

**GOVERNANCE AND PERFORMANCE OF CHURCH
BASED ORGANIZATIONS IN KENYA: CASE STUDY OF
PRESBYTERIAN CHURCH OF EAST AFRICA KIKUYU
HOSPITAL**

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UNIVERSITY OF NAIROBI**

2020

DECLARATION

I declare that this is my original work and it has not been presented for examination in any other university.

Signature _____ **Date** _____

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This research project has been submitted for examination with my approval as the university supervisor.

Signature _____ **Date** _____

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DEDICATION

This study is dedicated to my parents Mr. and Mrs. Charles Muriithi for the sacrifice they made to educate me and for teaching me the importance of working hard.

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To the Chief Executive Officer (CEO) and management of Presbyterian Church of East Africa (PCEA) Kikuyu Hospital, I say thank you for allowing me to use the hospital as a case study and for responding to my questionnaires.

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TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENTS	iv
TABLE OF CONTENTS	v
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF ABBREVIATIONS	ix
ABSTRACT.....	x
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the Study	1
1.1.1 Organizational Governance	2
1.1.2 Organizational Performance	3
1.1.3 Presbyterian Church of East Africa Kikuyu Hospital.....	4
1.2 Research Problem	5
1.3 Objectives of the Study.....	7
1.4 Value of the Study	8
CHAPTER TWO: LITERATURE REVIEW.....	9
2.1 Introduction.....	9
2.2 Theoretical Framework.....	9
2.2.1 Stewardship Theory	9
2.2.2 Stakeholder’s Theory	10
2.2.3 Agency Theory.....	11
2.3 Empirical Review	11
2.3.1 Governance of Church Based Organizations.....	12
2.3.2 Performance of Church Based Organizations.....	13
2.3.3 Governance and Performance of Church Based Organizations.....	14
2.4 Summary of Empirical Review.....	17
2.5 Conceptual Framework.....	20
CHAPTER THREE: RESEARCH METHODOLOGY	21
3.1 Introduction.....	21
3.2 Research Design	21
3.3 Target Population.....	21
3.4 Operationalization of Variables	21
3.5 Research Instruments.....	22
3.6 Data Collection	23
3.7 Data Reliability and Validity	24
3.8 Data Analysis.....	24
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION	26
4.1 Introduction.....	26

4.2 Demographic Characteristics of the Respondents	26
4.3 Effect of Board Composition, Leadership Structure, Board Accountability on Performance of Presbyterian Church of East Africa at Kikuyu Hospital	28
4.4 Discussion of Results.....	34
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS ...	36
5.1 Introduction.....	36
5.2 Summary of Findings.....	36
5.3 Conclusion	37
5.4 Recommendations.....	38
5.4 Areas for Further Study	38
REFERENCES.....	40
APPENDICES.....	43
Appendix I Letter of Introduction	43
Appendix II Questionnaires.....	44

LIST OF TABLES

Table 2.1 Summary of Empirical Review.....	18
Table 3.1 Operationalization of Study Variables.....	23
Table 3.2 Summary of Objectives, Analyses and Interpretations.....	25
Table 4.1 Respondents' Level of Employment.....	27
Table 4.2 Respondents Level education	27
Table 4.3 Respondents Duration in the Organization.....	27
Table 4.4 Most important Objective of the Organization	28
Table 4.5 Descriptive Results of Board Composition	29
Table 4.6 Descriptive Results of Leadership Structure	29
Table 4.7 Descriptive Results of Board Accountability	30
Table 4.8 Descriptive Results of Performance of Presbyterian Church of East Africa Kikuyu Hospital	31
Table 4.9 Correlation Results	32
Table 4.10 Model Summary	33

LIST OF FIGURES

Figure 2.1 Conceptual Framework	20
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LIST OF ABBREVIATIONS

BSC	Balance Score Card
CBOs	Church Based Organizations
CEO	Chief Executive Officer
CUE	Commission for University Education
FBOs	Faith Based Organizations
FGCK	Full Gospel Church of Kenya
KeMU	Kenya Methodist University
OECD	Organization for Economic Co-operation and Development
PCEA	Presbyterian Church of East Africa
PSCGT	Private Sector Corporate Governance Trust
PUE	Presbyterian University of East Africa
UNDP	United Nations Development Programme

ABSTRACT

In Kenya, various financial misappropriations including Church Based Organizations (CBOs) have occurred. These include among others, allegations of financial unfitness and failure to put benefactor assets to the expected use inciting withdrawal of financing, misbehavior and powerlessness to keep the law and policies hence leading to closure. This study accordingly looked at the question of the impact of governance on CBOs performance in Kenya. The particular goals of the study were to analyze the impact of board creation on performance of PCEA Kikuyu Hospital, study the impact of administration structure on performance of PCEA Kikuyu Hospital, and inspect the impact of board responsibility on its performance. The findings of the study would guide CBO on how to enhance effective governance in order to improve performance. The findings were expected to assist board members and policy makers in formulation of policies. This study was anchored on stewardship theory, stakeholder's theory and agency theory of the organization. A descriptive research design was assumed on a contextual analysis of PCEA Kikuyu Hospital. The study population was 67 PCEA Kikuyu Hospital employees. The essential information was gathered through a structured questionnaire. It was analyzed by utilizing SPSS software where expressive and inferential outcomes were done. The regression showed that board composition had a significant effect on performance of PCEA Kikuyu Hospital ($\beta= 0.470$; Sig < 0.05); leadership structure had a positive and substantial effect on performance of PCEA Kikuyu Hospital ($\beta= 0.164$; Sig < 0.05) and board accountability had a positive and substantial effect on performance of PCEA Kikuyu Hospital ($\beta= 0.221$; Sig < 0.05). The study findings also indicated that jointly, corporate governance explained up to 54.1 percent of the variation in performance of PCEA Kikuyu Hospital. Based on the findings that corporate governance practices are important in enhancing performance of CBOs in Kenya, the study recommends the management of the CBOs to ensure adoption of more of the corporate governance practices such as board accountability, leadership structure and board composition. The management should ensure that they have a balanced board composition in terms of size, diversity and independence. They should also ensure that they have a flexible leadership structure with a good locus of control, effective decision making structure and a good corporate and ethical behaviour of management. Another recommendation is that the management should enhance guidelines that would ensure that there is board accountability in financial disclosure, internal control and transparency practices.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The engagement of churches on projects through affiliated organizations is a prevailing universal notion, that describes those companies with mainly collective and conservational objectives whose proceeds are mostly ploughed back for that intention in companies or in the public or in the community rather than to provide yields to owners and shareholders as profit. Projects that are funded by the church are currently having the universal tendency of corporate social responsibility that is expanding with the realization of the merits of meeting social and environmental needs hence closing the gap between the opulent and the poor (Mulgan & Leadbeater, 2013).

Church Based Organizations (CBOs) give a totally new thought in business energized by social point that is tending to the neglected needs of the network and its environmental factors (Mulgan & Leadbeater, 2013). Adventures bolstered by the holy places make a decent picture, gives an individual or an organization exceptional regard amidst its peers, decreases tainting, makes openings for work by taking a few activities like structure of parks, formal schools, clinics and serving the necessities of the general public. Individuals, associations and organizations that grasp church financed activities take the elements of social response and social duty. Though a couple like to go on specific premise past the lawful prerequisites utilizing cost benefit analysis, others volunteer with significant obligation to serve the general public independent of the expenses or advantages included absence of legitimate structure, strategies and government support has made rivalry trying for such organizations with the exception of in a couple of countries (Pattiniemi, 2010).

