

**EFFECT OF CORPORATE GOVERNANCE ON SHARE RETURN
OF NON-FINANCIAL FIRMS LISTED AT NAIROBI SECURITIES
EXCHANGE**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE
OF MASTER OF SCIENCE IN FINANCE, SCHOOL OF BUSINESS,
UNIVERSITY OF NAIROBI**

2019

DECLARATION

This research project is my own original work and has never been presented for a degree at any other university for examination.

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This Research project has been presented for examination with my approval as the University Supervisor.

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ACKNOWLEDGEMENTS

I thank Almighty God for the precious gift of life and His blessings throughout this study.

To God be the glory because were it not for Him undertaking this study would not have been possible.

I also thank my supervisor Prof. Mirie Mwangi for his insightful feedback throughout this study, for sharing knowledge and for dedicating his time to my learning process. My appreciations also extend to my moderator Dr. Winnie Nyamute for his useful reviews in the course of this study.

Lastly, I would like to genuinely thank the University of Nairobi staff for their direct and indirect professional support which led to the success of this research work. God bless you all.

DEDICATION

I dedicate this project to my family members. To my wife and my siblings for their prayers, love and moral support which enabled me undertake this research. To my parents for their passion in education, constant encouragement and investing in my education. I appreciate and love you all.

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ABBREVIATIONS

| | |
|---------------|---|
| BOD: | Board of Directors |
| CDSC: | Central Depository and Settlement Corporation |
| CEO: | Chief Executive Officer |
| CG: | Corporate Governance |
| CMA: | Capital Market Authority |
| DSE: | Dar es Salam Stock Exchange |
| EACSE: | East African Community Security Exchanges |
| NPV: | Net Present Value |
| NSE: | Nairobi Securities Exchange |
| OECD: | Organization for Economic Cooperation and Development |
| RSE: | Rwanda Stock Exchange |
| SMEs: | Small Medium Enterprises |
| SMMEs: | Small and Medium Manufacturing Enterprises |
| SPSS: | Statistical Package for Social Sciences |
| USE: | Uganda Securities Exchange |

ABSTRACT

This research sought to examine the effect of corporate governance on stock returns of non-financial firms listed at the NSE. Annual changes in share prices of the sector firms were used as the measure of stock returns while board size, board diversity and board composition were used as indicators for corporate governance. In addition, profitability and firm size were used as the control variables. The study covered 40 non-financial firms listed at the Nairobi Securities Exchange and a five-year period data was analyzed; from 2014 to 2018. The study approved a descriptive design using panel data. Secondary information was collected from audited financial statement of the firms under study. Information was then evaluated using multiple linear regression model in SPSS. The analysis produced an adjusted R squared value of 0.848 which mean that 84 percent of changes in stock returns of the non-financial firms listed at the NSE can be explained by the five predictors; meaning 15.2 percent of the changes in the stock returns is explained by factors beyond the coverage of this study. This study also discovered a strong correlation between the predictor variables and stock returns of the commercial and services firms listed at the NSE. The results concluded that board size had a statistically insignificant negative effect on stock returns, board diversity and firm size had a statistically insignificant negative effect on stock returns whereas board composition and financial performance had a statistically significant effect on stock returns for the firms under study but financial performance affected positively. The study therefore recommends that the management of listed firms should ensure that their boards have small number of at average of 9 directors to ensure that they maximize their share returns.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The corporate governance has attracted the attention of many researchers in the recent past. CG practices entail the procedures, systems and process adopted by firms to achieve its objectives. Many firms across the world are so concerned about increase in corporate failure which is mainly caused by lack of good corporate governance implementation. Good corporate governance practices help the firms to protect investors' contribution in the firm's investment and thereby promising the investors a considerable return. Therefore, when a firm has sound governance practices it becomes easier to solicit funds because of its increased competitiveness in the financial markets. According to a research done by Masulis et al. (2007), organizations which had an independent chair had a better in share return as opposed to ones where the role of chairs and CEO were not separated.

There are several theories which anchor corporate governance practices. This study used Jensen and Meckling agency theory (1976) which outlines the relationship between the agent and principal as one based on contrasting interests. Behavioral finance theory established by Kahneman and Tversky (1979) expounds the concept stock market price volatility. The behavioral finance theory further explains that information structure and peculiarity of market participants displays the important role on the decision making as well as the market overall outcome. Stewardship theory was developed by Donaldson (1991). The theory explains how stewards should maximize the stakeholders wealth by increasing the firm performance because by so doing their utilities are also maximized.

The context of the study was listed companies on the Nairobi Securities Exchange. These companies' shares are traded on a public securities market. The shares are openly traded

on the NSE as per rules of the market (Dima, 2015). These companies are kept under scrutiny by the regulator than unlisted companies and therefore are expected to have structured corporate governance that enhances the performance of the company. Investors purchase shares of listed companies with the aim getting a return in terms of capital gains and dividends declared (Mukora, 2014)

1.1.1 Corporate Governance Practices

Adoption of CG practices is a method of guaranteeing business is conducted in a transparent and an efficient manner in order to achieve organization goals through effective practices and structures. In other words CG is the structure through which an Organisation is managed (Iqbal & Khan, 2015). Adam & Mehran (2003) described corporate governance as the mechanism where the stakeholders of an organization namely; creditors, employees, shareholders, the public and the check oversight the insiders and administration to ensure that their interests are safeguarded. In accordance with Kahan and Rock (2003), the governance structures comprise of the size of the board, board independency, diversity of the directors, the sub-division into committees, the ratio of non-executive and executive board members and CEO/chairman split (Olick, 2015).

Board size focuses on the number of directors in the board both executive and non-executive directors. Having a big board may be good in terms of experience and expert advice. However, there is no specific preference to the size of the board but a balance should be obtained (Shirdasani, 1993). Board independence involves the ability of persons to make decisions without being externally influenced and is mainly affected by the ownership of the firm or overbearing executives. Board diversity can help in achieving the board independence where independent directors should be more than a

third of the total board membership. The committees of the board are the working systems which are headed by persons with specific skills and knowledge especially from trained professionals. CEO duality comes about when the CEO doubles up as the chairperson of the board and is unable to separate these two roles while performing his duties. An element of bias is likely to creep in decision making (Lishenga & Mbaka, 2015).

1.1.2 Share Return

Kothari and Warner (2005) describe share return as the firm's financial profits or loss gained over given period of time. Share return refers to the profits or loss gained by an investor from holding a stock. Share also known as stock is a portion that an investor claims over the company's assets and earnings depending on number of shares owned. The amount gained by investors from ownership of this stock is known as share returns (Barnor, 2014). In classical economics, returns rise where there are more buyers than sellers, and vice versa (Ward, 2008).

Share returns can be used to predict output and investment since they are forward-looking variable which outlines future discount rates and cash flow expectations. The availability of adequate market information and the efficiency and effectiveness of stock in the allocation of shares and equities is determined by Stock returns. According to Taofik and Omosola (2013) supply and demand of shares is affected due to uncertainty in changes in stock prices. In addition the shares prices react to any relevant information available to investors on future developments. Firms with high share returns tend to be more profitable and thus they generally contribute to economic growth. Therefore, stock markets returns' uncertainty is a fundamental factor of the total economy since unsteady

economic development trends makes consumption and investment difficult (Khan, 2012).

Share returns are usually in two forms; dividends and capital gains from the price appreciation of the shares. Dividends are a share of profit distributed to shareholders of a company. Dividends are as an outcome of the financial performance of a company (Mattie, Shelmon, & McCarthy, 2013). Dividends issued in cash will depend upon the profit generated as shown in the income statement, the level of liquidity of the firm and the nature of the investment policy of the firm. The investment policy will determine the profit retention ratio which will directly affect the dividend distribution ratio from the profits generated (Krom, 1967). Some companies have an aggressive dividend policy while others prefer retention for further reinvestment into the company (Barnor, 2014). The return on shares is measured using the capital gain and dividend earned at time t .

1.1.3 Corporate Governance Practices and Share Return

Share returns are referred to as rewards gained from an investment and can be either dividends or capital gains (share price increase). Returns may be calculated by either historical or expected future return (Barnor, 2014). Signaling theory argues that an increase in dividend payment has a positive increase in share prices. This is when insiders have information that is not available to the market and outside investors. Signaling theory is suitable for assessing information especially when describing the behavior of two distinct parties (Lintner, 1956). The Miller and Modigliani (1961) theory assumes every investor have analogous information that entail the future of the firm and its dividends. The scope of view of various investors varies a great deal as the investors hold dissimilar opinions on dividends.

Good corporate governance practices are an assurance to the investors for favorable returns on investments. Investors may worry of lending to corporations or investing in the corporations securities where there are no adequate governance structures. This would reduce the share return as there would be much reliance on cash flows that are generated internally which may not be adequate to finance positive NPV projects (Kyondu, 2014). Adoption of appropriate corporate governance by a firm will give guidance to the managers on the different dividend policies that they will employ and what sequence to follow in distributing dividends (Olick, 2015)

According to Adam & Mehran (2003) the board of directors should adhere to good CG practices those results to maximizing of shareholder's wealth through management of corporate affairs. The corporate affairs must be succeeded to ensure protection of shareholders interests. According to Jensen (1976) adoption of effective corporate governance practices leads to improved resource allocation which enables efficiency in operations and increase in firm's performance. According to Kuria (2017) sound corporate governance practices are necessary to enhance investors' confidence to increase investment and capital inflows through attraction of foreign directors.

1.1.4 Non-Financial Firm Listed at the Nairobi Securities Exchange

After establishment of NSE in 1954, it remains as the main securities exchange market of Kenya and also the leading securities market in East Africa (Kioko, 2015). NSE is a body corporate institutionalised under the Companies Act (CAP 486) of the Kenyan law and comprises of all licensed stock brokers. In 1988 the government sold 20% share of NSE to private investors. The NSE is regulated by the CMA of Kenya who ensures compliance of the listed companies. The NSE focuses on helping trade clearance arrangements of financial tools such as; derivatives and equities (Olang, 2017). A total

number of 65 firms have been listed at NSE to date as shown in Appendix I, (NSE, 2018).

