coefficient of leverage was -0.017 meaning that leverage negatively influences ROA. This implies that, keeping all other variables constant, as leverage increases, financial performance decreases. Liquidity negatively affects the financial performance this is evident form the value of the coefficient of -0.013. Firm size impacts negatively on financial performance since its coefficient was -0.007. In general, all the three variables studied were found to have a substantial influence on the investment firms' returns on assets. This study concurs with the study by Oduor and Mutisya (2015) did leverage financing and performance of firms in NSE in the range of 2010 and 2014 and concluded that leverage significantly affected listed companies at the NSE value.

# CHAPTER FIVE

# SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

## 5.1 Introduction

This section presents a synopsis of study findings, study conclusions, limitations and areas for further researches in regard to the conclusions.

## 5.2 Summary of the Findings

The researcher aimed to shed more light about leverage influence on the money related execution of venture firms recorded at NSE. A critical connection was found to exist between money related influence and monetary execution of speculation firms recorded at NSE. This is ascribed to the concept, a firm will choose a composition of liability and equity finances so as to balance the cost and benefit of debt. Organizations with higher debt levels have a higher risk than those that are less levered if the financing costs exceeds the income from the assets.

The financial leverage was found to possess an inverse link with financial performance. Leverage above 100% indicates that, a firms' debts are more than its assets or equity. High leverage for a firm with a volatile cash flow would pose high financial risks as compared to a firm with stable cash flow. The fundamental aim in the management of any business entity is to ensure prudent sound strategies of current assets and short-term liabilities in a business entity. This will in turn improve the shareholder's wealth. To achieve the manageable financial leverage, business entities can adopt aggressive, moderate and conservative management policies. Under the aggressive policy, business entities employ more of short-term funds. This approach will bring about an increase in liquidity risk and

cash flow challenges but there is the likelihood of return on assets increase since short term finances are cheaper.

According to the results, the liquidity also affected financial performance negatively. The livelihood of investment firms depends entirely on liquidity. It is the responsibility of the management to ensure that the finances are available on demand. Therefore, the management has a duty to address the following questions. How much liquid cash should be maintained, at what time will the institution be in need of this cash, how economic is it to maintain that level of liquid cash and how safe is this cash at the institution cash safe or when cash is in transit.

The study also established that the organization size and returns on assets had a negative link. Firm's size had an inverse association with financial performance. The size of the firm can influence the financial performance of the firm negatively or positively. Large business entities can access most services at reduced costs due to their purchasing power for example finance, production and distribution compared to smaller companies who cannot afford the bulkiness of services. However, according to the small firm effect, smaller firms exhibit higher returns on assets due to their high-growth potential.

The ANOVA was employed to determine how strong the model was in the analysis. The regression statistics showed the three factors which included; leverage, liquidity and firm size influenced the financial performance of investment firms listed at NSE. The three explanatory variables were able to explain their influence on the financial performance of investment firms listed at NSE up to 20.7% and 79.3% is contributed by other factors not considered in this study meaning the model was significant.

**5.3 Conclusions**

From the study, leverage and returns on assets exhibited a negative relationship since correlation coefficient was found to be -0.342 with 0.015 as the P-value, therefore significant. Liquidity and financial performance exhibited an inverse relationship the correlation since the coefficient was -0.21 and the relationship was not significant. Firm size and financial performance had a weak negative and insignificant association because -0.062 was the correlation coefficient and 0.671 was the P-value.

Based on the data from the findings, on average investment firms listed at NSE have increasingly adopted financial leverage. The capacity of the investment firms to meet its obligations posted mixed results from the findings of the study hence there was no common trend for the ROA. Most investment firms listed at NSE are financed by liability. However, different firms have exhibited different levels of financial performance since, those investment firms which have not managed their debt financing have reported heavy losses. This calls for efficient management of the debts by the investment firms to mitigate the losses at the same time improving the financial performance.

From the outcome of this research, the conclusion is that financial performance of investment firms listed at Nairobi Securities Exchange is affected negatively by financial leverage. This is based on the negative association exhibited between leverage and returns on assets. This implied that high financial leverage translates to low returns on assets.