In Botswana, there has been a sudden closed of the tasks began by CBOs which has resulted in incomplete ventures, hidden objectives and unfulfilled desires for the recipients whose help and rising to a superior degree of security as far as food, instruction and clinical wellbeing was exclusively reliant. It is such periods that shifted partners and recipients battle with the congregation supported activities and wish they would have started some manageability measures to see them through such unanticipated yet convincing and critical assignments (Lekorwe, 2009). This gets the noteworthiness of supportability of chapel subsidized undertakings inside chapel associations as a preparatory technique that would prompt the fruitful finish of changed church financed tasks and extreme satisfaction of the dreams of the authors of such endeavors (Pattiniemi, 2010).

1.1.1 Organizational Governance

Good governance as defined by the UNDP is the processes of decision making, planning for development and delivery of services to the people. According to Davidson (2013), good governance in nonprofit sector ensures that projects implemented by nonprofit organizations are effectively managed in accordance to requirements of governance across the nonprofit sector. With good governance, there is an expectation that portfolio managing is maximizing yield from company's resources and keeping up the alignment with strategic goals and objectives of the organizations. There is also the assurance that the strategic projects implemented will not fail. Governance in nonprofit sector defines pillars (accountability, transparency and participatory), which help in achievement of set goals.

Since CBOs objective is to become sustainable then great governance is critical to their reality. In most developing nations, Faith Based Organizations (FBOs) ordinarily do not have the ability and assets to control and work the foundation. Assets from givers are additionally ineffectively overseen. In this manner, in order to guarantee right and legitimate administration of assets, great administration becomes avital part of each congregation based association (Drucker, 2007). Philanthropic associations can accomplish significant yields by executing great administration and right administration. Another manners by which CBOs can enhance their administration and the executives tasks is by expressing their central goal, targets and qualities plainly and guaranteeing that these techniques are followed; better HR advancement, instructing and preparing for their workers including board individuals and re-appropriated staff; and upgrading better operational procedures just as financial management, bookkeeping, and spending frameworks (Drucker, 2007).

1.1.2 Organizational Performance

Many researchers have tried to measure performance of their organizations using Balance Score Card (BSC). Organizational performance incorporates the real output or consequences of an organization as estimated against its implied yields that is targets and objectives. Pros in a few fields are associated with authoritative execution along with key organizers, activities, account, legitimate, and hierarchical turn of events (Kaplan & Norton, 2012). In contemporary years, a few organizations have attempted to deal with their presentation utilizing the BSC strategy where performance is followed and evaluated in various estimations like budgetary performance (Levin, 2014).

The possible proportion of organization's presentation is the measurement of the board adequacy which incorporates implementation, or how well management's arrangements are completed by individuals from the organizations; how adequately the executives conveys and deciphers the vision and strategy of the organization to the individuals; designation, or how well administration gives errands and imparts headings to individuals from the organization; rate of profitability, or how well management uses the assets (monetary, physical, and human) of the organization to bring an appropriate yields to stakeholders; conflict management, or how well management can use encounter and coordinated effort aptitudes; the board's capacity to be adaptable and request to basic interests; and how the executives endeavors to comprehend the requirements of others and rouses them to perform (Bryson, 2018).

1.1.3 Presbyterian Church of East Africa Kikuyu Hospital

The PCEA church was started by missionaries from Scotland and they first settled at Kibwezi in 1891 and later spread further to Thogoto. In 1910 while at Thogoto, 53 locals had been converted to Christianity. The number rose to 5,369 by 1929. PCEA church later started to take a more concern in the numerous scots settled in all over Kenya. During this period the two wings of European and Africans were one church but they separated in 1936. Since 1935, the church's pastors and reverends have been trained at St Paul's United Theological College together with Methodists and Anglicans.

The PCEA Kikuyu Hospital is a faith-based institution located 25 kilometers from the city of Nairobi. It is owned by PCEA and is accommodated under the premise of the

Presbyterian Foundation. Currently, the hospital has a capacity of 226 beds and a workforce of 480 skilled and unskilled employees. The PCEA Kikuyu Hospital overall mandate is to be the preferred Christian centre in provision of holistic health services in Africa. It has four main units namely general, eye, orthopedic and dental. Each of this unit is a key revenue centre that operates towards achieving the greater hospital goal of providing accessible quality care.

The PCEA Kikuyu Hospital is headed by a CEO who is answerable to the directors. The board is the utmost management authority in the hospital and members are appointed by the church to set up a strategic direction for the hospital and to develop proper structures for good governance practices at the hospital. The hospital is managed by a hospital administrative team committee that is chaired by CEO. The members comprise the hospital administrator, finance lead, human resource lead, auditor, chaplain and director of nursing services.

1.2 Research Problem

Church as an organization as well as distinct persons in the church particularly missionaries assumed a key role in the improvement of financial difficulties of individuals in a few spots of the world through chapel subsidized endeavors. Sometimes, such projects are usually brought to an abrupt closure due to deployment of an individual minister to another station, exit of donors or withdrawal of funds by the donors who support such ventures (Davidson, 2013).

Globally, pastors and reverends have been fighting with accusations of financial misconduct. They have been suspected to be running institutions meant to complement themselves rather than of preaching the real gospel (Mac Arthur, 2009). In the early years, the Church of England lost numerous immeasurable of pounds in reckless property theory by church officials, who were built up because of post-war advance of London and controlled the church's assets. As a reaction, refined administration structures were shaped inside strict rules. The Roman Catholic Church has been battling allegations of misusing and smothering of informants (Mac Arthur, 2009).

In Kenya, a large number of financial misappropriation including CBOs have happened. These incorporate among others, claims of budgetary inappropriateness and inability to put to expected utilization of benefactor assets prompting withdrawal of subsidizing, blunder and inability to follow with the law and policies prompting closure of CBOs (Kimanga, 2010). In 2008, the Full Gospel Churches of Kenya (FGCK) was involved in a succession dispute that lead to the church splitting into two namely the original FGCK and a fraction called Worldwide Full Gospel church. The Catholic Church of Kenya has had issues of governance of its institutions, a recent case being of St Mary's Hospital where the nuns owned the land but the priest sourced for funds from the donors and assisted in managing and developing the hospital (Masombo, 2015).

In January 2015, PCEA Kitale East Parish congregations protested against their reverend accusing him of mismanagement and undermining the church leadership. The reverend was also accused of making unilateral decisions and undertaking church projects without

consulting the elders (Masombo, 2015). The Government of Kenya directed Commission for University (CUE) to facilitate the wind up of some universities among the list were Kenya Methodist University (KeMU) and Presbyterian University (PUE). They were to be closed down due to issues of governance, leadership and management. These universities had unpaid arrears on staff salaries, had defaulted on remittance of staff deductions to financial institution, staff lacked medical insurance among others (Masombo, 2015). Despite their obvious contribution of CBOs in communities, no conclusive study has been done in Kenya to examine how governance affects performance of these organizations. The researcher wanted to answer the following research questions. What is the effect of board composition on performance of PCEA Kikuyu Hospital; what is the effect of leadership structure on performance of PCEA Kikuyu Hospital; and what is the effect of board accountability on performance of PCEA Kikuyu Hospital.

