CORPORATE GOVERNANCE PRACTICES AND EMPLOYEE PERFORMANCE IN STATE CORPORATIONS: A CASE STUDY OF KENYA BUREAU OF STANDARDS (KEBS)

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A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF MANAGEMENT AND LEADERSHIP IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF MANAGEMENT AND LEADERSHIP OF THE MANAGEMENT UNIVERSITY OF AFRICA.

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DECLARATION

This research project is my original work and has not been presented for a degree in any other University.

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This project has been submitted for examination with my approval as a University Supervisor.

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DEDICATION

The project is dedicated to my husband Marlon, my children Amani, Agasa, Asangara and Yanza for the support they gave and the sacrifices they made towards the success of this project.

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To my friends and relatives, I shall remain grateful for the support, encouragement, and for giving me the time I needed to pursue this MML program. My sincere gratitude goes to my fellow workmates, students, and lecturers for the continuous support during my study period and much appreciation goes to the management of KEBS in Nairobi, Kenya for their contribution towards this research work. Special appreciation goes to my able supervisor Mr. Brown Kitur and all the staff of Management University of Africa.

ABSTRACT

The main objective was to examine the corporate governance practices and employee performance in state corporations, a case study of Kenya Bureau of Standards with specific objectives being; to examine the influence of leadership structure, corporate reporting, board composition and ethical code of conduct on employee performance at Kenya Bureau of Standards. The study findings will be used as a reference by other researchers in the field of leadership and employee performance and will provide a critical examination on corporate governance practices and employee performance in Kenya. The study is guided and anchored on the following theoretical foundations; stakeholder theory, agency theory, and stewardship theory. The study's main anchor theory was stakeholder theory. Descriptive research design was adopted for conducting the study that targets a population of 1000, and a sample size of 100 that was selected using stratified random sampling. Data was collected using questionnaires. The pilot study was conducted using 10 employees who were randomly selected from the target population and the quantitative data was analyzed using simple statistics and SPSS. The data was presented using tables and figures. Inferential statistics was used for showing how variables are related (regression and correlations). The study used the Pearson correlation matrix. The study established that leadership structure and employee performance are primarily related, and leadership structures are an important factor that determines employee performance and there is a strong correlation. The study concludes that leadership structure statistically and significantly affects employee performance. The study analyzed the connection between employee performance and independent variables (leadership structure, corporate reporting, board composition, and ethical code of conduct) the findings show that the variation in employee performance is explained by leadership structure, corporate reporting, board composition, and ethical code of conduct. The researcher recommends that the ministry of industrialization should work hand in hand with KEBS management should create a chain of command that designates who each employee directly reports to. This cautions and prevents departments from competing and transferring employees anyhow. Titles and positions in all departments should be in line with KEBS organizational structure and Staff Establishment to prevent confusion. The Board of Directors and Management of KEBS should know that corporate reporting is an integral part of organizational success and therefore the study recommends that management of any organization such as KEBS should develop an organizational culture that is honest and reports income and expenditure without fear or favor, annual reports should be readily available for all employees and members of the public. Based on the findings of this study, the conclusion, and subsequent recommendation, there is a need for a further study on corporate governance and employee performance in state corporations in Kenya whereby the study should seek to provide more insights on the current study findings and validate these findings.

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ACRONYMS AND ABBREVIATION

CSR	**:**	Corporate Social Responsibility
DiD	**:**	Difference-In-Difference
IFRS	:	International Financial Reporting Standards
IRAS	**:**	Integrated Reporting and Assurance Services
KEBS	**:**	Kenya Bureau of Standards
SDTI	**:**	Sustainability Disclosure Transparency Index

OPERATIONAL DEFINITION OF TERMS

Board Composition	is the diversity of skills, experience, and knowledge that is determined by organizational characteristics, information needs, environment, and agency conflicts of the organization.
Corporate Governance Practices	are the actual behavior of corporate companies or institutions, in terms of reporting measures on performance, and organizational growth.
Corporate Reporting	disclosure, and presentation of reporting of organization corporate social responsibilities, integrated reporting, corporate governance, and financial reporting that discloses the correct position to stakeholders.
Employee Performance	is a measure of what is expected to be delivered by the worker(s) in a specified period.
An Ethical Code of Conduct	rules and standards within an organization that outlines values, beliefs, and ethics that determine the conduct of employees within an organization.
Leadership Structure	a formal structure in an organization determining how authority, workflow, and accountability work together.

CHAPTER ONE
INTRODUCTION

1.0 Introduction

This section of the study describes the background information as well as objectives, research questions, significance, scope and it concludes with a chapter summary that aims to examine the corporate governance practices and employee performance in state corporations with reference to KEBS as a study case.

1.1 Background of the Study

Good corporate governance practices play an important role in enhancing the efficiency and integrity of the corporate organization, as well as financial markets in which organizations operate (Alareeni, 2018). According to Alareeni (2018), poor corporate governance weakens an organization's potential and this leads to organizational frauds or malpractice that affects performance and reduces the morale of employees. Firms that are founded on best corporate governance practices are more profitable and competitive than organizations that have poor corporate governance. Such organizations attract investors, whose investments can finance organization growth (Liu, Lee, & Tsai, 2019). According to OECD (2018), corporate governance defines the relationship between organization management or leadership, employees, board members, shareholders as well as the community enhancing the efficiency and integrity of the corporate organization.

According to Alareeni (2018), the best quality corporate governance practice is directly associated with a good organizational policy framework. Organizations that practice good corporate governance are not always affected by fraud, and other corporate scandals (Asogwa, Ofoegbu, & Nnam, 2019). According to Asogwa, Ofoegbu, and Nnam (2019), good corporate governance improves the organization's corporate image as well as the reputation that attracts more investors and clients. Liu, Lee, and Tsai (2019) established that good corporate governance has a direct financial benefit to the organization and also boosts the competitive advantage of the organization. They further established that good corporate governance for investors is the key to decision-making on investments that ensures profits on their investments.

The components of corporate governance revolve around several basic principles that are classified as regulatory framework, accountability, and financial management, financial system, integrity in reporting (Malherbe & Segal, 2020). According to Shleifer and Vishny (2018), there are four main principles of good corporate governance they are transparency, responsibility, fairness, and accountability. The principles determine and establish the necessary standards that provide legitimacy in the corporate sector. An organization that adopts these four principles is in a better position to perform better, attract investors and expand rapidly (Shleifer & Vishny, 2018).

As cited by Kiratu (2016) corporate governance came into the limelight in the 1980s but it began in the 19th century in the United Kingdom as a result of the establishment of the joint-stock companies Act of 1844 that required organizations to be registered. By 1932 the process evolved to the modern corporation. In emerging economies, the prominence of corporate governance comes into light after corporate failures in developed countries such as in the United States of America with Enron and WorldCom while in Asia Golden Quadrilateral in India collapsed due to bad governance. The scandals in the US culminated in the formation of codes of conduct as a way of preventing corporate failures. The codes were developed in the United Kingdom by Cadbury report UK in 1992, in 1998 by OCED and Corporate Forum Principles of Japan, while in 2002 by Sarbanes-Oxley Sox. While in Africa it was developed by the Security Exchange Commission of Ghana for reinforcing ethics about transparency and accountability in public management (Karanja & Wagana, 2017).

In East Africa, corporate governance has gain prominence as organizations moved towards market sustenance. In Kenya, the term corporate governance created a lot of interest after the events that took place in the US in the early nineteen eighties despite the country developing and formulating new laws as well as adopting a progressive constitution in 2010. Corporate failures in Kenya have been a worrying trend, especially in the public sector and cases that include Mumias Sugar, Uchumi, Nakumatt, and Tuskys supermarkets, National Bank of Kenya, Kenya Airways, among many more are attributed to poor corporate governance (Siyad & Sasaka, 2018).