**5.4 Recommendations**

This study advocates for adoption of optimal financial leverage as opposed to high financial leverage by the policy makers. A leveraged firm incorporate liability in their capital arrangement while unlevered organization use equity only in their capital arrangement. At disequilibrium a levered organization may appear to have a higher value which will not persist for long at this firm and the levered firm is overvalued and therefore the investors in this company will attempt to make switch from a levered firm to unlevered firm. As investors attempt to make a switch from a levered to an unlevered firm, the market worth of a levered organization will come down to equilibrium point where the market worth of a levered firm shall equal to unlevered organization.

This study discourages adoption of high financial leverage among investment firms listed at NSE since this new strategy decreases the returns on assets. Financial leverage determines the firms' survival and the profitably. High values of leverage are expected to negatively affect the monetary performance especially when the interest is more than the sales revenue.

This study recommends the inclusion of qualitative variables in the analysis. Qualitative variables are pivotal on the financial performance. For example, timely delivery of customers' orders and good corporate image.

More funds are important for conclusive studies. Therefore, it is recommended that more funds be set aside for the research project which will cover the expenses during the research exercise.

## 5.5 Limitations of the Study

The period allocated was not sufficient enough in conducting the entire process of research. Despite that it was well utilized.

This research process was demanding in terms of the financial resources which were required to facilitate this process. It included the printing materials and data analysis which was costly.

The model of analysis failed to capture qualitative data. The model was only able to capture the quantitative data. Qualitative characteristics are also critical especially for conclusive results.

## 5.6 Suggestions for Further Research

The challenges also provide possible areas for further research, which include a similar study in future whose objective would be to reaffirm these findings. Opportunity for further study is also available, which include carrying out a comparative study by focusing on SACCOs. The study suggests that a study be done which incorporates primary data in the analysis since it helps in capturing attitudes of employees towards implementation of key financial decisions.

This study suggests a similar study be done but focus on insurance companies. Considering the nature of the activities of Insurance companies, they are always in need of external financing which is derived from leverage. Hence need for the study. A study can be done but focus only on the all investment organizations whether listed at NSE or not. This can help in comparing how leverage affects different groups of firms.

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# APPENDIX I: INTRODUCTORY LETTER FROM UNIVERSITY OF NAIROBI

## UNIVERSITY OF NAIROBI
### SCHOOL OF BUSINESS

Telephone: 020-8095398                                    Tel: 020 8095398
Telegrams: "Varsity", Nairobi                        Nairobi, Kenya
Telex:       22095 Varsities

DATE: ........................

## TO WHOM IT MAY CONCERN
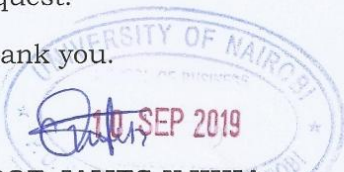
The bearer of this letter....Sintiyio Roika Sampao.... of Registration Number ...D61/67070/2013....... is a Master of Business Administration (MBA) student of the University of Nairobi.

He/she is required to submit as part of his/her coursework assessment a research project report
We would, therefore, appreciate if you assist him/her by allowing him/her to collect data within your organization for the research.

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

Thank you.