1.3 Objectives of the Study

The general objective of the study was to establish the effect of governance on performance of CBOs in Kenya. The study was a case study of PCEA Kikuyu Hospital and the specific objectives of the study were to:

- (i) Determine effect of board composition on performance of PCEA Kikuyu Hospital
- (ii) Establish effect of leadership structure on performance of PCEA Kikuyu Hospital
- (iii) Examine effect of board accountability on performance of PCEA Kikuyu Hospital

1.4 Value of the Study

The finding of this study can guide CBOs on how to enhance their governance and financial in order to enhance performance. These findings are expected to be beneficial to policy makers as it can guide them in the formulation and implementation of policies that can streamline the operations of CBOs to ensure that the organizations achieve their goals in the communities where they operate. The study is expected to contribute to the research that exists on CBOs, which may interest researchers exploring the same study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section elaborates theories and relevant literature related to the performance of church based organizations. The chapter also presents an experiential review, a summary and a theoretical framework.

2.2 Theoretical Framework

The study is anchored on the theories of stewardship, stakeholder's and agency theories of an institution. It is critical that the governance of church-based organization is based on solid theoretical foundations.

2.2.1 Stewardship Theory

Davis (1997) advanced the stewardship theory, that argues on the organizational representatives also called the stewards who can be the managers and the board members should always seek the advancement of the organization's performance thus increasing the shareholders wealth. This theory argues that it is the mandate of the stewards to ensure that good results are obtained in the organization. With good governance in the organization, the stewards are likely to be motivated to give their best for the organization.

The leadership ability, decision making process and focus of the stewards are essential in enhancing performance of the organizations. However, when the governance is poor, the stewards can otherwise be demotivated not to performance according to their potential which would worsen the performance of the organization (Davis, 1997).

2.2.2 Stakeholder's Theory

The theory by Freeman (1984), posits that any legitimate person that is participating in activities that obtain positive yields and their precedence is not self-evident. The theory emphasizes that the company should think about the benefits of the entire stakeholders that is both the internal and external stakeholders in a venture. It characterizes the stakeholders as either the employees, managers or the owners to the government as well as special interest groups (Donaldson & Davis, 1997). The theory places credence to not only the internal, but also the external stakeholders of a project.

As a result, when external stakeholders of a project such as the community are involved in its management, it enhances its performance and social cohesion. There is also mobilization of the voluntary contributions from the community thus enhancing its economic value as well as its ability to generate employment, develop useful skills and networks which they can make use of in social exclusion (Armstrong, 2009).

CBOs are therefore encouraged to involve the community members in implementation of their projects in order to maximize the chances of success. The theory also emphasizes that involvement of the community will lead to them benefiting. The involvement of the community members can be from the point of decision making, training them to implement the project as well as taking care of their interests (Bielefeld, 2013). The theory therefore plays a significant role of shedding more light on the function of involving stakeholders on the accomplishment of the ventures being run by CBOs.

2.2.3 Agency Theory

This theory depicts the connection between the principals, for example, organization officials and managers. Investors are the proprietors or the principals of the organization and they do utilize the agents to play out the errands. Principals hand over the activities of business to the executives or supervisors who are the investors' agents (Fama and Jensen, 1983). governance incorporates a progression of collaboration between a company's administration, its board, its investors and other outside partners that give the strategies through which the objective and goals of the firm are set and the methods of executing those targets and checking execution are resolved (Grant, 2001).

Good administration should offer fitting compensations for the top managerial staff and the executives in order to seek after targets that are in the prosperity of the association and its owners and should encourage effective monitoring. Likewise, top managerial staff are required to guarantee that other partner interests including those of representatives, leasers, clients, providers and nearby networks are taken consideration off (OECD, 2004). Davidson (2003) expressed that so as to keep their status as leaders in associations, supervisors and chiefs are required to work the firm to yield high fiscal worth along with the investor's benefits. This will be the primary hypothesis of the examination.

2.3 Empirical Review

This section highlights a review of other empirical works on governance and performance.

2.3.1 Governance of Church Based Organizations

Freeman (1984) who proposed the stakeholder's theory argued that the shareholders are not directly in charge of the organization because there exist company laws which define their jurisdictions as well as the operations of the company under the articles of association.

Jensen and Mecklin (2016) who focused on the agency problem on the other hand argued that ownership can be classified based on contribution of the investors. To manage the resources sustainably, there is a need for better governance. Governance guides delivery channels, efficiency, responsibility in the usage of powers and respect of the human rights (PSCGT 1999).

When there is separation of the roles for the management, board and shareholders, then good governance can be said to have been achieved. This is because chances of conflict, which could otherwise have arisen due to confusion in roles, are avoided (Kingoro & Bujra, 2009). A study by Ulrika (2007) established that most CBOs are started without any formal structures and do not have adequate knowledge about governance and matters of legislation. The report adds that CBOs have restrained understanding about budgeting, record writing, opinions and other talents demanded by way of donors. Governance features important to an business enterprise's efficacy includes purpose and implementation technique, membership and involvement of individuals in choice making methods, responsibility to contributors, constitution and compliance to the constitution, governance structure and body or committee and democratic practices

2.3.2 Performance of Church Based Organizations

Bryson (2018) explained performance improvement as the process of transforming the outputs of an activity against the intended outputs after measurement of the progress. This is done so as to further increase the process's efficiency and effectiveness. The concept cuts across organizations or individual performance.

In the organizational setting, the management board sets in place programmes, which can be used to measure the current performance and as a result sets a motion for improving the performance further to desirable output. This is mainly conducted so as to enable the organization to enhance its efficiency and effectiveness in order to deliver appropriately. The performance improvement zone therefore refers to the variation between existing performance and the hypothetical performance (Bryson, 2018). Four areas are the focus of performance improvement and such are resource inputs, input requirements, output requirements and outcome desired (Bielefeld, 2013).

Performance can be improved through improving the measurable attributes by modifying the performance platform. Improvement can be of different players ranging from the individual, team or the performance of both. Therefore, improving performance is a cycle where there is planning followed by coaching then adjusting the performance (Frey & Osterloh, 2005).

The measurement of performance in CBOs has been approached in terms of how it can be governed and managed. In this case, performance in CBOs has been measured as the effectiveness in management of the organization's resources through transparency, accountability as well as responsiveness and equitability (Drucker, 2007).

2.3.3 Governance and Performance of Church Based Organizations

Jensen, Murphy and Wruck (2004) states that in the most recent decade, the administration of present day firms has much of the time been condemned for outrageous manager compensations and distorted documentation and erroneous information. It became evident that the restricted trust in outside control systems, as suggested in agency theory (Jensen and Murphy, 2004), can't stop extraordinary risk taking and the misuse of intensity in a satisfying manner. The shortcomings in the current administration propose that it might be helpful to move toward these issues from another viewpoint. Rules of strict gatherings can be viewed as pioneers of administration and uncover that elective models might be progressively proper to forestall agency issues. The extraordinary financial accomplishment of a few cloisters in medieval period prompted the enticement of disregard (Rostet al., 2010).