1.1.1 Employee Performance

Employee performance is defined as the level at which a worker fulfills his or her duties and executes assigned tasks and responsibilities (Flugum, Harper, & Sun, 2020) while Armstrong and Taylor (2020) refer to employee performance as the efficiency, effectiveness, and quality of output provided by organization staff. Employee performance is affected by two types of forces (internal and external). The external forces that influence employee performance are competition, technology, and the working environment. The internal forces that influence employee performance are motivation, staff skills, training level, and staff ability (Kalia & Bhardwaj, 2019). Therefore, organizational leadership needs to understand and address both internal and external forces that determine employee performance. The skilled employee poses in an organization keep the firm on a competitive edge. According to Armstrong and Taylor (2020), for employees to play their part effectively, they must be inspired and gratified. The organization's leadership needs to create a working atmosphere that is friendly and conducive. Organization policies should support employee performance as the success of an organization is much dependent on the performance of staff (Armstrong & Taylor, 2020). The efficiency of employee performance can be determined by the regular ability and knowledge the staff acquire over time in the organization (Diamantidis & Chatzoglou, 2019). Constructive employee perception regarding staff motivation and conducive working environment are important factors that influence the interests of employees to accomplish organizational goals. For staff to remain relevant at the workplace their skills and abilities should enable them to carry out duties assigned by their supervisors (Dharma, 2018).

1.1.2 Leadership Structure

The organization's anatomy is referred to as leadership structure that provides the foundations in which the organization functions (Choi, Chatfield, & Chatfield, 2018). Choi, Chatfield, and Chatfield (2018) describe leadership structure as the model in which a firm operates as a workgroup and its processes. Yet according to Nguyen, Ng, and Yap (2017), leadership structure is the process of interaction within the organization. Scholars including Ghosal et al, (2017), refer to centralized leadership structure as the rigid hierarchical structure that authority is centered on an upper stratum. The centralized model of leadership structure is considered as autonomy that is influenced by discriminability in some decision-making (Chingara & Heystek, 2019). According to Choi, Chatfield, and Chatfield (2018), an organization can achieve optimal performance, when its leadership structure matches the changes in its environment.

1.1.3 Corporate Reporting

According to Labyntsev, Alekseeva, Evstafjeva, and Osipova (2018), corporate reporting comprises official documented and promoted communication from organizations that is envisioned to offer an inclusive image of organization performance, and position to interested stakeholders. Therefore, corporate reporting comprises organization interim reports, annual reports, financial statements sustainability, and corporate social responsibility. Corporate reporting boils down to important components that are accountability and communication. Organizations are critically reevaluating how to communicate their performance and position of the firm as transparent as possible to shareholders (Labyntsev, Alekseeva, Evstafjeva, & Osipova, 2018). Stakeholders are increasingly being sensible to the traditional financial reporting based on International Financial Reporting Standards (IFRS) which is sufficient enough for purpose of investing in the inadequate lack of information about the organization's future activities. Stakeholders are interested in sustainable value creation activities of the firm apart from organization performance. Organization annual reports are seen as the cornerstone of corporate reporting and have been used over and over by governance experts. Good corporate reporting is a general indication of superior corporate governance. Good reports always address all the required relevant information and disclose through the measures taken that include strategic plans, corporate policy, initiatives to protect the environment, and organizations prospects (Hoang, 2018). The recent influential reports by blue-chip organizations have suggested a variety of ways of reporting financial and non-financial information based on openness and transparency (Rashid, 2018).

1.1.4 Board Composition

According to Bravo, Reguera-Alvarado, and del Pilar Pérez (2018) public institution board are responsible for appointing officers, setting corporation direction and policy, and are agents who act on behalf of the corporate and other issues that affect the institution. The composition of the organization board is the key element of corporate governance and it should be clear that board composition should be responsive to the basic functions that they are assigned (Martín & Begoña, 2018). According to Martín and Begoña (2018), the duties of the board include providing advice to decision-makers to improve management of the organization; limit opportunistic behavior on the part of management and CEO; supervise and monitor organization performance. According to Bravo, Reguera-Alvarado, and del Pilar Pérez (2018), the board composition varies from one organization to the other. In most cases, there are between 5 to 15 members that are classified as executive directors that are internal who are responsible for senior management roles, non-executive directors who are externally appointed for their personal or professional qualification and the chairpersons or the president of the organizations (Bravo, Reguera-Alvarado, & del Pilar

Pérez, 2018). The board composition should constitute a large majority or have independent directors, as these directors will act as guarantors in the event of a conflict between shareholders and executive directors. The composition should also promote diversity of skills, experience, and knowledge, and also the composition should include at least 30% of each gender. The structure and board composition are also determined by organizational characteristics, information needs, environment, and agency conflicts the organization faces (Fidanoski, Simeonovski, & Mateska, 2018).

1.1.5 Ethical Code of Conduct

Alizadeh, Dirani, and Qiu (2020) refer to the code of conduct as a set of rules and standards within an organization. It outlines values, beliefs, and ethics that determine the conduct of employees within an organization. Organizational ethical code of conduct includes matters of legal compliance. Ethical code of conduct has different rules set that determines which practices are restricted or accepted, they set the actual guidelines with more specific donts and dos. The policy details what is expected of employees (Alizadeh, Dirani, & Qiu, 2020). Ethical code of conduct is applicable in such as financial reporting, accounting conduct, conflicts of interest, use of confidential information, bribery, proper use of company's property, and accepting gifts (Mauri-Ríos, Marcos-García, & Zuberogoitia-Espilla, 2020). Employees who don't comply with the code of conduct intentionally or repeatedly can lead to appropriate sanctions, and the ethical code of conduct also states the penalties and the action for failure to comply. In most cases code of ethics is the organization policy statement designed to assist employees in decision making. These guiding principles help professionals in dealing with integrity and honesty. Ethical code of conduct is not just an intangible concept within the organization corporate culture, they are embodied within the code on the organization core values, vision, and mission and also any standard imposed on a related professional field of ethics (Hsieh, Hsu, Kao, & Wang, 2020).

1.1.6 State Corporations in Kenya

State Corporations are corporate organizations that are established and governed by laws for the provision of better and quality goods and services to the members of the public. These entities are crucial to society and they serve as an avenue for the government to fulfill its mandate in the provision of essentials services to the public that includes health, housing, transport among others. They also prevent monopolization of the markets. State Corporations in Kenya are faced with several challenges that include misappropriations of funds, perennial losses, debts, corruption, tribalism, nepotism, haphazard manner of appointments, dismissal of directors, inefficient investments, lack of clear operational plans and guidelines, pathetic management procedures, insufficient supervision in numerous occasions and all these problems are associated with poor leadership and management practices. Plans in State Corporations have nothing strategic in execution as they are based on the government five-year planning cycle and involve the election and the notions of the governing party. These plans are not focused on the long term. This has been the norm till the introduction of performance contracting that demanded a strategy in levels of management (Laimaru, 2018).

1.1.7 Kenya Bureau of Standards Profile

Kenya Bureau of Standards (KEBS) was formed in 1974 by a parliamentary Act Chapter 496 of the Kenyan Law with the core mandate of the preparation of standards that relate to the product, processes, materials, and their promotion at the national, regional, and international level. The organization also certifies industrial products; assists in the production of quality goods, circulation of information that relates to standards, and improvement of measurement accuracy. The organizational structure of KEBS has the following divisions: Quality Assurance and Inspection division, Standards Development and International Trade division, Testing and Metrology Services division, and Finance and Administration division. The organization is managed by the Managing director who is responsible for the everyday administration of the Bureau within the guidelines formulated by the council (www.kebs.org).