PROF. JAMES NJIHIA
DEAN, SCHOOL OF BUSINESS

# APPENDIX I LIST OF INVESTMENT COMPANIES LISTED AT NSE

1. Centum Investment Limited

2. Home Africa limited

3. Kurwitu ventures

4. Olympia Credit holdings

5. Trans century Limited

# APPENDIX II: RESEARCH DATA

| Investment Name | Year | ROA | leverage | liquidity | Firm size |
|---|---|---|---|---|---|
| 1.   Trans-century limited | 2009 | 0.018 | 1.601 | 0.457 | 17.926 |
| | 2010 | 0.017 | 1.93 | 0.868 | 18.087 |
| | 2011 | 0.016 | 1.056 | 0.068 | 18.112 |
| | 2012 | 0.02 | 0.67 | 1.658 | 16.787 |
| | 2013 | 0.01 | 0.95 | 0.235 | 19.035 |
| | 2014 | 0.02 | 0.65 | 0.016 | 19.147 |
| | 2015 | 0.037 | 0.51 | 0.018 | 19.235 |
| | 2016 | 0.02 | 0.79 | 0.17 | 19.3 |
| | 2017 | 0.12 | 0.19 | 0.012 | 18.146 |
| | 2018 | 0.02 | 0.98 | 0.038 | 18.431 |
| 2.   Kurwitu ventures | 2009 | 0.031 | 0.39 | 0.5 | 18.931 |
| | 2010 | 0.027 | 0.371 | 0.8 | 19.17 |
| | 2011 | 0.021 | 0.387 | 0.78 | 19.42 |
| | 2012 | 0.02 | 0.393 | 0.346 | 19.609 |
| | 2013 | 0.045 | 0.854 | 0.04 | 18.519 |
| | 2014 | 0.038 | 0.86 | 0.045 | 18.738 |
| | 2015 | 0.067 | 0.28 | 0.059 | 16.868 |
| | 2016 | 0.04 | 0.418 | 1.25 | 17.988 |
| | 2017 | 0.02 | 0.98 | 0.038 | 18.431 |
| | 2018 | 0.018 | 1.601 | 0.457 | 17.926 |
| 3.   Home Africa limited | 2009 | 0.017 | 1.93 | 0.868 | 18.087 |
| | 2010 | 0.016 | 1.056 | 0.068 | 18.112 |
| | 2011 | 0.02 | 0.67 | 1.658 | 16.787 |
| | 2012 | 0.04 | 0.78 | 0.836 | 19.592 |
| | 2013 | 0.031 | 0.39 | 0.5 | 18.931 |
| | 2014 | 0.027 | 0.371 | 0.8 | 19.17 |
| | 2015 | 0.021 | 0.387 | 0.78 | 19.42 |
| | 2016 | 0.02 | 0.393 | 0.346 | 19.609 |
| | 2017 | 0.01 | 0.321 | 0.762 | 18.675 |
| | 2018 | 0.02 | 0.98 | 0.038 | 18.431 |
| 4.   Olympia Capital Holdings | 2009 | 0.031 | 0.39 | 0.5 | 18.931 |
| | 2010 | 0.027 | 0.371 | 0.8 | 19.17 |
| | 2011 | 0.021 | 0.387 | 0.78 | 19.42 |
| | 2012 | 0.02 | 0.393 | 0.346 | 19.609 |
| | 2013 | 0.022 | 0.966 | 0.565 | 17.674 |
| | 2014 | 0.018 | 1.601 | 0.457 | 17.926 |
| | 2015 | 0.017 | 1.93 | 0.868 | 18.087 |
| | 2016 | 0.016 | 1.056 | 0.068 | 18.112 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | **2017** | 0.02 | 0.67 | 1.658 | 16.787 |
| | | **2018** | 0.022 | 0.966 | 0.565 | 17.674 |
| **5.** | **Centum Investment Limited** | **2009** | 0.018 | 1.601 | 0.457 | 17.926 |
| | | **2010** | 0.017 | 1.93 | 0.868 | 18.087 |
| | | **2011** | 0.016 | 1.056 | 0.068 | 18.112 |
| | | **2012** | 0.02 | 0.67 | 1.658 | 16.787 |
| | | **2013** | 0.04 | 0.78 | 0.836 | 19.592 |
| | | **2014** | 0.036 | 0.306 | 0.752 | 20.011 |
| | | **2015** | 0.021 | 0.314 | 0.815 | 20.14 |
| | | **2016** | 0.005 | 0.28 | 0.687 | 19.168 |
| | | **2017** | 0.012 | 0.764 | 0.671 | 20.156 |
| | | **2018** | 0.054 | 0.62 | 0.35 | 18.343 |

# APPENDIX IV: TURNITIN REPORT

## EFFECT OF FINANCIAL LEVERAGE ON FINANCIAL PERFORMANCE OF INVESTMENT FIRMS LISTED AT NAIROBI SECURITIES EXCHANGE

**ORIGINALITY REPORT**

| **15%** | **10%** | **1%** | **14%** |
|---|---|---|---|
| SIMILARITY INDEX | INTERNET SOURCES | PUBLICATIONS | STUDENT PAPERS |

**PRIMARY SOURCES**

| | | |
|---|---|---|
| 1 | pdfs.semanticscholar.org<br>Internet Source | 2% |
| 2 | Submitted to Kenyatta University<br>Student Paper | 2% |
| 3 | chss.uonbi.ac.ke<br>Internet Source | 1% |
| 4 | Submitted to Ghana Technology University College<br>Student Paper | 1% |
| 5 | Submitted to Higher Education Commission Pakistan<br>Student Paper | 1% |
| 6 | Submitted to Bishop Montgomery High School<br>Student Paper | 1% |
| 7 | Submitted to KCA University<br>Student Paper | 1% |

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