A literature studied has indicated how assorted strict associations have settled their office challenges. Religious communities are especially strong and sorted out associations, and office issues are moderately minute. For instance, Rostet al. (2010) inspected every Benedictine association that at any point existed in Baden-Württemberg, Bavaria and

German-speaking Switzerland. All things considered, these cloisters remained for a long time, and just a fourth of them couldn't endure in view of office challenges.

Feldbauer-Durstmüller, Sandberger, and Neulinger (2016) got similar discoveries by breaking down every Benedictine cloister remaining in Austria. The normal life expectancy of Austrian religious communities added up to 558 years; just 3 percent of the cloisters contemplated couldn't live because of office issues. Great administration improvement estimates center around submitting the corporate in general authority to legitimate administration, expanding the jobs and obligations of the leading group of the executives, improving the control of the earth, advancing data divulgence and straightforwardness and protecting investors' privileges (Armstrong, 2009).

A study by Jones (2005) which investigated governance practices among community service organization and its effect on performance identified best governance principles as strategy planning and implementation; risk control management; roles and responsibilities; skills, independence and availability of resources; conduct and principles; succession planning; financial and operations planning. The principles tend to bring out the major company governance principles particularly in relation to the founders and the board of the directors.

A study conducted by Mulili (2012) examined that most developing nations have governance models that are different from those used in developed countries mostly

because of their different causes for example poor governance, weak judicial systems and participation of government in decision making.

Natenzi (2009) interrogated the connection between good governance and performance of Non-Governmental Organizations (NGOs) in Kenya. The interrogation revealed that good governance and management of the NGOs plays a critical responsibility in enhancing organizational performance and as a result of effective governance practices, performance of NGOs in terms of cost, productivity, achievement of intended results and relevance of programs implemented improved greatly.

Otieno (2010) interrogated how corporate governance practices affected economic performance of the firms listed at Nairobi Securities Exchange (NSE) in Kenya. Through regression analysis, it was found out that correct governance practices improve the economic performance of the listed companies.

Taking a case of coffee SACCOs in Bungoma, Musuya (2010) studied on how proper corporate governance is improving performance of the SACCOs. It was established that adoption of various corporate practices such as balanced board composition leads to a higher performance of the SACCOs.

Kawira (2012) interrogated the correlation between corporate governance and performance of international NGOs at Somalia. She used a causal research design, the research established how various governance practices ranging from leadership to accountability

affected the performance of the 58 selected NGOs in Somalia. It was established that transparency and accountability had been implemented to a high extent among these NGOs and it affected performance of the NGOs positively and also significantly.

Odondi (2011) interrogated the corporate governance practices among the CBOs in Kibera and how it affects their performance. The study after analyzing quantitative data indicated that good corporate governance among health CBOs in Kibera shielded the organization from vulnerability and financial distress, generated investor goodwill and increased access to financing and donations.

2.4 Summary of Empirical Review

A number of studies related to governance and performance of CBOs have been done, the majority of the empirical studies and papers on Non Profit Organizations (NPOs) and CBOs have been carried out in developed countries. Most of the related studies in developing countries have been on public corporations and financial institutions. Some of the researches that have focused on the local context, have focused on corporations registered at NSE thus creating a conceptual research gap.

Table 2.1 Summary of Empirical Review

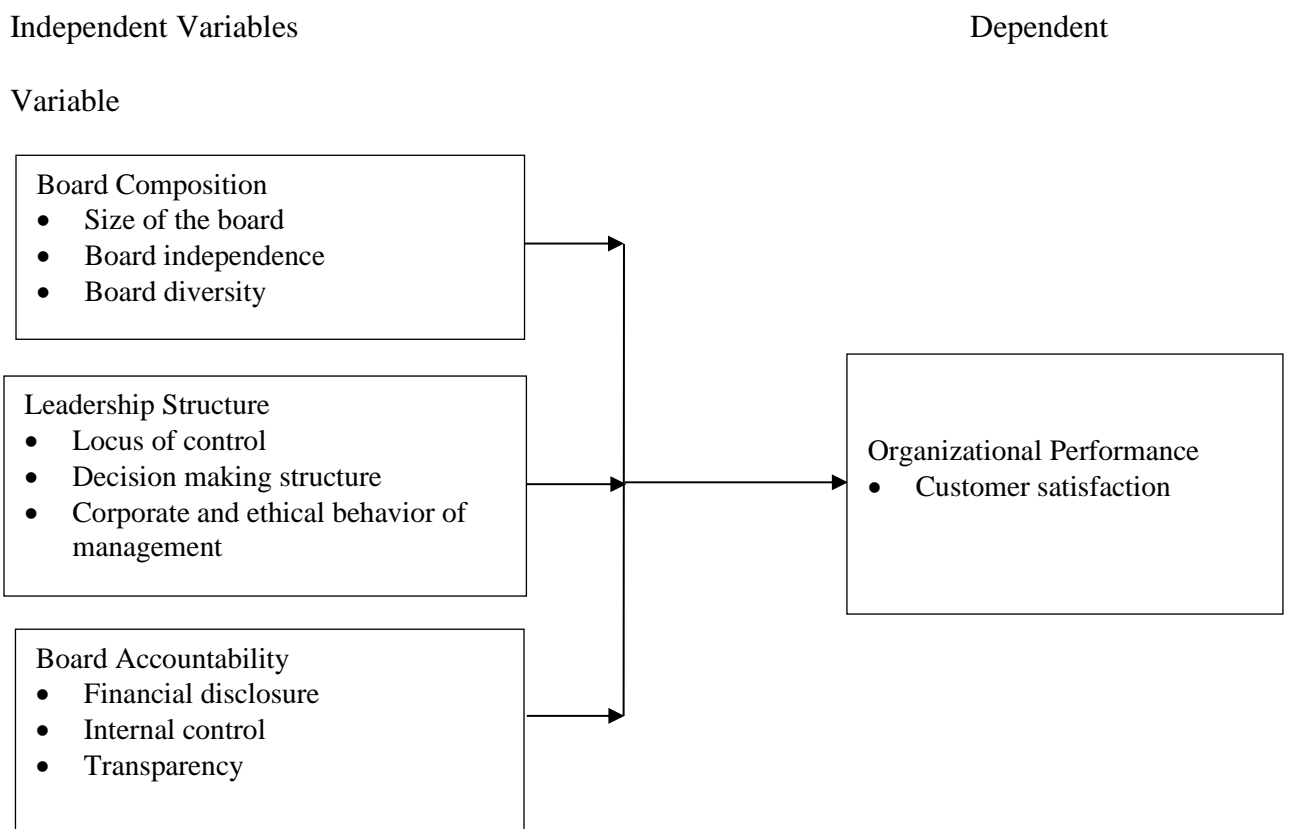
Author(s)	Study	Objectives	Methodology	Findings	Gaps of the Study
Jones (2005)	Best governance practices guiding community service organization	Establish the best governance principles	Descriptive survey design	Good company policies and had a important positive relationship with financial performance of an organization	The study was also not done in Kenya
Feldbauer-Durstmüller et al.(2016)	The effects of agency problems in religious organizations	Examine how different religious organizations have solved the agency problems.	Descriptive survey design	Good governance practices results to high performance	Looked into Benedictine monasteries in Austria
Ulrika (2007)	Governance practices and the performance of CBOs	Examine role of governance on performance of CBOs	Case study research design	Governance features important to an organization's efficiency include goal, objectives, implementation process, membership and involvement of members in decision making processes, accountability to members, policies and procedures then adherence to policies, governance structure and body or committee and democratic practices	Focused on the governance practices
Mulili (2012)	Towards the best practices model for public universities	Examine role of governance on performance of public corporations	Case study research design	Good governance practices affect the increase the economic performance of company	Did not consider CBOs.
Kawira(2012)	Governance and performance of International NGOs in Somalis	Relationship between Corporate governance and performance of International NGOs	Case study research design	It established that transparency and accountability has been implemented to a high extent among these NGOs and it affected performance of the	Did her research on NGOs and was done in Somali

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2.5 Conceptual Framework

This framework shows the correlation between the independent and dependent variables. The independent variable was governance and the dependent variable was performance of CBOs. Governance was measured through composition of the board, leadership structure and board accountability while performance of CBOs was measured through customer satisfaction.