The study was exploring leadership structure, corporate reporting, board composition, ethical code of conduct, and employee performance as both independent and dependent variables, with reference to KEBS. The leadership structure at KEBS is crafted under bureaucratic government structure. The board, known as the National Standards Council, comprises of nine members including the Chairman and the Managing Director who is also the Council secretary. Both genders are represented. KEBS has an established performance management system that ensures implementation of KEBS Performance Contract signed with the government of Kenya. This performance contract is based on KEBS strategic plan, Medium Term Plan and Vision 2030 guidelines. The board (National Standards Council) submits these performance contract reports to the Inspectorate of State Corporations whose mandate is to oversee and promote good corporate governance for enhanced service delivery. Corporate reporting promotes accountability and communication. This comprises financial reports, Human Resource and administration reports, Internal audit reports, legal reports, procurement reports, technical reports, among others. KEBS employees sign a code of conduct which outlines the rules and standards that govern employee behavior. All these are geared towards enhancing employee performance so as to promote efficient service delivery, increase revenue and improve organization’s corporate image.

1.2 Statement of the Problem

According to Maravelaki, Doumpos, and Zopounidis (2017) corporate governance practices are widely recognized as the most essential element that strengthens the foundation for both organization and employee performance. Ethical dilemmas and lapses are the common root cause of several problems that corporate organizations face today, and the absence of good corporate governance practices is the underlying factor that affects well-performing organizations (Siyad & Sasaka, 2018). Lack of sufficient corporate governance practices in government corporations and institutions has been evident in the collapse of several state corporations such as Kenya Meat Commission, Kenya Railways Corporation, Kenya Airways, Mumias Sugar Company, Webuye Pan Paper Mills, just to mention a few.

KEBS as one of the state corporations has not been spared the scandals. This has led to low employee morale, poor corporate image, low revenue and decrease in customer satisfaction which affects public faith in the organization. The overall Customer Satisfaction Survey (CSS) satisfaction index for KEBS went down from 64.09% for the financial year 2018/2019 to 58.9% for the year 2020/2021.

Several studies have been conducted on corporate governance and performance as Siyad and Sasaka (2018) conducted a study on corporate governance effects on the performance of telecommunication organizations and the study established that corporate practices enable the organization to concentrate on their core functions. The study focused on risk management, corporate reporting, leadership integrity, and managerial autonomy. The study has provided a contextual gap that needs to be examined. Laimaru (2018) examined the influence of governance principles on the performance of commercial state corporations in Kenya and the study established that the principle of accountability has a significant influence on performance. The study focused on the influence of accountability, transparency, fairness, and integrity, the study has provided an empirical and methodological gap that needs to be examined . This research focused on the influence of leadership structure, corporate reporting, board composition and ethical code of conduct, and employee performance using KEBS as the case study. However, none of the above studies have specifically focused on KEBS. Therefore, the purpose of the study was to fill the knowledge gap by examining the influence of corporate governance practices on employee performance. And the study was answering the following questions; what is the relationship between corporate governance practices and employee performance?

1.3 Objectives

1.3.1 General Objective

The study main objective was to determine the corporate governance practices and employee performance in state corporations, a case study of Kenya Bureau of Standards

1.3.2 Specific Objectives

i. To examine the influence of leadership structure on employee performance at Kenya Bureau of Standards
ii. To establish the influence of corporate reporting on employee performance at the Kenya Bureau of Standards
iii. To determine the influence of board composition on employee performance at the Kenya Bureau of Standards
iv. To examine how ethical code of conduct affects employee performance at Kenya Bureau of Standards

1.4 Research Questions

i. To what extent does leadership structure influence employee performance at Kenya Bureau of Standards
ii. To what extent does corporate reporting affect employee performance at the Kenya Bureau of Standards
iii. In what ways does board composition influence employee performance at the Kenya Bureau of Standards
iv. To what extent does the ethical code of conduct affect employee performance at the Kenya Bureau of Standards

1.5 Significance of the Study

Theoretically, the research study will help in determining and establishing corporate governance practices that can be adopted by the Kenya Bureau of Standards and other organizations as a strategic concept for its contribution to improving employee performance. It will assist to discover the need to re-orient corporate governance choices concerning employee performance within the organization to turn it into profitability and service delivery. The study finding was significant to the Kenya Bureau of Standards and other state parastatals in assessing the need to address governance strategies entrenched in the institution and their impact on the delivery of services to the public.

The study findings will also benefit the practitioners and other government institutions by reviewing the reports based on corporate governance through effective change strategies as a new concept for efficient and effective service delivery for public sector organizations. Finally, the Kenya Bureau of Standards management and other organizations will have a better understanding of the role of corporate governance practices on employee performance in government institutions in Kenya and thereby be able to discern good governance and management practices that can enable the organization to survive in a competitive environment.

The study will provide important facts that will act as a source of reference to scholars, students, and researchers that used this study as a basis for conducting future research by examining the study gaps concerning corporate governance practices that are not covered in this study. Students and scholars will also be in a position to have a basis for discussion on the role of corporate governance practices on employee performance at Kenya Bureau of Standards in general and the desire for its introduction in corporate governance practices in state parastatals and finally, the findings will form a theoretical reference in the field of corporate governance and its core concepts.

1.6 Scope

The research was confined to Kenya Bureau of Standards Headquarters located in South C, Nairobi. This research was conducted between May 2021 and October 2021. The researcher targeted respondents in all levels of employment at KEBS that was providing the much-needed information on leadership structure, corporate reporting, board composition, and ethical code of conduct that will determine the corporate governance practices and employee performance in state corporations a case study of Kenya Bureau of Standards. The researcher targets a sample size of 100 respondents.

1.7 Chapter Summary

The section has outlined the background that intended to scrutinize the effects of corporate governance practices on employee performance in parastatal organizations and the situation obligatory to put the investigation delinquent into an appropriate framework as guided by objectives. The chapter has also discussed the study variables, research questions, significance, and scope, the chapter forms the basic guiding principle upon which literature shall be reviewed, theories established, the methodology to be adopted to meet the objectives whose scope is limited to Kenya Bureau of Standards Headquarters in South C, Nairobi.

CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

The section discusses the works that explore what has been done concerning leadership structure, corporate reporting, board composition, ethical code of conduct, and employee performance as both independent, and dependent variables, and related literature, and studies that have been evaluated to expose the existing studies gaps. The process of literature review involves reviewing data and findings of similar studies with the subject under study. The section also clarified the existing theories that study variables are grounded which outlines major issues and past studies. The chapter also includes empirical literature, research gaps, conceptual framework, operationalization of variables, and chapter summary.

2.1 Theoretical Literature Review

Kothari and Garg (2015) defined it as a collection of interrelated ideas that are based on the theories, that set prepositions that are derived, and are guided by evidential data that explains a phenomenon. The study is guided and anchored on the following theoretical foundations; Stakeholder Theory, Agency Theory, and Stewardship Theory. The study's main anchor theory is Stakeholder Theory.

2.1.1 Stakeholders Theory

The stakeholder concept appeared with the work of Freeman 1984. The theory is popular since scholars have established that the task of a corporate entity is influenced by the external environment, which is determined by institution accountability. The institutions or organizations are no longer identify as instruments of shareholders alone, but they are viewed within a societal context, hence the responsibility falls too in the social interest (Lange & Bundy, 2018). About corporate governance the theory has two aspects; that is the abuse of the executive power model and the stakeholder model. According to Lange and Bundy (2018), Anglo-American corporate governance shows that excessive power is in the hands of management, and the managers may abuse these privileges to serve their interests at the expense of other stakeholders including society.