NSE plays a significant part in the developing the economy by helping firms access capital that is less costly and also encouraging savings for both local and international firms. In most firms debt to equity ratio is generally intended to facilitate the interests of the equity stockholders. The regulators have set criteria's which all firms must meet such as being financially stable to enhance investors' confidence and economic growth. Nevertheless apart from meeting those criteria's firms encounters many internal and external dynamic forces which contribute either positively or negatively to firm performance. These dynamics may include; corporate governance, government policies, management decisions, risk perceptions and investment decisions (Mutegi, 2016).

According to CMA code of CG practices report (2018) firms with higher corporate governance were considered to have higher returns compared to those with lower corporate governance practice. A total of 47 companies listed on the NSE were ranked on basis of governance, ethnic and gender diversity, board meeting attendance, remuneration, board independence, board composition and transparency among other 24 considerations in the global market. All the companies share market capitalization of Sh1 billion. After the ranking, the results showed that best three firms had an increase in CG posting an average of 21.7 percent in 2018 from a previous of 17.1 percent in 2017. Also, a strong positive linkage was found between CG and share return. Where highest 23 firms recorded a positive share return of 13% compare to a negative 13% share return recorded by bottom 23 firms within a period of five years. This concludes that a attractive and sustainable share return can be achieved through good CG practices (CMA report, 2018).

1.2 Research Problem

Mwalati and Chitiavi (2013) argues companies with strong shareholder rights produce higher returns compared to those with weaker rights, while also they achieve greater valuations, sales growth, low capital expenditures and high profitability. On the contrary, those with weaker shareholder rights are poorly governed, report lower profits, lower valuations, pay less dividend to shareholders and have a higher risk of bankruptcy (Gompers et al, 2003). Jensen and Meckling (1976) indicated that firms that are better governed may enhance their operational efficiency that would result in increased future returns.

Companies whose shares trade in the NSE are usually regulated by the Capital Markets Authority (Authority, 2017). The CMA looks to regulate board structure structures on companies listed in the NSE in order to maintain professionalism in the sector. These companies issue shares to the public for the first time through an Initial Public Offer exercise. Firm's response to internal and external factors depends on how it is governed and this reflects on the performance of the firm. Several non-financial listed firms at the NSE including: Kenya Airways, Uchumi Supermarkets Limited, Mumias Sugar Limited, and Express Kenya Limited etc. have gone through cycles of financial distress in the recent past arising from high financial leverage and other factors such as poor corporate governance (NSE, 2017).

Empirical evidence is largely inconsistent where some show negative and others positive influence of corporate governance on share return. Siromi and Chandrapala (2017) found that board composition had a significant positive relationship to capital structure. Hülya (2016, found that companies which had high corporate governance rate have high book value and return on equity compared to the ones that had low rate. Masulis et al. (2007),

organizations which had independent chair were better in performance as opposed to ones where the roles of chair and CEO were not separate. Samih (2014) found that inflation rates had no impact on stock market returns while a relationship existed between S & P 500 and the USD. Nadeem and Zongjun (2012) found that ownership structure, CEO duality and board size were positively related to capital structure while directors' remuneration showed a negative relationship.

Locally, Kiragu (2018) found that both Board and bank Size influences financial performance positively while board diversity, board structure, bank liquidity and board committees influence financial performance negatively. Ochuna (2018) found that corporate governance has a positive and significance effect on earnings yields of listed commercial banks in Kenya. Osiako (2017) found that Age of the firm and Board Diversity were positively and insignificantly linked to the financial performance of SMMEs in Nairobi County. Tangut (2017) found that stock returns were affected negatively by leverage and this was an indication that shareholders of highly geared firms may not receive optimal compensation. Okiro, Aduda and Omoro (2015) found that leverage had a significant intervening effect on corporate governance and firm performance.

The lack of consensus among the various scholars on the effect of corporate governance on share return by international researchers was reason complete for further examination on the area of study. Local studies also indicated conflicting findings and they looked at few corporate governance practices. This showed there still lay a gap that could be strengthened if proper research work was done in the area of the topic. The research also intended to spur other research work to be done in the same field to identify relationship between corporate governance and share return. The research question is what are the effects of CG on share return of firms listed at Nairobi Securities Exchange?

1.3 Research Objective

This study ought to establish the effect of corporate governance on share return of listed firms on the Nairobi Securities Exchange in Kenya.

1.4 Value of the Study

The research is of great benefit to the following stakeholders: Companies' managers, investors, researchers and academicians, regulatory body, financial analysts and fund managers. The management personnel of the listed financial institutions are in a key position to understand the determinants of share returns which in turn can play a bigger role in determining their operations. The study finding is valuable in making decisions regarding capital sourcing through equity as well as how to increase investor confidence generally through increasing share returns.

Researchers and academic community shall utilize the outcomes of this study as a benchmark for further studies and as a basis for discussions on quoted companies at NSE. It also forms a reference material for study and analysis. It also documents and makes available literature used by other scholars and researchers in assessing whether the findings are consistent with those in developing markets or not thus proving ground for further research.

Listed companies are subject to various regulatory requirements. The regulators are interested with the level of compliance by these firms to the regulations. The securities industry and capital markets practitioners can get an insight on the determinants of share price movement and returns of companies quoted. This should help them develop strategies and policies on how to deal with these effects and mitigate the challenges.

The ordinary investors may find this study useful in formulating, selecting and implementing investment decisions despite of the market inefficiencies and anomalies.

Dealers know which stocks to buy and which ones to sell while brokers on the other hand are able to know how to approach different buyers and sellers when they are buying and selling their stock.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter examines the relevant literature relating to effects of CG and financial performance. It presents the theories and the determinants of financial performance. Empirical literature from international and local studies, conceptual framework and summary based on the review is also discussed.

2.2 Theoretical Review

The theories selected for this section and those that have a relationship with corporate governance and share return are explained below:

2.2.1 Agency Theory

This theory was established by Jensen and Meckling in (1976). The theory discusses agency relationship between the agent (managers) and principal (shareholders). Agency costs are incurred to monitor management actions and to ensure that they are in line as per contractual agreements with debt holders and shareholders. The interests of shareholders and managers are different since managers have intention to increase and receive high perquisites thus affect profitability of a firm while shareholders prefer actions that maximizes their value. Agency costs are incurred to harmonize these interests (Chetty & Saez, 2007). Agency theory supports reduction of agency conflict through selection of an effective corporate governance practice that regulates and monitors the link between the agent and principle in the organization (Yilmaz & Buyuklu, 2016).

Dividend policy plays a role in resolving agency problem and therefore, shareholder value is enhanced through improved financial performance. Therefore it is better to pay free cash flows to the firm as dividend in order to reduce the instance of these funds been

wasted in unprofitable projects. According to the Agency Theory proper principal to agent relationship stabilizes the operations of the firm and promotes its performance. Therefore it is relevance to the study since the board structure had a significant positive impact on the performance of a company's share return in the securities exchange, (Bamberg at al., 1989). (Jensen, 1986)

2.2.2 Behavioral Finance Theory

The theory was developed by two psychologists, Kahneman and Tversky in 1979. It aims to show that while making financial decisions, market participants will follow their risk appetites. The theory expounds the concept stock market price volatility. The behavioral finance theory further explains that information structure and peculiarity of market participants displays the important role on the decision making as well as the market overall outcome. Proponents of this theory believe that numerous factors influence an investor's behavior irrationally as well as rationally.

Behavioral scholars argue that investors will decide irrationally and that the market price does not estimate fairly a stocks underlying fundamental value. Therefore, behaviorists' are convinced that an investor risk appetite can drive market prices and fundamental value differently. According to De Bondt and Thaler (1985) people systematically overreact to unexpected news and events there-by this exhibit weak form inefficiency in the securities market. This theory is of importance to the study because most investors in the NSE are irrational to changes and unexpected news and events greatly affect the share prices.

2.2.3 Stewardship Theory

It is believed to have its origins from both psychology and sociology. In this theory, managers are regarded as stewards that are expected to represent the owners' interests

(Donaldson & David, 1991). It is centered on the behavior of executives. Donaldson and Davis (1994) indicate that managers are predominantly driven by achievement and responsibility needs. A steward safeguards and makes the most of shareholders wealth through performance of the firm for the reason that the steward's utility functions are maximization (Davis & Donaldson, 1997)

It highlights the role of senior management being stewards and merging their objectives as an element of the firm thus they are more contented with the success of the establishment. It underscores on the position of executives to act independently so as to maximize shareholders returns as they in turn minimize costs of monitoring and controlling behavior. It concentrates on arrangements that expedite as well as inspire instead of scrutinizing and domineering (Davis, Schoorman & Donaldson 1997).

Executives are seen to also want to protect their reputation thus they work hard as stewards to ensure there is financial success for not only the owners but also for their advantage whereby they can get back into the market for prospective financing (Fama, 1980 & Shleifer and Vishny, 1997). According to McGregor's (1960) motivation theory, stewardship portrays a "Theory Y" view of managers while "Theory X" represents agency theory contending that prominence on

2.3 Determinants of Share Return

Share return is a factor of capital gains and dividends declared. When the market value of a share or its share price rises, the appreciation is a form of return known as capital gains. On the other hand dividend declared is that proposition of profit allocated to shareholders of the company. The combination of capital gain and dividend generate the share return. Some of the factors that affect share return include; corporate governance, financial performance, firm liquidity, firm size and financial leverage (Funke & Matsuda, 2006).

2.3.1 Corporate Governance

Corporate governance generally refers to a set or framework of rules, practices and policies by which board of directors and management teams run an organization (Brown & Caylor, 2009). Good corporate governance has a key role in mitigating information asymmetry amongst stakeholders of the firm. This helps to improve the confidence level of investors in the performance of an organization and hence the share price of organization, as demand for its shares varies. According to various research studies, it has been established that creditors may be unwilling to offer financing to firms with weak corporate governance or charges greater interest to obtain a suitable rate of return. This therefore implies that a firm with perceived poor corporate governance may incur high cost, which may reduce profitability of the firm and subsequently affect share returns negatively (Masulis et al, 2007).