Figure 2.1 Conceptual Framework



CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the procedures that were followed to complete the study. The chapter discusses the research design, research instruments used for data collection, the target population of the study, sample design, sample size, data presentation and analysis methods.

3.2 Research Design

Descriptive research design was adopted. Tromp and Kombo (2014) assert that a descriptive research design assist in formulation of significant knowledge principles while offering solutions to key issues and problems. Descriptive research design was suitable to this study because it sought to study the performance of CBOs.

3.3 Target Population

Population is a whole group of objects, events or people with observable features that are common among them (Mugenda & Mugenda, 2013). On the other hand, Saunders, Lewis and Thornhill (2016) describe target population as total collection of element from which reference will be made. The population of this study was 67 personnel at PCEA Kikuyu Hospital.

3.4 Operationalization of Variables

The operational definitions included the variable, the measure and how the measure was interpreted. Governance and performance were operationalized using questions aimed at

identifying their presence in the context of the study as depicted in Table 3.1 below. A Likert scale structure was adopted.

Table 3.1 Operationalization of Study Variables

Variable	Operational Definition	Type of Scale	Measurement
Board Composition	<ul style="list-style-type: none"> • Board size • Board independence • Board diversity 	Interval:5 point Likert scale	Equitable treatment of stakeholders Predictability of the environment Flexibility
Leadership Structure	<ul style="list-style-type: none"> • Locus of control • Decision making structure • Corporate and ethical behaviour of management 	Interval:5 point Likert scale	Transparency Accountability Responsibility
Board Accountability	<ul style="list-style-type: none"> • Financial disclosure • Internal control • Transparency 	Interval:5 point Likert scale	Regular relevant information Hospital policies in place
Performance	Balance Score Card	Interval:5 point Likert scale	Customer satisfaction

3.5 Research Instruments

Research instrument are the tools used to collect data from the informants and how those tools are developed (Kombo & Tromp, 2014). The study used primary data and therefore self-administered questionnaires were used to collect the data. According to Brace (2012), questionnaire is a research instrument that is used collect data from particular respondents its main objective is to convert the research objectives into specific questions, and the responses provide the data for hypothesis testing. These questions revolved around all the variables in the study and were administered to relevant respondents in respect to the performance of the organization. The scope of the questions was ascertaining the respondents' perceived views on governance and performance of CBOs. Further, a five

point Likert scale was used for the closed ended questions. The reason of using Likert scale was that the statement symbolized diverse features of the same attitude (Brace, 2012).

Table 3.2 Summary of Objectives, Analyses and Interpretations

Objectives	Models	Analyses	Interpretation
Determine effect of board composition on performance of PCEA Kikuyu Hospital	$Y = \beta_0 + \beta_1 X_1 + \varepsilon$	Content	<ul style="list-style-type: none"> ● R² for goodness-of fit ● F-test for overall significance ● t-test for individual significance
Establish effect of leadership structure on performance of PCEA Kikuyu Hospital	$Y = \beta_0 + \beta_2 X_2 + \varepsilon$	Simple linear regression	<ul style="list-style-type: none"> ● R² for goodness-of fit ● F-test for overall significance ● t-test for individual significance
Examine effect of board accountability on performance of PCEA Kikuyu Hospital	$Y = \beta_0 + \beta_3 X_3 + \varepsilon$	Simple linear regression	<ul style="list-style-type: none"> ● R² for goodness-of fit ● F-test for overall significance ● t-test for individual significance

3.6 Data Collection

The research procedure included obtaining an authorization from the University of Nairobi to conduct research. Permission was also requested from the management of the hospital to allow administration of the questionnaires to the relevant respondents. The questionnaire (see Appendix II) was designed to ensure a comprehensive data collection according to the scope and aim of the study. This enabled gathering of the in-depth data from the interviewees. The data was quantitative and was collected through Likert scale.

The first section of the questionnaire collected data on the background information of the respondents - section A collected information on the demographic characteristics of the study, section B got information on the first objective of the study touching on board composition, section C collected data on the leadership structure which was the second

objective, section D collected data on the accountability which was the third objective of the study while section E got information on performance of PCEA Kikuyu Hospital.

3.7 Data Reliability and Validity

To confirm the reliability and validity of the surveys, a pilot test was embraced. This aided in characterizing the nature of inquiries taken to the field for the respondents. This pre-test likewise helped in affirming that the inquiries reflect the objectives of the study. The questionnaires were given to the respondents for the pre-test they were then altered for culmination and this helped with guaranteeing that the polls regulated for the study were equipped for delivering the sort of proof that was required (validity). It made it feasible for a related report to be finished with reliable outcomes (reliability). A pilot study was done to seven respondents and the results indicated that all the variables had a Cronbach Alpha value above 0.7 hence it was reliable to use the questionnaire.

3.8 Data Analysis

The information collected was coded using the numerical scale in line with the questionnaire structure. First part of the questionnaire was analyzed using descriptive statistics (percents and frequencies). The objectives were analyzed through correlation and linear regression model $OP = \beta_0 + \beta_1 BC + \beta_2 LS + \beta_3 ACC + \epsilon$ where OP was organizational performance, BC was board composition, LS was leadership structure, ACC was accountability and β_0 , β_1 , β_2 and β_3 were parameters while ϵ was the error term as shown in Table 3.2 below. The output of the analysis was presented using frequency tables and figures.

Table 3.2 Summary of Objectives, Analyses and Interpretations

Objectives	Models	Analyses	Interpretation
Determine effect of board composition on performance of PCEA Kikuyu Hospital	$Y = \beta_0 + \beta_1 X_1 + \varepsilon$	Content	<ul style="list-style-type: none"> • R^2 for goodness-of fit • F-test for overall significance • t-test for individual significance
Establish effect of leadership structure on performance of PCEA Kikuyu Hospital	$Y = \beta_0 + \beta_2 X_2 + \varepsilon$	Simple linear regression	<ul style="list-style-type: none"> • R^2 for goodness-of fit • F-test for overall significance • t-test for individual significance
Examine effect of board accountability on performance of PCEA Kikuyu Hospital	$Y = \beta_0 + \beta_3 X_3 + \varepsilon$	Simple linear regression	<ul style="list-style-type: none"> • R^2 for goodness-of fit • F-test for overall significance • t-test for individual significance

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter highlights the descriptive and inferential analysis results obtained from the information collected from the field. 60 questionnaires were issued to the respondents since seven had already participated in the pilot. Out of 60, 53 questionnaires were responded to. A response rate of 88 percent which is satisfactory according to Sharp and Howard (2006) that a response rate above 50 percent is satisfactory.