The misuse of executive power is always embedded in executive remuneration that has risen at a very fast rate, and this has formed a very weak link between performance, and compensation. Scholars that are pro this model do not believe that corporate governance reforms that include shareholder's, and non-executive involvement in decision making are suitable ways of monitoring mechanisms, instead, they prefer statutory changes in corporate governance in which hostile takeovers are not affected, and the appointment of executive officers is done on merit (Miles, 2017).

Stakeholder theory has faced numerous critics, and most of them have been based on the argument that the firm's success solely depends on the maximization of wealth. Jensen and Murphy (2004) have criticized the theory as it assumes that a single-valued objective and they suggest that the performance of an institution is not only measured by gains to its stakeholders but other issues such as information flow from senior managers to lower levels employees, working environment and interpersonal relations (Jensen & Murphy, 2004). The theory is adopted by the study because the task of a corporate entity is influenced by the external environment, which is determined by institution accountability. Therefore, the theory was beneficial to the current study through the joint effect of leadership structure, corporate reporting, board composition, ethical code of conduct, and employee performance.

2.1.2 Agency Theory

The theory was developed by Jensen and Mackling in 1976. The theory is founded on a management approach that shows that an individual agent acts on behalf of the principle, and the agent is responsible to advance the goals and objectives of the principal, however, the advances made by agents are purely for principle's interest, and his interest in the institution (Mastilak, Matuszewski, Miller, & Woods, 2018). Regarding corporate governance, this theory offers solutions to issues that affect shareholders, who require to consult professional's executives to act on their behalf. The agency theory assumes that the agent is likely to act on self-interest and also in an opportunistic way, and to counter such issues the principle has to incur costs that arise from incentives for CEO interest with those of stakeholders, the cost incurred are often used to prevent abuse of owner interest (Obermann, Velte, Gerwanski, & Kordsachia, 2020).

The theory indicated that superior data that is at manager’s disposal allows them to gain an advantage over the organization's shareholders and managers will not act to maximize returns unless the organization has a proper governance structure in place. The theory also advocates that corporate governance is responsible for minimizing the potential graft issues within the organization. The supporters of these theories think that organization management is more powerful when the institution's stocks are managed by a board of directors who has no clue about the organization. And is suggested that organization management should have at least some shares in the ownership so that they can secure a positive relationship between the number of shares owned and corporate governance (Choi, Chatfield, & Chatfield, 2018).

The theory is adopted for this study because internal control such as code of ethics, corporate reporting are some of the mechanisms that are used in organizations to address the agency issues that reduce the agency cost that affects overall employee performance as well as benefit the principal. The internal control measures enhance the provision of more information to the shareholders on the behavior of management that can reduce information asymmetry and lowers investor risk. The theory is vital for the study because it informs the study variables (code of ethics, and corporate reporting). Organization leadership being the agents of KEBS are expected to act in the interest of the institution

2.1.3 Stewardship Theory

This theory was developed in 1989 by Donaldson and Davis. The theory indicated that steward maximizes and protects shareholders through employee performance. In this context, stewards are managers or executives that work for shareholders intending to make profits and protect their assets (Subramanian, 2018). Organizational success is fully dependent on the steward, and the employees take ownership of their responsibilities and work diligently with them. The theory adopts a different approach from agency theory; in that organization serves a big social purpose compared to maximizing the wealth of the shareholders. It holds that corporations and institutions are social entities that determine stakeholder's welfare that interact with the organization as well as the organizational objectives (Keay, 2017). According to Surbramanian (2018), stakeholders have moral as well as legal rights and are instrumental to corporate success. Therefore, corporate managers have to consider stakeholder's claims when conducting business as well as making decisions towards stakeholders.

Donaldson and Preston, (1995) while defining stakeholder theory indicated that the organization is a system of stakeholders that operates within a large system that offers necessary market, and legal infrastructure for the organization's activities. The goals and objectives of the organization are creating wealth or adding value for its stakeholders. The view is echoed by Blair (1995) who described the goal of directors and organization management as to create and maximizing wealth for the organization. Organizations adopt approaches that are either proactive or reactive when incorporating stakeholders in decision-making. An organization opts for a reactive approach when it does not incorporate its stakeholders into corporate decision making thus result in a misalignment of stakeholders' demands and organizational goals (Keay, 2017). Corporate scandals such as those of Worldcom, and Enron to the failure of incorporating stakeholders concerns in decision making. According to Adams (2010), the theory remains the foundation for legislation, and regulation in the corporate decision-making process and establishes necessary governance structures.

The study adopted this theory to analyze how board composition, management, and leadership structure put in place, empowering, and facilitating empowerment structures rather than monitoring, and controls, as suggested by other theories that interfere rather with steward motivation of ensuring the agent(management) with stakeholder's interest, are aligned to promote the effectiveness of agent in pursuit of the improved employee, and organization performance in the long term.

2.2. Empirical Literature Review

A literature review involves the documentation of information that relates to the study's variables that include leadership structure, corporate reporting, board composition, ethical code of conduct as both independent, and dependent variables as factors that determine employee performance.

2.2.1 Leadership Structure and Employee Performance

Asogwa, Ofoegbu, and Nnam (2019) investigated the effects of corporate governance leadership models and attributes on organization earnings using Nigerian listed firms. The study adopted a descriptive research survey that targeted 37 firms listed in the Nigerian Stock exchange between 2014-2018 using stratified random sampling. The study also adopted an ex-post facto design that used regression to analyze data. The study findings showed that unitary corporate leadership and dual board leadership model has a significant influence on improving organization earnings, the study also established that organization earnings grow in organizations where the CEO and chairs of the board qualify for financial management, and the quality of earning greatly improves significantly when leadership structure has a good mix of legal skills and financial expertise in the board composition, thus capital market places a premium on good leadership attribute mix (Asogwa, Ofoegbu, & Nnam, 2019). This study provides a contextual and empirical gap that concentrated on non-financial firms in Nigeria that cannot be generalized as its context is specific.

Bentley, Pugalis, and Shutt (2017) examined the leadership and system of governance in the case of the constraints on the scope for leadership structure of placed-based development in sub-national regions. The study adopted a descriptive research design, that targeted a study population of 3739 employees. Random stratified sampling was used to select 463 respondents to participate in the research. The study used structural equation modeling to establish if there is a relationship between leadership structure, and governance systems, and employee performance. The study established that deploying dual concepts of acceptability, and permissibility provides an innovative analytical device for decrypting corporate leadership, and also the study established that control mechanisms characteristics of governance are shaped by leadership autonomy (Bentley, Pugalis, & Shutt, 2017). The study provides an empirical gap and context that needs to be filled.

Feng, Hassan, and Elamer, (2020) investigated corporate governance, ownership, capital, and leadership structure regarding Chinese Real estate firms listed on the stock exchange. The study intended to contribute to the existing literature on ownership, capital, and leadership structure. The study used panel data comprised of 595 organizational from a comprehensive, and unique data set of 119 real estate firms in china that were listed in the stock exchange between 2014-2018. The study data were analyzed using a fixed, and random effect regression analysis to establish and examine the study hypothesis. The study established that leadership structure, the board size, ownership concentration, and organization size have a positive influence on capital structure, and also established that government ownership and profitability have an inverse influence on both leadership and capital structure (Feng, Hassan, & Elamer, 2020). The study has provided a methodological and contextual gap that this study will try to fill.