2.3.2 Financial Performance

According to Penman (2007), financial performance refers to how a business has achieved in form of overall profits and losses over a given period. Financial performance of a company communicates how well a company benefits from the use of its invested assets. Wide ranges of factors affect the performance of a firm financially, some of which cannot be easily quantified. Some of these factors include the

According to Dehuan and Jin (2008), firms' performance affects share returns at the stock exchange. In a study to investigate association between company performance (Yield on Equity, return on asset, profit margin, earning per share, changes in sales, as well as total asset turnover and stock revenues of the top accomplishing stocks registered on Shanghai stock exchange, Dehuan and Jin (2008) discovered that each of the variables is expressively linked with prices of the shares in the year prior to the disaster. But, in the

crisis period the company performance have no descriptive authority toward share price program.

2.3.3 Firm Liquidity

Liquidity management is very important in any organization since it determines if the company will be able to meet its current obligations and therefore survive. Tamari (1966) indicated that liquidity ratios are a very strong indicator of financial difficulties in a company and therefore directly affects its share returns. The stock prices of a firm are dependent on investor's perception about the future. If investors anticipate a firm to struggle, then the share price of such a company will fall and if they anticipate the firm to thrive then the share price will rise. A study by Wahba (2015) concluded that liquidity level boosts firm's financial performance and ability to disclose corporate governance information.

2.3.4 Firm Size

Size of a firm can be resolute either through their capital base, market share or area of operational coverage like number of branches. Firm size has the ability to influence its investment decisions and as such, larger firms use their economies of scale in operations to invest in various sectors of the economy in order to maximize revenue and reduce costs. This eventually impacts positively on firm's performance. According to Anderson (2005), larger firms disclose more information on corporate governance in order to gain competitive advantage as compared to smaller firms resulting into better financial performance. Equally, larger firms use their size to access financing for their programs than smaller ones thus leading to rapid growth.

According to Kumar and Sehgal (2004), stocks of small firms tend to outperform those of large firms due various reasons. Some of the reasons cited include; Investors often

overlook small firms; less research is done with regards to small firms; the betas of small firms are often under-estimated since they are relatively less liquid; small firms lack a strong management team, their operations are not diversified and they do not match up with advancement in technology.

2.3.5 Financial Leverage

Leverage of the firm is among the key determinants of the decision made by management and they influence the shareholders return on equity, risk of the shareholders and shareholder market value of their stocks. During decision making on how the firm will raise investment funds decision are made (Salawu, 2007). This call for the management of firm to make appropriate decision on the company's leverage through properly analyzing and balancing all elements that are relevant to the company's capital structure decision.

The link between financial leverage and the firm's capability to service the interests of its different stakeholders has given eminence to leverage. The manner in which the firm's capital structure is formed impacts its governance and subsequently the flexibility a company has in passing critical decisions. Due to the commitment that is associated with the use of debts, such as the periodic interest payments, and the principle paid by the company, and because of these risks shareholders will demand a higher share return, which puts the company in a critical situation (Jensen, 1986).

2.4 Empirical Studies

Share returns are great issue for many investors in developing and developed nations and therefore, this matter has attracted the attention of researcher in the recent past. There are several empirical studies on factors that affect share returns, but these studies have

outlined mixed results. This section covers various studies conducted both globally and locally.

Globally, Siromi and Chandrapalam (2017) investigated on effect of CG on structure of capital of firms listed in Sri Lanka. The population of the study included all listed firms but a sampling of 138 non-financial firms was undertaken. Corporate governance variables were board committees, structure of leadership, board diversity and board size. Data analysis was done through inferential statistics and the findings showed that board committees and board diversity had a significant effect on capital structure. The study presented a conceptual knowledge gap since the focus was on CG and capital structure. This study focused on CG and share return.

Hülya (2016) did a study on corporate governance on firm profitability. The study targeted Borsa Istanbul-100 Index firms and used secondary data for analysis. The study found that companies which had high corporate governance rate have high book value and return on equity compared to the ones that had low rate. This study presents a conceptual knowledge gap because it focused only on CG and firm profitability. This study will focus on CG and share return of firms listed at NSE. Masulis et al. (2007) did a study on CEO duality and organization performance of Fortune 500 companies in Africa. The sample of the study was draw from Fortune 500 companies. The study found that organizations which had independent chair were better in performance as opposed to ones where the roles of chair and CEO were not separate. The study just looked at one aspect of corporate governance and it was on a different context and this created a gap to look at many aspects of corporate governance in a specific sector.

Samih (2014) researched on determinants of stock market returns in the US. He used two variables; inflation rate and the fluctuation of dollar value. S & P 500 was the measure of

the stock market index while weighted foreign exchange rate index was the measure of the dollar fluctuation. Data was analyzed GARCH and least square regression models. The study found that inflation rates had no impact on stock market returns while a relationship existed between S & P 500 and the USD. The study presents contextual knowledge gap since the conditions of USA, (developed economy) cannot be compared to Kenya hence the findings cannot be generalized to Kenya condition.

Locally, Kiragu (2018) researched on effects of corporate governance on financial performance of tier two banks in Kenya. The period for study was six years (2012-2017). The data was analyzed with the use of SPSS. The outcomes indicated that Size of the of the board and Bank Size influences financial performance positively but only the effect of bank size is statistically significant. Board diversity, board structure, bank liquidity and board committees influence financial performance negatively but only the effect of board committees is statistically significant. The study recommends that shareholders of tier two commercial banks in Kenya should therefore consider increasing the size of their banks in terms of assets as this will help the banks to generate higher. This study presented a conceptual knowledge gap since the focus was on capital structure. This study focused on CG and share return.

Ochuna (2018) conducted a research for determining how and the extent to what corporate governance at the eleven listed banks at the NSE impacts the earnings yield. The research made use of a cross sectional, and analytical research design in carrying out the research. it included eleven listed banks at the NSE. Secondary forms of data were employed and data collected for the period from 2013 to 2017. The study concluded that that corporate governance and earnings yield have a positive significant relationship. This study presented a conceptual knowledge gap because it focused on relationship

between CG and earnings yield. This study focused on CG and share return of firms listed at NSE.

Tangut (2017) investigated on impacts of financial leverage on stock returns of non-listed firms listed on NSE. The research study used both primary and secondary data. Exploratory research design methodology was used covering a 16 years period, 2002-2016. Both independent and dependent variable data collected was tested using unit root test, multicollinearity, normality and Housman test, analyzed on a multiple regression, correlation analysis and descriptive statistics on stata. The study concluded that financial leverage had anegative significance effect on share returns of a firm. The study presented a conceptual knowledge gap since the focus is on financial leverage on share return. This study focus was on CG and share return.

Okiro, Aduda and Omoro (2015) conducted a study of firms at EACSE to determine the outcomes of structure of capital and corporate governance on ROA. Through exceptional design the study population was 98 firms that were actively trading for the last 5 years (2009-2013) at EACSE nonetheless; was census survey was used to study only 56 firms constituting 57% that facilitated satisfactory generalization. Secondary data was obtained from NSE, DSE, USE, RSE and CMA websites. Results exhibit that capital structure (leverage) had a significant intervening effect on CG and firms' ROA. The study presented contextual knowledge gap since the focus was on firms listed at the EACSE.

2.5 Conceptual Framework

The framework model helps in explaining the affiliation between the responsive variable and predictors variables. This research seeks to explain effects that corporate governance, financial performance, firm liquidity, and size of firm and firm liquidity

(independent variables) have on share return (dependent variable). As shown in figure 2.1

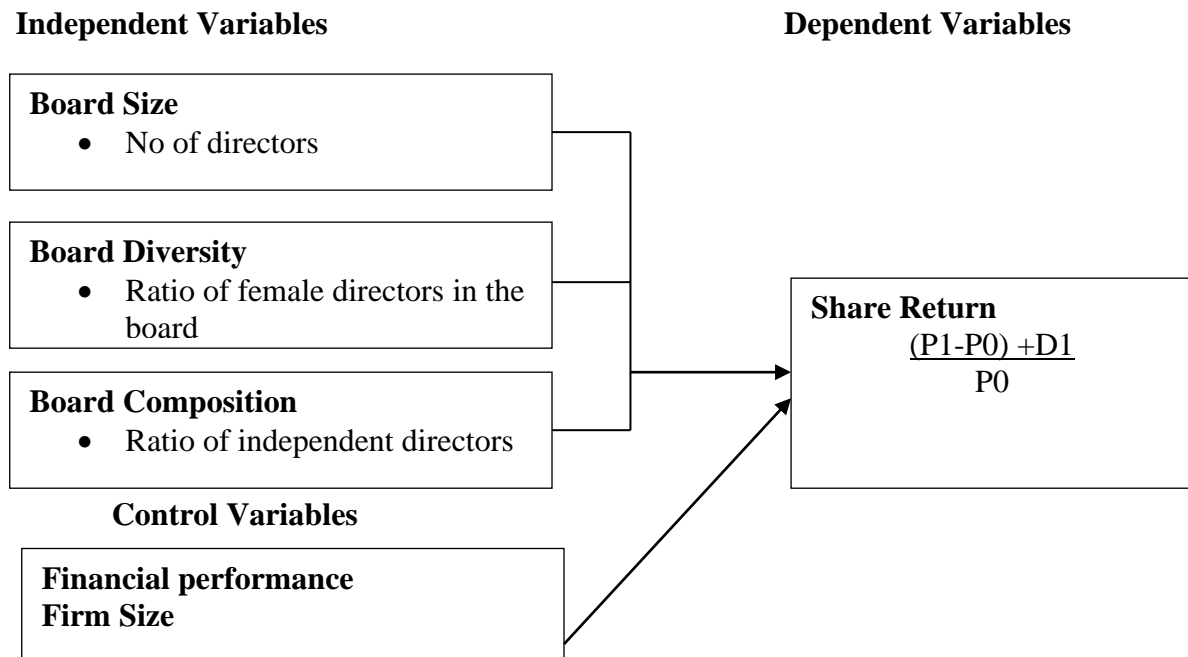


Figure 2.1: Conceptual Framework

From figure 2.1 above it is clear that board size has a negative insignificant effect on share return. The results did indicate that board diversity in terms of the women ratio in board and share return is negatively and insignificantly related. The results also exhibited non-executive board members had a negative and significant effect on share return.