4.2 Demographic Characteristics of the Respondents

The demographic features of the respondent such as the position in the organization, education, duration worked in the organization and the most important objective of the organization in regard to the services they provide was established and presented in this sub section.

The respondent's position in the organization ranging from middle, senior and top management was established based on the obtained responses. The results in Table 4.1 below show 46 percent of the respondents were from the middle position, 37 percent were from the senior position while 17 percent were from the top position. The results reflect representativeness in the respondents' caliber.

The results in Table 4.2 below for level of education indicated that those respondents with a bachelor's degree were 66 percent, those with a college diploma were 18 percent and

those with a post graduate degree were 16 percent. The results implied that the employees were literate with a high intellectual capacity to manage the organization.

Table 4.1 Respondents' Position in the Organization

Respondents' Position in the Organization	Frequency	Percent
Top	9	17
Senior	20	37
Middle	24	46
Total	53	100

Table 4.2 Respondents Level Education

Level of Education	Frequency	Percent
College Diploma	10	18
Bachelor's Degree	35	66
Post Graduate Degree	8	16
Total	53	100

The respondent's duration in the organization was established and presented in Table 4.3 below. It indicated that 32 percent had been working in the organization for duration between three to five years, 26 percent had been working between 6 and 10 years, 19 percent had been in the organization for more than 10 years while 23 percent had been in the organization for less than 2 years. The results implied that most of the respondents had institutional knowledge and hence the information provided can reflect that.

Table 4.3 Respondents Duration in the Organization

Respondents Duration in the Organization	Frequency	Percent
Less than 1 Year	3	6
1 to 2 Years	9	17
3 to 5 Years	17	32
6 to 10 Years	14	26
More than 10 Years	10	19
Total	53	100

The most important objective of the organization in regard to the services they were currently offering. The most important objective of the organization as shown in Table 4.4 below was operational self-sufficiency (53 percent) followed by ability to cover costs (24 percent) and lastly financial self-sufficiency (23 percent).

Table 4.4 Most Important Objective of the Organization

Objective	Frequency	Percent
Financial self-sufficiency	12	23
Operational self-sufficiency	28	53
Ability to cover costs	13	24
Total	53	100

4.3 Effect of Board Composition, Leadership Structure, Board Accountability on Performance of Presbyterian Church of East Africa at Kikuyu Hospital

The respondents rated statements relating to the study variables on a five point Likert scale ranging from 1=strongly disagree, 2= disagree; 3=neutral; 4 = agree to 5= strongly agree. The subsections indicate the results on the responses on the statements per objective. The results showed that 77.3 percent agreed that the size of the board was big enough to ensure that decisions reflect diversified opinion, 81.1 percent of them indicated that there was no gender diversity in the board while 84.9 percent indicated that there was no experience and educational diversity in the board. The results also specified that 89.3 percent were of the opinion that the organization had no clear and documented policies and procedures for selection and removal of its board of directors, 79.2 percent showed that the board decisions were independent and not influenced while 54.3 percent revealed that the time of the board meetings was suitable to enable valuable discussions and exchange of ideas.

Table 4.5 Descriptive Results of Board Composition (Percent)

Statements	1	2	3	4	5
Board size is big enough to ensure that decisions reflect diversified opinion	0.00	7.50	15.10	37.70	39.60
There is gender diversity in the board	0.00	81.10	18.90	0.00	0.00
There is experience and educational diversity in the board	0.00	84.90	0.00	15.10	0.00
Organization have clear and documented policies and procedures for appointment and removal of its board members	89.30	10.70	0.00	0.00	0.00
Board decisions are independent and not influenced	5.70	1.90	13.20	28.30	50.90
Length of the board meetings is adequate to enable useful exchange of ideas	15.10	17.00	22.60	34.00	11.30

From Table 4.6 below, 90.5 percent disagreed that specific corporate governance policies and guidelines were disclosed, 50.9 percent agreed that there was separation of powers between board and CEO while 81.1 percent agreed that the board had established several supervisory committees. In addition, 49.1 percent indicated that purpose, powers and functions of supervisory committee were clearly documented; 43.4 percent stated that top management had provided proper guidance in implementation of organizational policies while 64.2 percent agreed that top management had shown acceptable ethical values.

Table 4.6 Descriptive Results of Leadership Structure (Percent)

Statement	1	2	3	4	5
Specific corporate governance policies and guidelines are disclosed	78.30	12.20	9.50	0.00	0.00
There is separation of powers between the board of directors and CEO	7.50	22.60	18.90	0.00	50.90
Board have established several supervisory committees	5.70	7.50	5.70	15.10	66.00
Purpose, powers and functions of the supervisory committee are clearly documented	9.40	17.00	24.50	15.10	34.00
Top management have provided proper guidance in implementation of organizational policies	15.10	20.80	20.80	5.70	37.70
Top management have shown acceptable ethical values in conducting their activities	7.50	1.90	26.40	49.10	15.10

The descriptive results on accountability shown in Table 4.7 below indicated that 62.3 percent specified that there was timely financial disclosure to the stakeholders, 58.5 percent showed that allowances and other incentives were aligned such that board members can fulfill their responsibilities and those who disagreed that the organization had established mechanism for performance evaluation of the board of its members were 86 percent. It was also agreed that there was a transparency policy demanding that the board members document the financial decisions made (66 percent), all employees are mandated to be accountable in their roles (64.2 percent) and that there was clear written minutes of the meetings of the board kept, confirmed and seconded as a true discussions by the board (58.5 percent).

Table 4.7 Descriptive Results of Board Accountability (Percent)

Statement	1	2	3	4	5
There is timely financial disclosure to the stakeholders	15.10	9.40	13.20	32.10	30.20
Allowances and other incentives are aligned such that board members can fulfill their responsibilities	11.30	3.80	26.40	13.20	45.30
Organization has established mechanism for performance evaluation of the board of its members	58.50	27.50	7.60	6.40	0.00
There is a transparency policy demanding that the board members document the financial decisions made	11.30	15.10	7.50	54.70	11.30
All employees are mandated to be accountable in their roles	7.50	9.40	18.90	32.10	32.10
There is clear written record of the meetings of the board kept and agreed as a true record by the board	7.50	22.60	11.30	24.50	34.00

The results in Table 4.8 below indicated that 81.1 percent agreed that there was growth in hospital income; all respondents showed that appropriate policies and procedures were in place to ensure equal treatment of staff and customers and 96.2 of them indicated that the hospital responded to customer's feedbacks/complaints promptly. The results also showed

that they agreed that the hospital had created standards for its clients through quality services, medicines and surgical products (50.9 percent), the organization had employed continuous improvement in the quality of its goods and services (79.2 percent) and that the hospital was keen on infection control, staff health and safety (96.2 percent).