2.2.2 Corporate Reporting and Employee Performance

Okumus, Kuyucak-Sengur, Koseoglu, and Sengur (2020) examined what companies report for their CSR practices on their website. The study intended to examine how Turkish airline reports CSR efforts on its website. The study adopted a content analysis that was carried out using policies, reports, publications, and other available documents on CSR for the period ending 2017. The study established that Turkish Airlines has documented several reports highlighting its CSR activities in annual reports, and organization policy documents, the study also established that the environmental dimension is the most area that the Airline has placed more focus on (Okumus, Kuyucak-Sengur, Koseoglu, & Sengur, 2020). The study has provided a methodological gap and contextual gap in a model and data-driven analysis that needs to be filled in a local perspective.

Zúñiga, Pincheira, Walker, and Turner, (2020) examined the effect of integrated corporate reporting on quality on market liquidity, and analyst forecast error. The study adopted the use of the Sustainability Disclosure Transparency Index (SDTI) for integrated corporate reporting and analysis. That study targeted 324 organizations and sampled 170 organizations listed in the Johannesburg Stock exchange between 2013-2015. Data were analyzed using the integrated reporting quality that was developed using Integrated Reporting and Assurance Services (IRAS), and ordinary least squares regression. The study also used Variance Inflation Factor (VIF), and its tolerance to test the severity of multi-collinearity. The study findings showed that the quality of corporate reporting is associated with lower earnings forecast error, and the errors are higher for organizations with volatile returns; the study also established that integrated corporate reporting is positively associated with market liquidity (Zúñiga, Pincheira, Walker, & Turner, 2020). The study results cannot be generalized in other jurisdictions hence the study has provided empirical and contextual gaps that need to be filled.

A study by Gnanaweera, Kunori, and Ntim (2018) examined corporate sustainability reporting that links corporate disclosure information and performance indicators. The study targeted 85 Japanese firms listed in Tokyo Stoke Exchange between 2008-2014. The study adopted a content analysis and regression analysis to examined the main study objective, from the content analysis finding of the study established that listed firms in Tokyo Stoke Exchange level of discloser on the environmental, economical, and social information varies from one firm to another, the study also established due to week positive significant linkage among corporate sustainability disclosure guidelines rate, water consumption, environmental conversation effort, and firm size. However, to be consistent with social values, the firms ensure that the guideline, and accuracy in the disclosure of information on corporate sustainability reporting (Gnanaweera, Kunori, & Ntim, 2018). The study has provided empirical and contextual gaps that need to be examined in a local context.

2.2.3 Board Composition and Employee Performance

Vairavan and Zhang (2020) examined if a diverse board matter: a mediation analysis of board racial diversity on performance. The study intended to reexamine the board's racial diversity and composition and employee productivity. The study used the mediation analysis framework that was composed of bootstrapping method that tested both the indirect and direct effect of board diversity on performance. The data used in the study was derived from 1500 variables that were composed of COMPUSTAT, Wharton Research Data Services, and Institutional Shareholder Services. The study established that there is neither a direct effect of board racial diversity on performance nor is there an indirect effect through employee productivity (Vairavan & Zhang, 2020). The study provides a methodological and contextual gap that this study was filling by examining if board composition affects performance in a local context.

Soare, Detilleux, and Deschacht (2021) investigated the impact of the gender composition of company boards on performance. The study intended to determine if organizations in Belgium are implementing the 2011 policy reform that introduced gender quota for listed firms. The study analyzed the evaluation of performance between firms that were subjected to the quota law and were compared to firms that were not subjected to the same law. The author used a difference-in-difference (DiD) approach that limits potential bias from unobserved firm's characteristics. The study established that quota policy resulted in the replacement of one male director by a female director on an average company between 2010-2017, however, the increase in diversity harms some organization performance. The study also established that there is a statistically negative effect for ten out of twenty-three financial indicators included in the study while thirteen indicators showed no significant effect (Soare, Detilleux, & Deschacht, 2021). The study has provided a methodological gap and contextual gap in a model and data-driven analysis that needs to be filled in a local perspective.

A study by Rouf and Hossan, (2020) examined the effects of board size and composition on corporate social responsibility disclosure in the Bangladesh banking sector. The study sampled 30 banks listed on Dhaka Stock Exchange. The also adopted content analysis approach with the least square model was used for assessing the effectiveness of the study variables as well as an un-weighted approach was used too. The study findings showed that the extent of corporate social responsibility disclosure of these institutions varied between 11.11% -73.33%, and on average they report between 45.37- 43.44%, however, the study established that a significant relationship between female directors and corporate social responsibility disclosure. Equally, board size was found to have no significant relationship with corporate social responsibility disclosure but the proportion of independent directors was established to have a significant relationship with corporate social responsibility disclosure in the annual report (Rouf & Hossan, 2020). The study has provided a methodological gap and contextual gap that needs to be filled from a local perspective.

2.2.4 Ethical Code of Conduct and Employee Performance

A study by Tafolli and Grabner-Kräuter (2020) examined employee perception of CSR and organizational corruption. The study examined the relationship between perceived CRS, and perceived organizational corruption in developing countries with a mediating role of perceived ethical leadership and also job satisfaction, the study collected data using questionnaires that were administered to 434 respondents. Data were analyzed using a regression analysis that adopted a serial mediation model. The study established that employees' perception of CSR is positively related to job satisfaction, and perceived organizational corruption, and negatively relates to organization corruption, the study reaffirmed that the relationship between CSR and organization corruption is mediated by ethical leadership perception and job satisfaction (Tafolli & Grabner-Kräuter, 2020)**.** This study provides an empirical gap that cannot be generalized as its context is specific.

Le, Vu, and Nguyen (2020) investigated the use of internal control systems and codes of conduct as anti-corruption practices. The study adopted fraud triable theory the study intended to examine internal control systems, and code of conduct to reduce and limit law violations and bribery payments to public officials. A survey was conducted among Vietnamese companies between September, and December 2018. The study adopted and used a run logistic, and ordinary least squares to test a hypothesis. The study established that the use of internal control systems has a negative and significant relationship with law violation but not with bribes given to public officials, codes of conduct reduces bribe paid but not to law violations (Le, Vu, & Nguyen, 2020). The study provides a methodological and empirical gap that this study will try to fill in a local context.

Roberts-Lombard, Mpinganjira, Wood, and Svensson (2019) investigated South African Corporate ethics codes about establishments and communication. The study intended to rank the top 500 firms in South Africa that have and implement a code of ethics and establish the current state in the last 20 years. The study used a structured questionnaire as a data tool and the study target population were organization secretaries of 500 enterprises. The study established that most organizations enact ethos of their code of ethics, the study also established that these organizations implement both codes of ethics and strategies that are adopted for the creation of ethical corporate cultures (Roberts-Lombard, Mpinganjira, Wood, & Svensson, 2019)**.** The study has identified both empirical and contextual gaps that this study will try to fill in the Kenyan perspective.

2.3 Summary of Research Gaps

Table 1: Research gaps

Author and Year	Title	Findings	Research Gap	Focus on the current study
Asogwa, Ofoegbu, and Nnam (2019)	Effects of corporate governance leadership models, and attributes on organization earning using Nigerian listed firms.	The study findings showed that unitary corporate leadership and dual board leadership model has a significant influence on improving organization earnings, the study also established that organization earnings grow in organizations where the COE and chairs of the board qualify for financial management, and the quality of earning greatly improves significantly when leadership structure has a good mix of legal skills and financial expertise in the board composition, thus capital market places a premium on good leadership attribute mix.	This study provides a contextual gap that concentrated on non-financial firms in Nigeria that cannot be generalized as its context is specific.	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance.