2.6 Summary of Literature Review

This section outlines existing literatures on corporate governance and share return, determinants of share return and theories outlining relationship between the variables. Despite the empirical and theoretical studies that have been carried out on the corporate governance and share return, it is still not conclusive on the relationship between the two variables. Global studies have also shown a mix of results on relation of CG practices on structure of capital. There is limited literature on local concept since many researchers have examined the relationship between CG and financial performance, hence creating conceptual knowledge gap that this research opted to fill. The knowledge gap that exists

on various works by researchers is also highlighted since the focus was on an individual sector at NSE and the current study opted to fill the gap by adding on more knowledge on the area of study.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes methods of research for application in objectively determining the relationship between the variables. It also includes research design, the population and data used for the research and analysis criteria.

3.2 Research Design

This research used a descriptive survey research design; this involves a description of all the elements of the population. A descriptive design is used to determine and report things as they are. The choice stemmed from the fact that the study does not require any manipulation of variables but desires to establish the state of affairs as they are (Kothari, 2008).

3.3 Population

For purposes of this study, population of interest consisted of 40 non-financial firms registered at the NSE. Census study was adopted to enable focus on all 40 listed firms under the following segments in the NSE sector categorization; Automobile, Energy and Petroleum and Commercial and Services, Construction, Agricultural and Telecommunication industry.

3.4 Data Collection

The study used secondary data. Secondary data was extracted from annual published reports submitted to the NSE and CMA over a five years period (2014-2018). Data on the predictor variables; CG were obtained from the annual reports. Total assets, total debt and shareholders' equity was obtained from the financial statements.

3.5 Diagnostic Tests

Various diagnostic tests such as the tests of normality, autocorrelation and multicollinearity tests were carried out.

3.5.1 Normality Test

Normality test is done because it is impractical to achieve accurate and reliable deductions about the reality on whether the study population derived is normally distributed. This study used Kolmogorov-Smirnov test (Ghasemi & Zahediasl, 2012).

3.5.2 Multicollinearity Test

To ensure the data collected is free from biasness and one variable data is not related to another variable data, the study conducted a multicollinearity test. Multicollinearity is detected when two variables have same linear relation. The variance of Inflation is used to test multicollinearity. VIF ranging from 1 to 10 indicated absent of multicollinearity while presence of multicollinearity is detected when VIF is more than 10 or less than 1. When the test fails you should standardize the continuous variables by choosing on a standardization method on the regression dialog box. For instance you may choose variable centering approach (Cohen, West & Aiken, 2013).

3.5.3 Autocorrelation Test

Autocorrelation is tested to detect any similarity between time series at given a time interval which is carried out using DurbinWatson. This test depicts a test statistic with a value of 0 to 4 where 2 no autocorrelation exists, where the statistic is less than two a positive autocorrelation exists and where greater than two, negative autocorrelation exists (Khan, 2012).

3.6 Data Analysis

Data analysis includes statistical methods carried out to explain the link in various variables of the study (Tully, 2014). The research used SPSS version 21 for data analysis. The study relied on various regression techniques in evaluating the correlation between the selected variables. The analysis involved figuring out of the various coefficients of correlation in the model to determine the connection.

3.6.1 Analytical Model

The study used a multiple regression in carrying out analysis in finding out the outcome between the responsive variable and predictors variables. A responsive variable is the share return while the predictor variables are CG practices and firm size.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon$$

Where;

α = constant

Y = Share Returns - Measured using;

$$\frac{Y_t = (P_1 - P_0) + D_1}{P_0}$$

Where;

P_1 is the price of the share i on day t (end of the year)

P_0 is the price of share i on day $t-1$ (beginning of the year)

D_1 = dividend per share at end of the year

X_1 = Board size; measured as the total number of board members

X_2 = Board Diversity; measured as the ratio of female directors to total board members

X_3 =Board composition; Measured using the ratio of independent directors to the total number of board members

X_4 = Financial performance; measured using ROA (net income/ total assets)

X_5 = Firm Size; measured using the natural log of Total assets

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6$, =co-efficient of the model

ϵ = the stochastic error term

3.6.2 Test of Significance

The test for joint significance of all coefficients was done using the F-test while the test for individual coefficient was done using the T-test.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND INTERPRETATIONS

4.1 Introduction

This section provides output of the fieldwork in form of a presentation, interpretation and discussion of the findings. The population was all the 65 listed firms. However, 38 of the 40 nonfinancial listed companies at the NSE whose data was readily accessible were analyzed from the year 2014 to 2018.

4.2 Diagnostic Tests

A test of normality, multicollinearity and autocorrelation was undertaken.

4.4.1 Normality Tests

In the study, the normality test was by using the Shapiro-Wilk Test. The Test of Shapiro-Wilk is appropriate or most powerful test of normality. It is a more consistent test for inaugurating Kurtosis values of normality. In case it is lower than 0.05, the data meaningfully deviate from normal dispersal. Outcomes for the normality test are presented in Table 4.1.

Table 4.1 Normality

| | Shapiro-Wilk | | |
|-----------------------|--------------|-----|------|
| | Statistic | df | Sig. |
| Share Return | .949 | 190 | .922 |
| Board Size | .967 | 190 | .315 |
| Board Diversity | .917 | 190 | .292 |
| Board Composition | .868 | 190 | .281 |
| Financial Performance | .748 | 190 | .264 |
| Firm Size | .977 | 190 | .324 |

4.2.2 Multicollinearity Tests

Table 4.2: Test of Multicollinearity

| Model | Collinearity Statistics | |
|-----------------------|-------------------------|-------|
| | Tolerance | VIF |
| Board Size | .695 | 1.439 |
| Board Diversity | .794 | 1.259 |
| Board Diversity | .811 | 1.232 |
| Financial Performance | .947 | 1.056 |
| Firm Size | .931 | 1.074 |

The findings in Table 4.2 indicate that all the values of VIF were within the prescribed range of 1 and 10, which suggests that there was no multicollinearity in the data set.

4.2.3 Autocorrelation

Autocorrelation is tested to detect any similarity between time series at given a time interval which is carried out using Durbin-Watson. This test depicts a test statistic with a value of 0 to 4 where 2 no autocorrelation exists, where the statistic is less than two a positive autocorrelation exists and where greater than two, negative autocorrelation exists (Khan, 2012). In case it is 0.668, meaning a positive autocorrelation exists.

Outcomes for the normality test are presented in Table 4.3 below.

Table 4.3: Test of Autocorrelation

| Model Summary ^{b,c} | |
|--|-------------------|
| Model | Durbin-Watson |
| 1 | .668 ^a |
| a. Predictors: Firm Size, Financial Performance , Board Diversity, Board Size, Board Composition | |
| b. Dependent Variable: Share Return | |

Source: Research Findings (2019)

4.3 Descriptive Statistics

Table 4.4: Descriptive Statistics

| | N | Minimum | Maximum | Mean | | Std. Deviation |
|------------------------------|-----------|-----------|-----------|-----------|------------|----------------|
| | Statistic | Statistic | Statistic | Statistic | Std. Error | Statistic |
| Share Return (Ratio) | 190 | .0176 | .0951 | .0578 | .0016428 | .0226449 |
| Board Size | 190 | 3.0000 | 18.0000 | 8.600 | .2334825 | 3.2183337 |
| Board Diversity | 190 | .0000 | .6667 | .1795 | .0108471 | .1495169 |
| Board Composition(Ratio) | 190 | .2500 | 1.2000 | .7079 | .0131984 | .1819277 |
| Financial Performance(Ratio) | 190 | -1.0310 | 1.0962 | .0131 | .0169843 | .2341126 |
| Firm Size (Ratio) | 190 | 4.0491 | 9.3272 | 6.8588 | .0760116 | 1.0477475 |
| Valid N (listwise) | 190 | | | | | |

The outcomes reveal that board size had a minimum value of 3.0000. The maximum value was 18.000. Also, the mean score was 8.60000 and a standard deviation of 3.2183. Board diversity value was minimum at 0.0000 and highest value of 0.6667 while the average value was 0.179505 with a standard deviation of 0.1495169. Further, board composition had a minimum score of 0.2500, a maximum score of 1.2000, and average of 0.707891 and a standard deviation of 0.1819277. Financial performance had a minimum value of -0.0310, a maximum score of 1.0962, and average of 0.013162 and a Standard deviation of 0.2341126. Finally firm size value at minimum was 4.0491 and maximum of 9.3272, mean of 6.858833 and a standard deviation of 1.0477475.

4.4 Correlation Analysis

Correlation analysis refers to extent to which research variables are related, it was employed to establish the strength of the relationship which exists among dependent and independent variables whereby board characteristics, financial performance and the firm

size were utilized as independent variables while the share returns was used as the dependent variable. Pearson correlation varies from -1.00 to +1.00 with positive values indicating positive relations while negative values suggest negative relations among study variables. The study employed a confidence interval of 95%, as it is the most utilized in social sciences. A two tailed test was utilized

Table 4.5: Correlation Analysis

| | | Share Return | Board Size | Board Diversity | Board Composition | Financial Performance | Firm Size |
|-----------------------|---------------------|--------------|------------|-----------------|-------------------|-----------------------|-----------|
| Share Return | Pearson Correlation | 1 | | | | | |
| Board Size | Pearson Correlation | -.136 | 1 | | | | |
| Board Diversity | Pearson Correlation | -.166* | .412** | 1 | | | |
| Board Composition | Pearson Correlation | -.176* | .405** | .258** | 1 | | |
| Financial Performance | Pearson Correlation | .108 | .044 | -.127 | -.104 | 1 | |
| Firm Size | Pearson Correlation | -.058 | -.207** | .015 | -.119 | -.127 | 1 |

The results in the above table shows the correlation between share return and board size is weak negative ($r = -0.136$) but not significant since the $p = .062$ which is greater than 0.05. The study results also exhibited a weak negative association between share return and board diversity which was statistically significant ($r = -0.166$, $p = .022$). The correlation findings further showed a negative correlation between board composition and share returns which was statistically significant ($r = -0.176$, $p = 0.015$). Findings indicated a weak negative correlation between share return and ROA which was statistically insignificant ($r = -0.108$, $p = 0.138$). Lastly, correlation findings showed a negative correlation between firm size and share returns which was statistically insignificant ($r = -0.090$, $p = 0.219$).