Table 4.8 Descriptive Results on Performance (Percent)

Statement	1	2	3	4	5
There has been growth in hospital income	0.00	10.00	8.90	0.00	81.10
Appropriate policies and procedures are in place to ensure equal treatment of staff and customers	0.00	0.00	0.00	0.00	100.0
Hospital responds to customers feedbacks/complaints promptly	0.00	0.00	3.80	26.40	69.80
Hospital has created values for its customers through quality services, medicines and surgical products	11.60	7.30	30.20	9.40	41.50
Hospital has employed continuous improvement in the quality of its goods and services	5.70	6.00	9.10	13.20	66.00
Hospital is keen on infection control, staff health and safety	0.00	0.00	3.80	84.90	11.30

Inferential results were used to indicate how governance practices had affected the performance of PCEA Kikuyu Hospital. Pearson correlation as well as linear regression analysis was done in this section. Pearson correlation results indicated in Table 4.9 below showed that board composition had a moderate positive relationship and substantial effect on performance of PCEA Kikuyu Hospital ($r = 0.536$; $p\text{-value} < 0.05$). This showed that a good balanced board composition lead to a higher performance of PCEA Kikuyu Hospital.

In addition, the results showed that leadership structure required a low positive relationship but substantial effect on performance of PCEA Kikuyu Hospital ($r = 0.276$; $p\text{-value} < 0.05$). This explained that a good leadership structure would lead to a higher performance of

PCEA Kikuyu Hospital. It was also indicated that board accountability needed a more positive relationship and substantial effect on performance of PCEA Kikuyu Hospital ($r = 0.414$; $p\text{-value} < 0.05$). This showed that when the board was accountable, it was associated with higher performance of PCEA Kikuyu Hospital.

Table 4.9 Board Composition, Leadership Structure and Board Accountability on Performance

		Board Composition	Leadership Structure	Board Accountability	Performance
Board Composition	Pearson Correlation	1			
	Sig. (2-tailed)				
Leadership Structure	Pearson Correlation	-0.039	1		
	Sig. (2-tailed)	0.779			
Board Accountability	Pearson Correlation	0.023	0.016	1	
	Sig. (2-tailed)	0.87	0.911		
Performance	Pearson Correlation	.536**	.276*	.414**	1
	Sig. (2-tailed)	0.000	0.045	0.002	
	Sample size	53	53	53	53
** Correlation is significant at the 0.01 level (2-tailed)					
* Correlation is significant at the 0.05 level (2-tailed)					

A regression model was used to establish the magnitude of the effect of company governance on performance of PCEA Kikuyu Hospital. The regression model summary, Analysis of Variance (ANOVA) and regression coefficients are presented in this section. The results in Table 4.10 below showed that corporate governance explained up to 54.1 percent of the variation in performance of PCEA Kikuyu Hospital. This demonstrated that corporate governance was a critical factor as opposed to other factors which account for 45.9 percent.

Table 4.10 Model Summary

R	R Square		Adjusted R Square		
0.735	0.541		0.513		
Predictors: (Constant), Board Accountability, Leadership Structure, Board Composition					
	Sum of Squares	df	Mean Square	F	Sig.
Regression	6.015	3	2.005	19.236	.000
Residual	5.108	49	0.104		
Total	11.123	52			
Dependent Variable: Performance of PCEA Kikuyu Hospital					
Predictors: (Constant), Board Accountability, Leadership Structure, Board Composition					
	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	
	B	Beta			
(Constant)	1.066		2.41	0.020	
Board Composition	0.470	0.538	5.556	0.000	
Leadership Structure	0.164	0.304	3.135	0.003	
Board Accountability	0.221	0.407	4.199	0.000	
Dependent Variable: Performance of PCEA Kikuyu Hospital					

Table 4.10 above presented that the regression model linking board accountability, leadership structure and board composition to performance of PCEA Kikuyu Hospital was a good fit ($p\text{-value} < 0.05$). This therefore, implied that the model can be used to predict the outcomes. Further, the regression coefficients in Table 4.10 above showed that composition of the board had a positive and substantial consequence on performance of PCEA Kikuyu Hospital ($\beta = 0.470$; $p\text{-value} < 0.05$). This implied that on average an increase in board composition practices result to an improvement in the performance of PCEA Kikuyu Hospital by means of 0.470 units.

The table also showed that leadership structure had a positive and significant outcome on performance of PCEA Kikuyu Hospital ($\beta = 0.164$; $p\text{-value} < 0.05$). This implied that on average an improvement in leadership structure resulted to an improvement in performance of PCEA Kikuyu Hospital by 0.164 units. The results showed that board accountability had

a significant effect on performance of PCEA Kikuyu Hospital ($\beta = 0.221$; $p\text{-value} < 0.05$). This implied that on average a unit improvement in board accountability lead to an improvement in performance of PCEA Kikuyu Hospital by 0.221 units. The estimated regression was, therefore $OP = 1.066 + 0.470BC + 0.164LS + 0.221ACC$ where OP was organizational performance, BC was board composition, LS was leadership structure, and ACC was accountability.

4.4 Discussion of Results

This segment presents a discussion of the study findings conferred per objective. The outcomes are moreover compared with different empirical studies to ascertain whether they were similar or contradictory and this informs conclusions and suggestions of the study. The findings indicated that board composition had a positive relationship and substantial effect on the performance of PCEA Kikuyu Hospital. This means that the performance of PCEA Kikuyu Hospital can be improved significantly through a balanced composition of the board in terms of size, diversity and independence. These findings are consistent with those of Natenzi (2009) who interrogated the association between governance and performance of NGOs in Kenya and discovered that governance and management of NGOs plays a critical role in improving organizational performance. As a results of effective governance practices, performance of NGOs in terms of cost, productivity, achievement of intended results and relevance of programs implemented improved greatly.

The study findings indicated that leadership structure had a favorable relationship and substantial effect on performance of PCEA Kikuyu Hospital. This means that the

performance of PCEA Kikuyu Hospital can be improved significantly by having a flexible leadership structure with a good locus of control, effective decision making structure and a good corporate and ethical behaviour of management. The findings are consistent with Feldbauer-Durstmüller, Sandberger, and Neulinger (2016) which revealed that governance development activities emphasis on committing company leadership to proper governance, solidifying the roles and accountabilities of the board of the management, improving the control environment, upholding disclosure of information and transparency and guarding shareholders' human rights led to an increase in performance of the organizations investigated.

The findings also indicated that board accountability had a good relationship and substantial effect on performance of PCEA Kikuyu Hospital. It implies that performance of PCEA Kikuyu Hospital can be improved significantly by ensuring that the board is accountable in their financial disclosure, internal control and transparency practices. The finding are consistent with Jones (2005) who investigated governance practices among community service organizations and its effect on performance and identified best governance principles as strategy planning and implementation; risk management consultation; duties and responsibilities; skills, independence and resources; conduct and ethics; succession planning; financial and operations planning.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, conclusions and recommendations for policy. It also presents the suggestion and areas for additional studies.

5.2 Summary of Findings

Chapter one discussed the concepts in the background and also presented the statement of problem, objectives and value of the study. Chapter two presented an analysis of theories and relevant literature related to the performance of church based. The chapter further presented an empirical review, a summary and conceptual framework. Chapter three indicated the methods that were followed to accomplish this study. Descriptive research design was adopted, research instruments used for data collection were the questionnaires and the target population was 67 personnel of PCEA Kikuyu Hospital. Data was coded by the adoption of the numerical scale, descriptive statistics was used to analyze section A of the questionnaire and the objectives were analyzed through correlation and linear regression models. Chapter four of the project presented a review of data analysis, results and discussion. Descriptive, correlation and linear regression results were presented and explained in this chapter as well as the study findings.