Author and Year	Title	Findings	Research Gap	Focus on the current study
Bentley, Pugalis, and Shutt (2017)	The leadership and system of governance a case of the constraints on the scope for leadership structure of placed-based development in sub-national regions.	The study established that deploying dual concepts of acceptability, and permissibility provides an innovative analytical device for decrypting corporate leadership, and also the study established that control mechanisms characteristics of governance are shaped by leadership autonomy.	The study provides a contextual gap that needs to be filled.	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance.
Feng, Hassan, and Elamer, (2020)	Corporate governance, ownership, capital, and leadership structure regarding Chinese Real estate firms listed in the stock exchange.	The study established that leadership structure, board size, ownership concentration, and organization size have a positive influence on capital structure, and also established that government ownership and profitability have an inverse influence on both leadership and capital structure.	The study has provided a contextual gap.	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance
Okumus, Kuyucak-	What companies report for their	The study established that Turkish Airlines has documented several reports	The study has provided a contextual gap in a model	The current study focuses on leadership

Author and Year	Title	Findings	Research Gap	Focus on the current study
Sengur, Koseoglu, and Sengur (2020)	corporate social responsibility practices on their website.	highlighting their CRS activities in annual reports, and organization policy documents, the study also established that the environmental dimension is the most area that the Airline has placed more focus on.	and data-driven analysis that needs to be filled in a local perspective.	structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance
Zúñiga, Pincheira, Walker,and Turner, (2020)	The effect of integrated corporate reporting on quality on market liquidity, and analyst forecast error	The study findings showed that the quality of corporate reporting is associated with lower earnings forecast error, and the errors are higher for organizations with volatile returns; the study also established that integrated corporate reporting is positively associated with market liquidity.	The study results cannot be generalized in other jurisdictions hence the study has provided a contextual gap that needs to be filled.	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance
Gnanaweera, Kunori, and Ntim (2018)	Corporate sustainability reporting that links corporate disclosure information and	The study adopted a content analysis and regression analysis to examined the main study objective, from the content analysis finding of the study established that listed firms in Tokyo Stoke Exchange level of	The study has provided a contextual gap that needs to be examined in a local context.	The current study focuses on leadership structure, corporate reporting, board composition, ethical

Author and Year	Title	Findings	Research Gap	Focus on the current study
	performance indicators.	discloser on the environmental, economical, and social information varies from one firm to another, the study also established that sustainability disclosure this was due to week positive significant linkage among corporate sustainability disclosure guidelines rate, water consumption, environmental conversation effort, and firm size. However, to be consistent with social values, the firms ensure that the guideline, and accuracy in the disclosure of information on corporate sustainability reporting.		code of conduct as factors that determine employee performance
Vairavan and Zhang (2020)	Does a diverse board matter: a mediation analysis of board racial diversity on performance.	The study established that there is neither a direct effect of board racial diversity on performance nor is there an indirect effect through employee productivity.	The study provides a contextual gap that this study was filling by examining if board composition affects	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as

Author and Year	Title	Findings	Research Gap	Focus on the current study
			performance in a local context.	factors that determine employee performance
Soare, Detilleux, and Deschacht (2021)	The impact of the gender composition of company boards on performance	The study established that quota policy resulted in the replacement of one male director by a female director on an average company between 2010-2017, however, the increase in diversity harms some organization performance. And also there is a statistically negative effect for ten out of twenty-three financial indicators included in the study while thirteen indicators showed no significant effect.	The study has provided a contextual gap in a model and data-driven analysis that needs to be filled in a local perspective.	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance
Rouf and Hossan, (2020)	The effects of board size, and composition on corporate social responsibility disclosure in	The study findings showed that the extent of corporate social responsibility disclosure of these institutions varied between 11.11% -73.33%, and on average they report between 45.37- 43.44%, however, the study established that a	The study has provided a contextual gap that needs to be filled from a local perspective.	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as

Author and Year	Title	Findings	Research Gap	Focus on the current study
	Bangladesh banking sector.	significant relationship between female directors and corporate social responsibility disclosure. Equally, board size was found to have no significant relationship with corporate social responsibility disclosure but the proportion of independent directors was established to have a significant relationship with corporate social responsibility disclosure in the annual report.		factors that determine employee performance.
Tafolli and Grabner-Kräuter (2020)	Employee perception of CSR and organizational corruption.	The study established that staff awareness of CSR is completely connected to job satisfaction, and perceived organization corruption, and negatively relates to organization corruption, the study reaffirmed that relationship between CSR and organizational corruption.	This study provides a contextual gap that cannot be generalized as its context is specific.	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance

Author and Year	Title	Findings	Research Gap	Focus on the current study
Le, Vu, and Nguyen (2020)	Internal controls systems and codes of conduct as anti-corruption practices	The study established that the use of internal control systems has a negative and significant relationship with law violations but not with bribes given to public officials, the study also established that the use of codes of conduct reduces bribe paid but not to law violations.	The study provides a contextual gap that this study will try to fill in a local context.	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance
Roberts-Lombard, Mpinganjira, Wood, and Svensson (2019)	SA Corporate ethics codes: establishments, and communication.	The study intended to rank the top 500 firms in South Africa that have and implement a code of ethics and establish the current state in the last 20 years. The study used a structured questionnaire as the main data collection tool and the study target population were organization secretaries of 500 enterprises. The study established that most of the organizations; the study also established that these organizations implement both codes of	The study has identified a contextual gap that this study will try to fill in the Kenyan perspective	The current study focuses on leadership structure, corporate reporting, board composition, ethical code of conduct as factors that determine employee performance

Author and Year	Title	Findings	Research Gap	Focus on the current study
		ethics and strategies that are adopted for the creation of ethical corporate cultures.		

Studies have been conducted on corporate governance and performance as Siyad and Sasaka's (2018) study focused on risk management, corporate reporting, leadership integrity, and managerial autonomy and the study has provided a contextual gap that needs to be filled. Laimaru (2018) the study established that the principle of accountability has a significant influence on performance, and the study focused on the influence of accountability, transparency, fairness, and integrity, the study has provided an empirical and methodological gap that needs to be filled. This research focused on the influence of leadership structure, corporate reporting, board composition and ethical code of conduct, and employee performance using KEBS as the case study. Pointing to a contextual and conceptual difference the study gap is identified. However, none of the previous studies have specifically focused on KEBS. Therefore, the purpose of the study to examine the influence of corporate governance practices on employee performance. And the study will answer, what is the connection between corporate governance practices and employee performance?

2.4 Conceptual framework

The study was guided by a conceptual framework that presents and defines the viewpoints that attempt to explain the research problem under the study.