4.5 Regression Analysis

The study employed the multivariate regression model that was used to examine the relevance of the predictor variables under study in respect to the share return.

Table 4.6: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|-------------------|----------|-------------------|----------------------------|
| 1 | .921 ^a | .848 | .844 | .0245116 |
| a. Predictors: Firm Size, Financial Performance, Board Diversity, Board Size, Board Composition | | | | |

Source: Research Findings (2019)

The model summary results on table 4.6 indicate the predictor variables account for 84.8 percent of the variation in the dependent variable as shown by the coefficient of determination value (R square) of 0.848. More variables not included in the model justify for 15.2% of the variations in the share returns.

Table 4.7: Analysis of Variance

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|-------|-------------------|
| 1 | Regression | .007 | 5 | .001 | 3.020 | .012 ^b |
| | Residual | .090 | 184 | .000 | | |
| | Total | .097 | 189 | | | |

Source: Research Findings (2019)

From the ANOVA table 4.7 above, the significant level of .012 indicates the findings are relevant to make conclusions on the research variables since the P value is less than 0.05 and thus the model statistically significant. The 95% confidence level was used to indicate statistical significance.

Table 4.8: Distribution of Coefficients

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|-----------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| | (Constant) | .092 | .014 | | 6.659 | .000 |
| | Board Size | .001 | .001 | .033 | .390 | .697 |
| | Board Diversity | -.020 | .012 | -.130 | -1.633 | .104 |
| | Board Composition | -.019 | .010 | -.161 | -2.045 | .042 |
| | Financial Performance | .015 | .007 | .152 | 2.088 | .038 |
| | Firm Size | -.002 | .002 | -.101 | -1.379 | .170 |

Source: Research Findings (2019)

The resulting regression model is:

$$Y = 0.092 - 0.001X_1 - 0.020X_2 - 0.019X_3 + 0.015X_4 - 0.002X_5$$

Where,

Y = Share Returns

X₁ = Board size

X₂ = Board diversity

X₃ = Board composition

X₄ = Financial performance

X₅ = Firm size

The estimated regression model above explains that if board size, board diversity, board composition, firm size and ROA ratio were equal to zero, stock returns would be equal to 0.092. The outcomes revealed that board size has a negative insignificant effect on share return. The results did indicate that board diversity in terms of the women ratio in board and share return is negatively and insignificantly related. The results also exhibited non-executive board members had a negative and significant effect on share return. Furthermore, the results also showed that financial performance had positive and

significant effect on share return. Findings also indicated that firm size has a negative and not significant effect on share return.

4.6 Discussion of Research Findings

As exhibited by the firms R^2 which is the coefficient of determination. It was found that 84.8% of the changes in stock returns for listed financial companies at the NSE are caused by the various variables under study that is corporate governance practices indicators (board size, diversity and composition), financial performance and firm size whereas 15.2% are caused by other variables that were not considered in this study over the period of five years

The results of the regression model carried out in the study showed that the intercept was equal to 0.092 for firms quoted at the NSE, over all the years under study. The output also showed that board size was a statistically insignificant negative effect on stock returns. This was partially contrally to Gitari (2008) explained that there was a positive relationship between the board size and share returns and the parastatals that had adopted good practices of board size had resulted in improvements in their performance financially which was reflected in consequent higher share returns.

Further firm size had an insignificant and negative effect on share returns. This is explained by the fact that huge firms practice economies of scale and more often use their good reputations to acquire assets on debt and in the long term this could negatively affect the firms performance financially and subsequently the value of its share returns. This is consistent with the findings by Wairimu (2017) who investigated the firm size effect on stock market returns at the Nairobi Securities Exchange and found that market stock returns are highly influenced by the stock of small firms.

Board diversity had a statistically insignificant negative effect on stock returns this is explained by the fact that various institutional investors harbor different behaviours and attitudes towards firms that have large numbers of women in their boards. Carter et al (2007) investigated the gender and racial diversity of specific board committees in fortune 500 firms found positive effects of gender diversity on stock returns but could not exclude the possibility of a reverse outcome as investors act on their unconscious biases.

Whereas board composition had a statistically significant effect on share returns. This is because balanced boards in terms of independent and executive directors generally perform better in stock price returns as it results to the impartial decision making process and oversight that is for the interests of the firms shareholders. Frino (2017) revealed that boards with 30% to 60% of independent board members perform better but mostly those that are in the range of 40% to 60% range.

Financial performance had a positively statistically significant effect on stock returns for the firms under study. This was in agreement with the study by Brittain (1968) that found that the general level of financial performance of a company in terms of profitability, liquidity and asset size will have a signaling effect on the market and this will attract investors to buy the securities.

The results of this study support existing literature. Kuria (2018) researched on relationship between share returns and board structure and revealed an insignificant and negative link between board size, board diversity and share returns of the listed firms at the NSE. Tangut (2017) investigated on the impact of board composition on stock returns of non-listed firms listed on NSE. The study concluded, board composition has a negative significant effect on share returns of a firm. However, the result is inconsistent

with agency theory which states that proper principal to agent relationship stabilizes the operations of the firm and promotes its performance.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section summarizes the findings; suggest conclusion and challenges encountered during the study. In addition, the chapter documents recommendations which policy makers can apply to achieve increased firm value. Lastly this chapter advances suggestions for further research that can be important to future researchers.

5.2 Summary of the Findings

Objective of the study was to identify any relationship between performance of listed firms at NSE and CG parameters chosen. The population for the study was all the 40 non financial companies quoted at the NSE. Secondary information for five year period data was analyzed; from 2014 to 2018. The study however obtained complete data from 38 firms, which had been listed for the considered study period.

Kolmogorov-Smirnov and Shapiro-Wilk tests recorded p-values that were greater than 0.05. The implication of this was that the study used secondary data that was sourced from a normally distributed population. The data could therefore be used to carry out inferential analysis such as regression and Pearson correlation. Multi-collinearity tests recorded VIF values of less than 10 implying that there was no multi-collinearity among the independent variables. This implied that corporate governance indicators (board size, board composition and board diversity), size of the firm and financial performance could be used as determinants of firms share returns.

The outcomes reveal that board size had a minimum value of 3.0000. The maximum value was 18.000. Also, the mean score was 8.60000 and a standard deviation of 3.2183. Board diversity value was minimum at 0.0000 and highest value of 0.6667 while the average value was 0.179505 with a standard deviation of 0.1495169. Further, board composition had a minimum score of 0.2500, a maximum score of 1.2000, and average of 0.707891 and a standard deviation of 0.1819277. Financial performance had a minimum value of -0.0310, a maximum score of 1.0962, and average of 0.013162 and a Standard deviation of 0.2341126. Finally firm size value at minimum was 4.0491 and maximum of 9.3272, mean of 6.858833 and a standard deviation of 1.0477475.

The study established that there was a great connection ($R= 0.921$) amongst the study variables. The study also established that independent variables; board size, board composition, board diversity, size of the firm and financial performance explains 84.8% of the total variance in the share returns.

The regression equation generated had a significance level of 1.2% implying that it was suitable for predicting the future returns on shares of firms quoted at NSE. The regression model was statistically significant at the 95% confidence level confirming that it was suitable to explain how the predictors affect the returns on shares of company listed. In addition, the study further discovered that board composition and profitability are statistically significant determiners of stock returns while board size, diversity and firm size were insignificant since the significance values exceeding 0.05.

5.3 Conclusion

The study concluded that secondary nature data applied in the study was sourced from a normally distributed population and could therefore be used to carry out inferential analysis such as regression and Pearson correlation. This was evidenced by the tests of

normality which recorded p-values that were above 0.05. The research also concluded that the independent variables (financial performance, size of the firm and corporate governance) used in this study could be used as determinants of share returns since they recorded VIF values of less than 10 implying they did not have multi-collinearity issues.

This study concludes that CG has insignificant effects on returns on shares at the NSE. Board sizes and diversity and size of the firm were observed to have negative statistically insignificant effects on stock returns of non-financial firms listed at the NSE. Board composition was also found to have a negative but statistically significant effect on returns on shares of non-financial firms listed at the NSE. On the contrary, financial performance was found to have a positive and statistically significant effect on stock returns of non-financial firms. This study therefore concludes that board size and board diversity and firm size do not significantly influence returns on shares at NSE.

The study also established that the predictor variables (board composition, women ratio in the board, no of board members, firm total assets and asset tangibility only represents 84.8% of the total change in the return of shares. This makes a conclusion that large number of variables included in the model affects returns. In addition, the studies conclude that model used is fit and reliable for further studies.

5.4 Recommendations

The research concluded that board size insignificantly affects stock returns of listed non-financial firms at the NSE with a mean of 8.6. The study therefore recommends that the management of listed firms should ensure that their boards have adequate numbers of an average of 9 directors to ensure that they maximize their share returns. As its a good number that can facilitate proper and impartial overseeing of the firms operations which would then guarantee high share returns due to increased performance.

The results found that board composition significantly affects return on stock at the NSE. The study thus recommended that the firms should ensure that their boards have a good number of independent directors so that they can increase the value of their shares. This is because the independent directors are deemed impartial in their decisions hence they would be made for the good interests of the respective firms stakeholders.