The inferential findings indicated that board composition has a good relationship and considerable effect on performance of PCEA Kikuyu Hospital. This demonstrates that having a balanced board composition in terms of size, diversity and independence is critical

in enhancing performance of PCEA Kikuyu Hospital. The findings also revealed that leadership structure had a better relationship and substantial result on performance of PCEA Kikuyu Hospital. This implies that an effective leadership structure with good locus of control, effective decision making structure and a good corporate and ethical behaviour of management would improve performance of PCEA Kikuyu Hospital. In addition, the study findings indicated that board accountability had a significant effect on performance of PCEA Kikuyu Hospital. This implies that availability of board accountability practices involving financial disclosure, internal control and transparency would lead to a significant improvement in performance of PCEA Kikuyu Hospital.

5.3 Conclusion

The study concludes that proper governance practices are important in enhancing performance of PCEA Kikuyu Hospital. Specifically, corporate governance explained up to 54.1 percent of the variation in performance of PCEA Kikuyu Hospital. The study also concluded that the performance of PCEA Kikuyu Hospital can be improved significantly through a balanced board composition in terms of size, diversity and independence.

It can also be concluded that the performance of PCEA Kikuyu Hospital can be improved significantly by having a flexible leadership structure with a good locus of control, effective decision making structure and a good corporate and ethical behaviour of management. Another conclusion was that the performance of PCEA Kikuyu Hospital can be improved significantly by ensuring that the board is accountable in their financial disclosure, internal control and transparency practices.

5.4 Recommendations

Founded on the findings that proper governance practices are vital in enhancing performance of PCEA Kikuyu Hospital and the study therefore, suggests that the administration of PCEA Kikuyu Hospital ought to ensure adoption of more of the proper governance practices such as accountability, leadership structure and board composition. The management should ensure that they have a balanced board composition in terms of size, diversity and independence.

In addition, PCEA Kikuyu Hospital should ensure that they have a flexible leadership structure with a good locus of control, effective decision making structure and a good corporate and ethical behaviour of management. Another recommendation is that the management should enhance guidelines that would ensure that there is board accountability in financial disclosure, internal control and transparency practices.

5.4 Areas for Further Study

A case study design was adopted which gives opportunity for other future researcher to emphasis on a survey of different CBOs. That would make comparisons of the results easier and establish whether indeed the investigated corporate governance practices can give similar results in other organizations. The results of this study showed that corporate governance explains up to 54.1 percent of the variation in performance of PCEA Kikuyu Hospital which implies that other factors other than corporate governance explain the

remaining percent. Other studies can emphasis on establishing the other factors that affect the performance of CBOs.

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APPENDICES

Appendix I Letter of Introduction

Dear Respondent,

I am studying Masters in Business Administration (MBA) at the University of Nairobi. As a requirement in my degree, I am doing a research on **Governance and Performance of Church Based Organizations in Kenya. Case Study of Presbyterian Church of East Africa Kikuyu Hospital.**

The questionnaire is proposed to get views and opinions to facilitate me to come up with recommendations to help the hospital improve its performance and to empower me complete my research project effectively. I would request you to fill in the questionnaire and to give the necessary data on the above study apparently. The data you provide will be treated with most extreme privacy and just for scholarly purposes.

Your assistance in facilitating the same will be highly appreciated.

Thank you.

Yours sincerely

Muriithi Racheal Njambi

Appendix II Questionnaires

This questionnaire is intended for use in collecting data in pursuit of the objectives of the study titled “Governance and Performance of Church-Based Organization in Kenya: Case study of PCEA Kikuyu Hospital”. It has three sections each containing questions on background information, governance and relationship of governance and performance. Kindly complete the questionnaire as per the instructions. Your participation is highly appreciated.

SECTION A: BACKGROUND INFORMATION

1. Level of employment of respondent (tick as appropriate and (optional) give the position name)
 - Top Management
 - Senior Management
 - Middle Management
 - Other level (specify)
2. What is your level of education?
 - O-Level
 - College Diploma
 - Bachelor’s Degree
 - Post Graduate Degree
 - Others (Specify).....
3. For how long have you worked for the Institution?
 - Less than 1 year
 - 1-2 years
 - 3-5 years
 - 6-10 years
 - More than 10 years
4. In regard to the services your organization provides, what objective is most important at this time(choose one)
 - Financial self-sufficiency
 - Operational self-sufficiency

Ability to cover costs with donor and other income

SECTION B: Board Composition

5. The following are statements relating to board composition. Please indicate the extent of agreement or disagreement with each statement. Key: 1=Strongly Disagree, 2= Disagree; 3=Neutral; 4= Agree; 5= Strongly Agree. Use the keys provided to tick.

	Statement	5	4	3	2	1
a)	The board size is big enough to ensure that decisions reflect diversified opinion					
b)	There is gender diversity in the board					
c)	There is experience and educational diversity in the board					
d)	The organization have clear and documented policies and procedures for appointment and removal of its board members					
e)	The board decisions are independent and not influenced					
f)	The length of the board meetings is adequate to enable useful exchange of ideas					

SECTION C: Leadership Structure

6. The following are statements relating to leadership structure. Please indicate the extent of agreement or disagreement with each statement. Key: 1=Strongly Disagree, 2= Disagree; 3=Neutral; 4= Agree; 5= Strongly Agree. Use the keys provided to tick.

	Statement	5	4	3	2	1
a)	The specific corporate governance policies and guidelines are disclosed					
b)	There is separation of powers between the board of directors and the Chief Executive Officer					
c)	The Board have established several supervisory Committees					
d)	The purpose, powers and functions of the supervisory committee are clearly documented					
e)	The top management have provided proper guidance in implementation of organizational policies					
f)	The top management have shown acceptable ethical values in conducting their activities					

SECTION C: Board Accountability

7. The following are statements relating to board accountability. Please indicate the extent of agreement or disagreement with each statement. Key: 1=Strongly Disagree, 2= Disagree; 3=Neutral; 4= Agree; 5= Strongly Agree. Use the keys provided to tick.

	Statement	5	4	3	2	1
a)	There is timely financial disclosure to the stakeholders					
b)	Allowances and other incentives are aligned such that board members can fulfill their responsibilities					
c)	The organization has established mechanism for performance evaluation of the board of its members					
d)	There is a transparency policy demanding that the board members document the financial decisions made					
e)	All employees are mandated to be accountable in their roles					
f)	There is clear written record of the meetings of the board kept and agreed as a true record by the board					

SECTION D: Performance of PCEA Kikuyu Hospital

8. The following are statements relating to the general performance of PCEA Kikuyu Hospital. Please indicate the extent of agreement or disagreement with each statement. Key: 1=Strongly Disagree, 2= Disagree; 3=Neutral; 4= Agree; 5= Strongly Agree. Use the keys provided to tick.

	Statement	5	4	3	2	1
a)	There has been growth in hospital income					
b)	Appropriate policies and procedures are in place to ensure equal treatment of staff and customers					
c)	The hospital responds to customers feedbacks/complaints promptly					
d)	The hospital has created values for its customers through quality services, medicines and surgical products					
e)	The has employed continuous improvement in the quality of its goods and services					
f)	The hospital is keen on infection control, staff health and safety					

THANK YOU