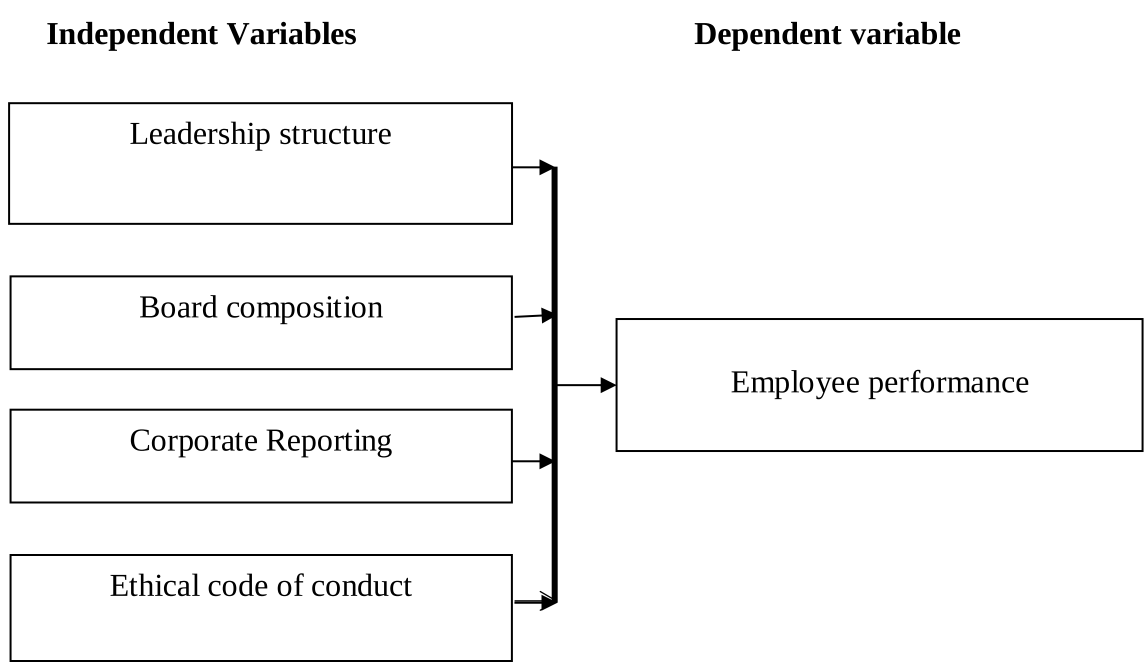

Figure 1 Conceptual Framework

2.5 Operationalization of Variables

Table 2: Variables Operationalization

Variables	Predictors	Tools of Analysis	Measurement Scale
Leadership structure	• Leadership composition • Accountability • Fairness • Transparency	Descriptive, and inferential statistics	Lickert scale questionnaires, Frequencies, and percentage
Corporate reporting	• CSR • Annual reports • Annual general meetings	Descriptive, and inferential statistics	Lickert scale questionnaires, Frequencies, and percentage
Board composition	• Insiders • Business Experts • Monitor Skills • Financial expertise	Descriptive, and inferential statistics	Lickert scale questionnaires, Frequencies, and percentage
Ethical code of conduct	• Professional competence • Professional behavior • Confidentiality • Integrity • Objectivity	Descriptive, and inferential statistics	Lickert scale questionnaires, Frequencies, and percentage
Employee performance	• Job satisfaction • Customer satisfaction • Organization profits • Return on investments	Descriptive, and inferential statistics	Lickert scale questionnaires, Frequencies, and percentage

2.6 Chapter Summary

Literature review incorporates the documentation of information material that have examined leadership structure, corporate reporting, board composition, ethical code of conduct, and employee performance as both independent, and dependent variable. The chapter has reviewed previous studies that are related to study independent variables and are consistent with study goals.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.0 Introduction

The section explains the procedure that explains the proposed methodology that was adopted by the study to achieve the main objective. The chapter outlines the procedure to be adopted that describes the methodology that was employed in the research study to examine the corporate governance practices and employee performance in state corporations a case study of Kenya Bureau of Standards.

3.1 Research Design

According to Kothari and Garg (2015), a research design is an arrangement of the research purpose with procedure hence it is the conceptual structure within which the research study is conducted. A descriptive research design was used in the study. The descriptive research design involved describing the behavior without influencing it in any way. The design is normally used before using quantitative research designs to identify valuable indications as to the variables that are to be tested (Bordens & Abbott, 2017). This method has the advantage of helping researchers to plan and carry out studies that provide in-depth details about people, places, or particular phenomenon under study.

3.2 Target Population

Target population is defined as the total collection of elements which one wishes to generalize the research conclusion (Kothari & Garg, 2015 and Cooper & Schindler, 2016). Researcher targets all employees of KEBS that included senior managers, supervisors, and ordinary staff as the study target population as presented in table 3.

Table 3: Target population

Unit	Target population	%
Senior Managers	70	7
Supervisors	270	27
Ordinary Staff	660	66
Total	**1000**	**100**

(Author, 2021)

3.3 Sample and Sampling Technique

Kothari and Garg (2015) define a sample as the section of the population used in representing characteristics of the population. Cooper and Schindler (2018) observed that the study sample size should be random to avoid biases. As recommended by Saunders, Lewis, and Thornhill (2018) 10% of the target population is deemed reasonable to be used as the sample size. for what population. The study adopted 10% as per recommendation that gives a sample size of 100 respondents to be used in this study as presented in table 4.

Table 4: Sample Size

Unit	Target Population	Sample Size	%
Senior Managers	70	7	7
Supervisors	270	27	27
Ordinary Staff	660	66	66
Total	**1000**	**100**	**100**

(Author, 2021)

3.4 Instruments

Questionnaires are preferred by the researcher since the study that has used them and questionnaires are recommended to be economical and they are easily administered as well time-saving (Saunders, Lewis, & Thornhill, 2018). Questionnaires are considered to be cheaper instruments of data collection and that the researcher can obtain volumes, however, noted that the questionnaire's only disadvantage is cannot be administered to illiterate respondents not able to read and write (Creswell & Creswell, 2018).

3.5 Pilot Study

The pilot study was conducted using 10 employees who was randomly selected from the target population and they will not be included in the final study as recommended by Kothari and Garg (2015). The goal of the process is to establish if responses from the instruments will provide the expected feedback that helps the study to achieve its goals as outlined in the methodology. The other reason why the pilot study is important is that it established reliability as well as the validity of research data collection tools (Cooper & Schindler, 2018).

3.5.1 Validity

According to Saunders, Lewis, and Thornhil (2018) validity is the correctness and the capacity of a research instrument to deliver expected results. The study conducted a validity test to iron out any deficiencies in the research instrument and rectify them before being administered to the sample population. The goal of the process is to establish if responses from the instruments were to provide the expected feedback that helps the study to achieve its goals as outlined in the methodology. The other reason why the pilot study is important is that it established reliability as well as the validity of research data collection tools (Cooper & Schindler, 2018). The study also adopted content validity with assistance from the supervisor, and professionals in the field.

3.5.2 Reliability Test

During the piloting, the study also conducted a reliability test. Saunders, Lewis, and Thornhill (2018), describe reliability as the ratio in which study questionnaires are measured for consistency. The study adopted the Cronbach Alpha to test reliability that was pegged at the coefficient of 0.7. According to Kothari and Garg (2015), research instruments are expected to yield the same results if it is reliable and should provide the same results like the ones for pilot study when its administered to the actual sample size, this is echoed by Cooper and Schindler (2018).

3.6 Data Collection Procedure

Kothari and Garg (2015) explain that several tools exist for data collection, the tools include interviews, questionnaires, focus groups, observations. A research instrument that is suitable to measure respondent's perception is required and in this study, the author prefers to use questionnaires. The researcher used questionnaires because it makes it possible and easy for correlation, descriptive, and inferential statistical analysis as echoed by Saunders, Lewis, and Thornhill (2018). These questions also will aid in enriching the qualitative methodology effectively. The questionnaire further provides anonymity as most respondents always don’t prefer their identity revealed. Primary data was collected using questionnaires while secondary data used in the literature review is collected from documented sources such as journals, monographs, articles, books, and company reports.