The study concluded that board diversity has an insignificant effect on return on stock of non-financial listed. However, the study recommended that firms ought to ensure that their boards should be well diversified and inclusive of all genders as board diversity significantly affects shares returns. This is because gender diversity in the board membership portrays an image of inclusivity in the organizations and as a form of best practice it then creates a good reputation that translates to better performance and similarly higher share returns.

The study recommended that managers must enhance their firms' financial performance since good performance in financial terms affects share returns significantly. This can be achieved through prudent financial practices such as adherence to auditors recommendation and meeting compliance regulations set by the capital markets authority such as on disclosure requirements and extent of application of ethics and corporate governance aspects. As highly compliant firms tend to achieve increased performance that is exhibited in high share returns.

5.5 Limitations of the Study

This study solely relied on secondary data to arrive at the findings. Secondary data was employed because it is an aggregate of experts' efforts in consolidating the data for the public, investors and regulators consumption. However, an assessment of the same study using primary data and consulting with experts in the bourse might yield different

results. In addition, the scope of this study was five years period (2014 to 2018). Therefore, the results may not hold for a longer study period which would otherwise capture major events not included in this study hence resulting into more reliable outcome.

Finally, the share returns of a firm are affected by numerous factors that were not part of this study. Although the study examined the corporate governance effect on share returns only three aspects of corporate governance parameters were analyzed that is board size, board diversity and board composition. The study also introduced two control variables to capture the effect of other variables that might also affect share return.

Finally, secondary data which was used to carry out the study was calculated into accounting ratios which are historic in nature and may not represent the current situation. In addition, secondary data does not consider the qualitative aspects since it is quantitative in nature. Further the period of the study was limited to 5 years and hence an extended period would probably provide different kind of results.

5.6 Suggestions for Further Research

This study was centered on CG and stock returns of non-financial firms listed at the NSE and solely depended on secondary data. A research study in which primary data collection tools such as structured interviews and in depth questionnaires are employed for the non-financial firms listed at the NSE is suggested as a complement to this study. This recommendation is raised because primary data may yield different results owing to the data coming directly from the relevant experts and it having not been combed and aggregated like is the case with secondary data.

This study focused on a five year period (2014 to 2018) owing to the fact that it was the most recent annual data for non-financial firms listed at the NSE. Further studies in this

area may use data for longer periods for example data from 1990 to present which would be helpful in upholding or refuting the findings of this study. Utilizing longer period's data is important since such data is bound to capture the effects of rare but important events which a shorter period may not capture. This study also restricted itself to the non-financial firms. It therefore recommends that further research be conducted on financial institutions which are listed at the NSE.

This study used multiple linear regression model to explain the relationship between the variables under study. Linear regression models have limitations such as being sensitive to outliers and being restricted to linear conditions even when variables may have relationships which are nonlinear. This study therefore recommends that further studies utilize other models beyond the linear regression models. For example the vector error correction model can be employed to explain relationship between variables because unlike the linear regression models, the model includes error correction features to the vector auto regression.

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Appendix I: Firms Listed at Nairobi Securities Exchange

AGRICULTURAL

- Eaagads Ltd
- Kapchorua Tea
- Kakuzi
- Limuru Tea
- Rea Vipingo Plantations Ltd
- Sasini Ltd Ord 1.00
- Williamson Tea Kenya Ltd

AUTOMOBILES AND ACCESSORIES

- Car and General (K) Ltd

BANKING

- Barclays Bank Ltd
- Stanbic Holdings Plc.
- I&M Holdings Ltd
- Diamond Trust Bank Kenya Ltd
- HF Group Ltd
- KCB Group Ltd
- National Bank of Kenya Ltd
- NIC Group PLC
- Standard Chartered Bank Ltd
- Equity Group Holdings
- The Co-operative Bank of Kenya Ltd

COMMERCIAL AND SERVICES

- Express Ltd
- Sameer Africa PLC
- Kenya Airways Ltd
- Nation Media Group
- Standard Group Ltd
- TPS Eastern Africa (Serena) Ltd
- Scangroup Ltd
- Uchumi Supermarket Ltd
- Longhorn Publishers Ltd
- Atlas Development and Support Services
- Deacons (East Africa) Plc
- Nairobi Business Ventures Ltd

CONSTRUCTION AND ALLIED

- Athi River Mining
- Bamburi Cement Ltd
- Crown Paints Kenya PLC.
- E.A.Cables Ltd

- E.A.Portland Cement Ltd

ENERGY AND PETROLEUM

- KenolKobil Ltd
- Total Kenya Ltd
- KenGen Ltd
- Kenya Power & Lighting Co Ltd
- Umeme Ltd

INSURANCE

- Jubilee Holdings Ltd
- Sanlam Kenya PLC
- Kenya Re-Insurance Corporation Ltd
- Liberty Kenya Holdings Ltd
- Britam Holdings Ltd
- CIC Insurance Group Ltd

INVESTMENT

- Olympia Capital Holdings ltd
- Centum Investment Co Ltd
- Trans-Century Ltd
- Home Afrika Ltd
- Kurwitu Ventures

INVESTMENT SERVICES

- Nairobi Securities Exchange Ltd

MANUFACTURING AND ALLIED

- B.O.C Kenya Ltd
- British American Tobacco Kenya Ltd
- Carbacid Investments Ltd
- East African Breweries Ltd
- Mumias Sugar Co. Ltd
- Unga Group Ltd
- Eveready East Africa Ltd
- Kenya Orchards Ltd
- Flame Tree Group Holdings Ltd

TELECOMMUNICATION AND TECHNOLOGY

- Safaricom PLC

REAL ESTATE INVESTMENT TRUST

- Stanlib Fahari I-REIT

EXCHANGE TRADED FUND

- New Gold Issuer (RP) Ltd

Appendix II: Non- Financial Firms Listed at Nairobi Securities Exchange

A. AGRICULTURAL

- Eaagads Ltd
- Kapchorua Tea
- Kakuzi
- Limuru Tea
- Rea Vipingo Plantations Ltd
- Sasini Ltd Ord 1.00
- Williamson Tea Kenya Ltd

B. AUTOMOBILES AND ACCESSORIES

- Car and General (K) Ltd

C. COMMERCIAL AND SERVICES

- Express Ltd
- Sameer Africa PLC
- Kenya Airways Ltd
- Nation Media Group
- Standard Group Ltd
- TPS Eastern Africa (Serena) Ltd
- Scangroup Ltd
- Uchumi Supermarket Ltd
- Longhorn Publishers Ltd
- Atlas Development and Support Services
- Deacons (East Africa) Plc
- Nairobi Business Ventures Ltd

D. CONSTRUCTION AND ALLIED

- Athi River Mining
- Bamburi Cement Ltd
- Crown Paints Kenya PLC.
- E.A.Cables Ltd
- E.A.Portland Cement Ltd

E. ENERGY AND PETROLEUM

- KenolKobil Ltd
- Total Kenya Ltd
- KenGen Ltd
- Kenya Power & Lighting Co Ltd
- Umeme Ltd

F. MANUFACTURING AND ALLIED

- B.O.C Kenya Ltd
- British American Tobacco Kenya Ltd
- Carbacid Investments Ltd
- East African Breweries Ltd
- Mumias Sugar Co. Ltd
- Unga Group Ltd
- Eveready East Africa Ltd
- Kenya Orchards Ltd
- Flame Tree Group Holdings Ltd

G. TELECOMMUNICATION AND TECHNOLOGY

- Safaricom PLC

Source: NSE (2019)

Appendix III: Data Collection Form

| NAME | YEAR | BOARD DIVERSITY | BOARD SIZE | BOARD COMPOSITION | CEO DUARITY | ROA | FIRM SIZE |
|-------------|-------------|------------------------|-------------------|--------------------------|--------------------|------------|------------------|
| FIRM 1 | 2014 | | | | | | |
| | 2015 | | | | | | |
| | 2016 | | | | | | |
| | 2017 | | | | | | |
| | 2018 | | | | | | |
| FIRM 2 | 2014 | | | | | | |
| | 2015 | | | | | | |
| | 2016 | | | | | | |
| | 2017 | | | | | | |
| | 2018 | | | | | | |

Appendix IV: Data

| FIRMS | YEAR | Y | X1 | X2 | X3 | X4 | X5 |
|--------------------------------------|------|-------|--------|-------|-------|--------|-------|
| Express Kenya Ltd | 2014 | 0.079 | 4.000 | 0.250 | 0.750 | -1.031 | 7.875 |
| | 2015 | 0.084 | 4.000 | 0.250 | 0.750 | -0.553 | 8.036 |
| | 2016 | 0.075 | 4.000 | 0.250 | 0.750 | -0.992 | 7.990 |
| | 2017 | 0.074 | 4.000 | 0.250 | 0.750 | -0.933 | 7.986 |
| | 2018 | 0.073 | 4.000 | 0.250 | 0.750 | -0.924 | 7.878 |
| Sameer Africa Plc | 2014 | 0.023 | 6.000 | 0.000 | 0.833 | -0.017 | 6.586 |
| | 2015 | 0.026 | 6.000 | 0.000 | 0.833 | -0.004 | 6.574 |
| | 2016 | 0.026 | 7.000 | 0.143 | 0.857 | -0.198 | 6.517 |
| | 2017 | 0.030 | 8.000 | 0.375 | 0.875 | 0.004 | 6.473 |
| | 2018 | 0.043 | 8.000 | 0.375 | 0.875 | -0.205 | 6.413 |
| Kenya Airways Ltd | 2014 | 0.078 | 13.000 | 0.077 | 0.833 | -0.023 | 5.172 |
| | 2015 | 0.080 | 14.000 | 0.214 | 0.786 | -0.141 | 5.260 |
| | 2016 | 0.077 | 13.000 | 0.231 | 0.923 | -0.165 | 5.200 |
| | 2017 | 0.081 | 11.000 | 0.182 | 0.909 | -0.045 | 5.169 |
| | 2018 | 0.082 | 13.000 | 0.231 | 0.923 | -0.057 | 5.136 |
| Longhorn Publishers Ltd | 2014 | 0.039 | 8.000 | 0.250 | 0.750 | 0.127 | 5.874 |
| | 2015 | 0.032 | 9.000 | 0.222 | 0.889 | 0.104 | 5.838 |
| | 2016 | 0.033 | 9.000 | 0.333 | 0.889 | 0.056 | 6.271 |
| | 2017 | 0.019 | 9.000 | 0.333 | 0.889 | 0.072 | 6.269 |
| | 2018 | 0.033 | 9.000 | 0.333 | 0.889 | 0.076 | 6.382 |
| Nairobi Business Ventures Ltd | 2014 | 0.035 | 5.000 | 0.000 | 0.800 | 0.121 | 7.808 |
| | 2015 | 0.019 | 5.000 | 0.000 | 0.800 | 0.033 | 7.916 |
| | 2016 | 0.026 | 5.000 | 0.000 | 0.800 | 0.041 | 8.029 |
| | 2017 | 0.031 | 5.000 | 0.000 | 0.800 | -0.325 | 8.005 |
| | 2018 | 0.030 | 6.000 | 0.200 | 0.833 | -0.269 | 8.009 |
| Nation Media Group Ltd | 2014 | 0.034 | 16.000 | 0.188 | 0.813 | 0.123 | 4.300 |
| | 2015 | 0.038 | 17.000 | 0.176 | 0.765 | 0.175 | 4.104 |
| | 2016 | 0.041 | 17.000 | 0.118 | 0.824 | 0.139 | 4.085 |
| | 2017 | 0.041 | 18.000 | 0.111 | 0.833 | 0.116 | 4.054 |
| | 2018 | 0.044 | 17.000 | 0.118 | 0.882 | 0.100 | 4.049 |
| Standard Group Ltd | 2014 | 0.061 | 8.000 | 0.125 | 0.625 | 0.054 | 6.613 |
| | 2015 | 0.064 | 8.000 | 0.125 | 0.625 | -0.066 | 6.639 |
| | 2016 | 0.061 | 8.000 | 0.125 | 0.625 | 0.045 | 6.644 |
| | 2017 | 0.055 | 9.000 | 0.222 | 0.444 | -0.047 | 6.649 |
| | 2018 | 0.058 | 9.000 | 0.222 | 0.889 | 0.064 | 6.610 |
| TPS Eastern Africa Ltd | 2014 | 0.086 | 13.000 | 0.077 | 0.769 | 0.017 | 7.202 |
| | 2015 | 0.086 | 13.000 | 0.077 | 0.769 | -0.018 | 7.199 |
| | 2016 | 0.085 | 11.000 | 0.091 | 0.818 | 0.007 | 7.225 |
| | 2017 | 0.080 | 12.000 | 0.083 | 0.750 | 0.007 | 7.243 |
| | 2018 | 0.085 | 11.000 | 0.091 | 0.818 | 0.010 | 7.245 |

| | | | | | | | |
|------------------------------------|------|-------|--------|-------|-------|--------|-------|
| Uchumi Supermarket Ltd | 2014 | 0.069 | 14.000 | 0.286 | 0.857 | 0.053 | 6.840 |
| | 2015 | 0.072 | 14.000 | 0.286 | 0.857 | -0.543 | 6.799 |
| | 2016 | 0.068 | 13.000 | 0.308 | 0.800 | -0.567 | 6.699 |
| | 2017 | 0.074 | 13.000 | 0.308 | 0.923 | -0.388 | 6.636 |
| | 2018 | 0.089 | 10.000 | 0.400 | 1.200 | -0.341 | 6.614 |
| WPP Scangroup Ltd | 2014 | 0.018 | 7.000 | 0.000 | 0.571 | 0.047 | 7.123 |
| | 2015 | 0.018 | 8.000 | 0.000 | 0.625 | 0.038 | 7.096 |
| | 2016 | 0.019 | 8.000 | 0.000 | 0.625 | 0.034 | 7.130 |
| | 2017 | 0.018 | 10.000 | 0.100 | 0.800 | 0.035 | 7.139 |
| | 2018 | 0.021 | 10.000 | 0.100 | 0.800 | 0.042 | 7.159 |
| Eaagads Ltd | 2014 | 0.077 | 3.000 | 0.000 | 0.667 | 0.026 | 5.670 |
| | 2015 | 0.078 | 3.000 | 0.000 | 0.667 | 0.014 | 5.633 |
| | 2016 | 0.085 | 3.000 | 0.000 | 0.667 | 0.001 | 5.881 |
| | 2017 | 0.084 | 3.000 | 0.000 | 0.750 | 0.020 | 5.965 |
| | 2018 | 0.091 | 4.000 | 0.000 | 0.750 | -0.066 | 5.974 |
| Kapchorua Tea Co. Ltd | 2014 | 0.063 | 8.000 | 0.000 | 0.875 | 0.065 | 6.285 |
| | 2015 | 0.062 | 8.000 | 0.000 | 0.875 | -0.011 | 6.297 |
| | 2016 | 0.057 | 7.000 | 0.000 | 0.857 | 0.049 | 6.331 |
| | 2017 | 0.054 | 7.000 | 0.000 | 0.857 | -0.025 | 6.308 |
| | 2018 | 0.070 | 7.000 | 0.000 | 0.857 | 0.067 | 6.396 |
| Kakuzi | 2014 | 0.026 | 8.000 | 0.000 | 0.750 | 0.042 | 6.586 |
| | 2015 | 0.026 | 8.000 | 0.000 | 0.750 | 0.116 | 6.659 |
| | 2016 | 0.027 | 8.000 | 0.000 | 0.750 | 0.111 | 6.705 |
| | 2017 | 0.025 | 8.000 | 0.000 | 0.750 | 0.103 | 6.759 |
| | 2018 | 0.023 | 8.000 | 0.000 | 0.750 | 0.081 | 6.774 |
| Limuru Tea Co. Ltd | 2014 | 0.047 | 3.000 | 0.000 | 0.333 | 0.022 | 5.532 |
| | 2015 | 0.051 | 4.000 | 0.000 | 0.250 | 0.011 | 5.534 |
| | 2016 | 0.065 | 4.000 | 0.000 | 0.250 | -0.068 | 5.451 |
| | 2017 | 0.070 | 7.000 | 0.143 | 0.286 | -0.084 | 5.418 |
| | 2018 | 0.066 | 8.000 | 0.375 | 0.375 | 0.009 | 5.429 |
| Rea Vipingo Plantations Ltd | 2014 | 0.078 | 5.000 | 0.000 | 0.800 | 1.096 | 5.505 |
| | 2015 | 0.079 | 5.000 | 0.000 | 0.800 | 0.300 | 6.689 |
| | 2016 | 0.086 | 5.000 | 0.000 | 0.800 | 0.352 | 6.680 |
| | 2017 | 0.092 | 5.000 | 0.000 | 0.800 | 0.203 | 6.664 |
| | 2018 | 0.093 | 5.000 | 0.000 | 0.800 | 0.267 | 6.708 |
| Sasini Ltd | 2014 | 0.039 | 6.000 | 0.167 | 0.857 | 0.384 | 7.174 |
| | 2015 | 0.038 | 6.000 | 0.167 | 0.833 | 0.044 | 7.100 |
| | 2016 | 0.041 | 7.000 | 0.143 | 0.833 | 0.044 | 7.117 |
| | 2017 | 0.042 | 7.000 | 0.143 | 0.857 | 0.026 | 7.120 |
| | 2018 | 0.049 | 9.000 | 0.333 | 0.889 | 0.030 | 7.113 |
| Williamson Tea Kenya Ltd | 2014 | 0.087 | 7.000 | 0.000 | 0.286 | 0.087 | 6.931 |
| | 2015 | 0.089 | 8.000 | 0.000 | 0.250 | -0.027 | 6.932 |

| | | | | | | | |
|---------------------------------|------|-------|--------|-------|-------|--------|-------|
| | 2016 | 0.094 | 7.000 | 0.000 | 0.286 | 0.054 | 6.951 |
| | 2017 | 0.094 | 7.000 | 0.000 | 0.286 | -0.031 | 6.922 |
| | 2018 | 0.092 | 7.000 | 0.000 | 0.286 | 0.053 | 6.978 |
| Safaricom | 2014 | 0.031 | 12.000 | 0.417 | 0.750 | 0.171 | 8.129 |
| | 2015 | 0.035 | 12.000 | 0.417 | 0.750 | 0.203 | 8.196 |
| | 2016 | 0.039 | 12.000 | 0.417 | 0.750 | 0.544 | 7.846 |
| | 2017 | 0.027 | 12.000 | 0.333 | 0.750 | 0.610 | 7.900 |
| | 2018 | 0.025 | 11.000 | 0.364 | 0.818 | 0.330 | 5.224 |
| BAT | 2014 | 0.080 | 10.000 | 0.300 | 0.700 | 0.233 | 7.261 |
| | 2015 | 0.077 | 10.000 | 0.300 | 0.700 | 0.266 | 7.271 |
| | 2016 | 0.076 | 10.000 | 0.300 | 0.700 | 0.224 | 7.336 |
| | 2017 | 0.083 | 10.000 | 0.300 | 0.700 | 0.164 | 7.309 |
| | 2018 | 0.081 | 9.000 | 0.333 | 0.667 | 0.223 | 7.263 |
| B.O.C Kenya | 2014 | 0.025 | 10.000 | 0.300 | 0.700 | 0.100 | 6.362 |
| | 2015 | 0.032 | 9.000 | 0.444 | 0.667 | 0.064 | 6.366 |
| | 2016 | 0.031 | 9.000 | 0.444 | 0.667 | 0.057 | 6.347 |
| | 2017 | 0.030 | 9.000 | 0.444 | 0.667 | 0.018 | 6.348 |
| | 2018 | 0.030 | 9.000 | 0.444 | 0.667 | 0.031 | 6.331 |
| Carbacid Investments Ltd | 2014 | 0.055 | 5.000 | 0.000 | 0.800 | 0.194 | 6.404 |
| | 2015 | 0.060 | 5.000 | 0.000 | 0.800 | 0.133 | 6.473 |
| | 2016 | 0.077 | 5.000 | 0.000 | 0.800 | 0.122 | 6.489 |
| | 2017 | 0.079 | 5.000 | 0.200 | 0.800 | 0.107 | 6.519 |
| | 2018 | 0.082 | 5.000 | 0.200 | 0.800 | 0.280 | 6.028 |
| EABL | 2014 | 0.028 | 12.000 | 0.333 | 0.750 | 0.109 | 7.798 |
| | 2015 | 0.032 | 11.000 | 0.273 | 0.636 | 0.143 | 7.826 |
| | 2016 | 0.037 | 14.000 | 0.214 | 0.714 | 0.156 | 7.817 |
| | 2017 | 0.037 | 12.000 | 0.250 | 0.667 | 0.128 | 7.824 |
| | 2018 | 0.036 | 13.000 | 0.231 | 0.692 | 0.102 | 7.853 |
| Mumias | 2014 | 0.054 | 13.000 | 0.385 | 0.846 | -0.115 | 7.372 |
| | 2015 | 0.049 | 13.000 | 0.308 | 0.846 | -0.228 | 7.310 |
| | 2016 | 0.046 | 13.000 | 0.308 | 0.846 | -0.177 | 7.428 |
| | 2017 | 0.046 | 13.000 | 0.308 | 0.846 | -0.281 | 7.382 |
| | 2018 | 0.046 | 13.000 | 0.385 | 0.846 | -0.962 | 7.197 |
| UNGA ltd | 2014 | 0.049 | 9.000 | 0.333 | 0.778 | 0.059 | 6.905 |
| | 2015 | 0.051 | 9.000 | 0.333 | 0.778 | 0.072 | 6.936 |
| | 2016 | 0.049 | 9.000 | 0.333 | 0.778 | 0.061 | 6.922 |
| | 2017 | 0.051 | 9.000 | 0.333 | 0.778 | -0.001 | 6.975 |
| | 2018 | 0.051 | 9.000 | 0.333 | 0.778 | 0.079 | 6.997 |
| Eveready | 2014 | 0.060 | 9.000 | 0.444 | 0.889 | -0.191 | 5.969 |
| | 2015 | 0.061 | 9.000 | 0.556 | 0.778 | -0.051 | 6.179 |
| | 2016 | 0.062 | 9.000 | 0.444 | 0.778 | -0.260 | 5.926 |
| | 2017 | 0.061 | 6.000 | 0.667 | 0.667 | 0.322 | 5.888 |
| | 2018 | 0.070 | 6.000 | 0.500 | 0.667 | -0.203 | 5.759 |

| | | | | | | | |
|-------------------------------|------|-------|--------|-------|-------|--------|-------|
| K. Orchards | 2014 | 0.068 | 4.000 | 0.000 | 0.250 | 0.029 | 7.701 |
| | 2015 | 0.068 | 4.000 | 0.000 | 0.250 | 0.038 | 7.896 |
| | 2016 | 0.062 | 4.000 | 0.000 | 0.250 | 0.042 | 7.951 |
| | 2017 | 0.067 | 4.000 | 0.000 | 0.250 | 0.053 | 8.035 |
| | 2018 | 0.067 | 4.000 | 0.000 | 0.250 | 0.008 | 8.059 |
| Flame Tree Group | 2014 | 0.027 | 5.000 | 0.200 | 0.400 | 0.145 | 9.023 |
| | 2015 | 0.018 | 5.000 | 0.200 | 0.400 | 0.130 | 9.137 |
| | 2016 | 0.058 | 5.000 | 0.200 | 0.400 | 0.095 | 9.182 |
| | 2017 | 0.075 | 5.000 | 0.200 | 0.400 | 0.024 | 9.226 |
| | 2018 | 0.025 | 5.000 | 0.200 | 0.400 | 0.016 | 9.327 |
| Athi River Mining | 2014 | 0.074 | 9.000 | 0.000 | 0.667 | 0.040 | 7.567 |
| | 2015 | 0.082 | 9.000 | 0.000 | 0.667 | -0.056 | 7.715 |
| | 2016 | 0.088 | 10.000 | 0.000 | 0.800 | -0.055 | 7.708 |
| | 2017 | 0.093 | 10.000 | 0.200 | 0.800 | -0.153 | 7.630 |
| | 2018 | 0.092 | 9.000 | 0.222 | 0.889 | -0.126 | 7.620 |
| East African Cables | 2014 | 0.021 | 8.000 | 0.125 | 0.875 | 0.043 | 6.897 |
| | 2015 | 0.024 | 8.000 | 0.125 | 0.875 | -0.088 | 6.923 |
| | 2016 | 0.021 | 8.000 | 0.125 | 0.875 | -0.077 | 6.878 |
| | 2017 | 0.025 | 6.000 | 0.167 | 0.833 | -0.094 | 6.847 |
| | 2018 | 0.032 | 9.000 | 0.222 | 0.778 | -0.086 | 6.820 |
| Bamburi | 2014 | 0.068 | 12.000 | 0.250 | 0.583 | 0.095 | 4.613 |
| | 2015 | 0.042 | 10.000 | 0.300 | 0.600 | 0.140 | 4.624 |
| | 2016 | 0.057 | 11.000 | 0.091 | 0.545 | 0.144 | 4.611 |
| | 2017 | 0.047 | 12.000 | 0.333 | 0.583 | 0.042 | 4.674 |
| | 2018 | 0.044 | 12.000 | 0.417 | 0.667 | 0.012 | 4.702 |
| Portlands | 2014 | 0.081 | 7.000 | 0.143 | 0.714 | -0.025 | 7.196 |
| | 2015 | 0.079 | 8.000 | 0.125 | 0.750 | 0.310 | 7.364 |
| | 2016 | 0.079 | 8.000 | 0.125 | 0.750 | 0.149 | 7.445 |
| | 2017 | 0.083 | 8.000 | 0.125 | 0.750 | -0.054 | 7.437 |
| | 2018 | 0.084 | 8.000 | 0.250 | 0.750 | 0.205 | 7.580 |
| Crown Paints Kenya PLC | 2014 | 0.091 | 6.000 | 0.167 | 0.500 | 0.005 | 6.586 |
| | 2015 | 0.093 | 6.000 | 0.167 | 0.500 | 0.007 | 6.657 |
| | 2016 | 0.090 | 5.000 | 0.000 | 0.400 | 0.026 | 6.704 |
| | 2017 | 0.095 | 5.000 | 0.000 | 0.400 | 0.038 | 6.769 |
| | 2018 | 0.084 | 5.000 | 0.000 | 0.400 | 0.034 | 6.738 |
| KenKobil | 2014 | 0.060 | 7.000 | 0.286 | 0.429 | 0.046 | 7.379 |
| | 2015 | 0.068 | 7.000 | 0.143 | 0.429 | 0.116 | 7.240 |
| | 2016 | 0.067 | 5.000 | 0.000 | 0.400 | 0.100 | 7.384 |
| | 2017 | 0.058 | 6.000 | 0.333 | 0.667 | 0.102 | 7.382 |
| | 2018 | 0.061 | 6.000 | 0.333 | 0.667 | 0.075 | 7.344 |
| KenGen | 2014 | 0.067 | 12.000 | 0.417 | 0.917 | 0.112 | 4.402 |
| | 2015 | 0.068 | 12.000 | 0.417 | 0.917 | 0.034 | 8.535 |
| | 2016 | 0.061 | 14.000 | 0.214 | 0.857 | 0.018 | 8.564 |

| | | | | | | | |
|--------------------------|------|-------|--------|-------|-------|-------|-------|
| | 2017 | 0.056 | 14.000 | 0.214 | 0.857 | 0.024 | 8.576 |
| | 2018 | 0.053 | 13.000 | 0.308 | 0.923 | 0.021 | 8.579 |
| Total | 2014 | 0.062 | 9.000 | 0.333 | 0.556 | 0.044 | 7.512 |
| | 2015 | 0.095 | 10.000 | 0.400 | 0.500 | 0.047 | 7.534 |
| | 2016 | 0.043 | 9.000 | 0.222 | 0.667 | 0.062 | 7.559 |
| | 2017 | 0.043 | 10.000 | 0.200 | 0.500 | 0.072 | 7.580 |
| | 2018 | 0.037 | 10.000 | 0.200 | 0.500 | 0.059 | 7.594 |
| KPLC | 2014 | 0.063 | 11.000 | 0.182 | 0.909 | 0.032 | 8.344 |
| | 2015 | 0.060 | 12.000 | 0.250 | 0.833 | 0.027 | 8.440 |
| | 2016 | 0.052 | 12.000 | 0.300 | 0.833 | 0.024 | 8.474 |
| | 2017 | 0.041 | 11.000 | 0.273 | 0.818 | 0.016 | 8.520 |
| | 2018 | 0.044 | 11.000 | 0.273 | 0.818 | 0.006 | 8.527 |
| UMEME | 2014 | 0.086 | 10.000 | 0.100 | 0.700 | 0.058 | 6.083 |
| | 2015 | 0.092 | 11.000 | 0.182 | 0.727 | 0.060 | 6.249 |
| | 2016 | 0.087 | 12.000 | 0.167 | 0.667 | 0.046 | 6.341 |
| | 2017 | 0.077 | 13.000 | 0.154 | 0.769 | 0.015 | 6.371 |
| | 2018 | 0.077 | 10.000 | 0.200 | 0.800 | 0.054 | 6.392 |
| Car & General | 2014 | 0.063 | 7.000 | 0.000 | 0.714 | 0.034 | 6.911 |
| | 2015 | 0.067 | 7.000 | 0.000 | 0.714 | 0.014 | 6.954 |
| | 2016 | 0.067 | 7.000 | 0.000 | 0.714 | 0.009 | 6.987 |
| | 2017 | 0.062 | 7.000 | 0.000 | 0.857 | 0.008 | 6.973 |
| | 2018 | 0.064 | 7.000 | 0.143 | 0.857 | 0.022 | 7.007 |