3.7 Data Analysis and Presentation

Kothari and Garg (2015) defines data analysis as the process in which raw data collected from research data collection tools are sorted and organized so as to extract useful information. The study will generate quantitative data. The qualitative data was analyzed using simple statistics and SPSS. The raw data gathered from the field was coded before the generalization of the findings is made. The results were analyzed using descriptive statistics and presentations was in tables, and figures. Inferential statistics was used to show the connection that exists between the study variables. The study used the Pearson correlation matrix was used. Pearson correlation helped in predicting and describing the association between the variables in terms of magnitude and direction. The correlation test at a 5% level of significance with a 2-tailed test was conducted.

Analysis of variance (ANOVA) was adopted to disclose the complete model significance. The calculated f statistic was compared with the tabulated f statistic. A critical p-value of 0.05 was used to determine whether the overall model was significant or not. A multiple linear regression model was used to test the significance of the influence of the independent variables on the dependent variable. To estimate the model of the composite index of the employee performance measure, α is a regression constant or intercept, β1-4 is the regression coefficient. EE represents the composite score of employee performance as the independent variable. JRA represents the other variables composite index. The variables are represented by IF which is the composite score of leadership structure, corporate reporting, board composition, and ethical code of conduct. ε is the random error term that accounts for the viability of the corporate governance practices that cannot be explained by the linear effect of the predictor variables. The multiple linear regression models are as follows

$Y=\beta 0+ \beta 1X1+ \beta 2X2+ \beta 3X3+ \beta 4X4+ \varepsilon$

Where:

Y= Employee Performance

(Bi; i=1, 2, 3,4) = various coefficients for the independent variables

Xi for;

X1= Leadership structure

X2= Corporate reporting

X3= Board composition

X4= Ethical code of conduct

3.8 Ethical Consideration

3.8.1 Informed consent

The researcher will apply for letters of authorization before the study is conducted. The letters was obtained from the University, National Commission for Science, Technology, and Innovation, and KEBS.

3.8.2. Voluntary participation

Participants were asked and requested if they could participate in the study. This was done through verbal communication and the signing of the consent form.

3.8.3 Confidentiality

Respondents' confidentiality was guaranteed by the research and data was only used for writing a project report as per requirements of the university.

3.8.4 Privacy

Respondents' privacy was upheld and none was allowed to write their names or contacts on the questionnaires.

3.8.5 Anonymity

Respondents' anonymity was upheld and respondents were advised not to write names on the questionnaires.

3.9 Chapter Summary

The chapter summaries the section on study methodology that was used that offers a research procedure that explains the methodology adopted. This section provides the procedure used in the study that describes the methodology that was employed in the research study. The research procedure explains the proposed methodology that assisted the study to achieve the main objective of the research. The sections also include design, population, sample and sampling techniques, data collection as well as processing and analysis, and end with research ethics.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This section of the study outlines the study findings as guided by research questions and outlined in the questionnaire. This chapter presents the results of the research in different sections as provided in the main variables of the study. The chapter is sectioned into respondent's demographic information, responses on study variables, and limitations of the study and finally, it concludes with a chapter summary.

4.1 Presentation of Research Findings

Table 5: Response Rate

The sample size of this research study was 100, to which the researcher emailed the questionnaire as tabulated in Table 5

Category	Frequency	Percentage
Responses	91	91
Non-Responses	9	9
Total	**100**	**100**

The results obtained show that a total of 91 respondents filled and emailed back the questionnaires that represented 91% response rate while 9% of the respondents failed to email their responses back, and some of the emailed questionnaires were not fully filed, therefore the study did not include them in the final analysis. The response rate was excellent. Kothari and Grag (2015) explain that any research study that obtains a response rate of fifty percent is adequate for analysis, while any response that is sixty percent is rated as good, and any responses above seventy percent are deemed to be excellent. This implies that the research response rate was excellent.

4.1.2 Demographic Information

The study requested the respondents to provide their biodata that constituted information that explains the attributes of the study. The characteristics included; gender, age group, education level, years in service, and position held in the organization.

Table 6: Respondents Gender

Category	Frequency	Percentage
Male	54	59
Female	37	41
Total	**91**	**100**

Most employees who participated in the research were males representing 59% of the respondents and 41% were female as shown in Table 6. This implies that the gender representations of the respondents were not fairly balanced in the study and contributions towards the study findings cannot be associated with any single-gender despite male respondents being more than their female counterparts. Kothari and Grag (2015) indicate that respondent's gender is one of the most important characteristics in understanding their views about particular issues. By and large, gender shows the level of commitment, technical skills, and nature of energy required to carry out specific functions.

Table 7: Respondents Age Bracket

Category	Frequency	Percentage
18 years – 24 years	3	3
25 years – 34 years	46	51
35 years - 44 years	30	33
45 years – 54 years	11	12
55 years - 60 years	1	1
61 years and above	0	0
Total	**91**	**100**

As tabulated in Table 7 respondents were required to indicate their age bracket and the responses show that the majority of the respondents at 51% indicated their age to be between 25 years and 34 years; 33% of the respondents indicated their ages were between 35 years and 44 years; 12% of the respondents indicated their age bracket between 45 years and 55 years while 3% of respondents were aged between 18 years and 24 years, and 1% were aged between 55 years and 60 years and none of the respondents indicated above 60 years. The response represents a good dispersion of the respondents in the age bracket and the majority of them were at their middle stage of life. According to Kothari and Grag (2015) age also indicates the level of maturity of a person in that sense of age becomes more important in examining the response.

Table 8: Respondents Education Level

Category	Frequency	Percentage
Primary	0	0
Secondary	0	0
Diploma	3	3
Degree	49	54
Master	24	26
PhD	15	17
Total	**91**	**100**

As indicated in Table 8, the respondents were required to indicate their highest level of education and the data showed that the majority had attained degree level of education at 54%, that was followed by respondents with master education level at 26% of the respondents, 17% of the respondents had a Ph.D. level of education, 3% indicated that had college while none indicated secondary level or primary level. This implies that respondents' highest education level was adequate to answer and interpret the research questions. This shows that work at the organizations requires professional input. The response of an individual is likely to be determined by his or her educational level and therefore it becomes imperative to know the educational background of the respondents. As echoed by Kothari and Grag (2015), education is one of the most important characteristics that might determine and affect individual attitudes and the way of looking and understanding any particular social phenomenon. In a way, the response of an individual is likely to be determined by one's educational status and hence it becomes imperative to know the educational background of the respondents. The variability of the education level of the respondents was investigated and data about their education level is presented in table 8.

Table 9: Respondent's Years in Service

Category	Frequency	Percentage
1 year – 5 years	42	46
6 years – 10 years	33	36
11 years – 15 years	15	17
16 years and above	1	1
Total	**91**	**100**

As shown in Table 9 respondents were asked to indicate the number of years they have worked in the organization and 46% of the respondents, who were the majority, indicated that they had worked at the organization for between 1 year and 5 years, 36% had worked for between 6 years and 10 years, 17% had worked for the organization for a period between 11 years and 15 years and finally 1% had been working in the organization for over 16 years. The study findings show that the respondents had worked in the organization for the duration of time that places them in a better position to respond to the questionnaire. According to Bryman and Bell (2011) respondents who have worked in an organization for a long are in a better position to understand its dynamics and answer research questions with an expert witness.

4.1.3 Descriptive Statistics

This section of the chapter presents descriptive statistics of the study variables as outlined in the research questionnaire in appendix II.

4.1.3.1 Leadership structure

The study intentions were to examine the influence of leadership structure in relation to employee performance as influenced by corporate governance.

Table 10: Respondents Views on Leadership structure

Leadership structure	Strongly Agreed	Agreed	Neutral	Disagreed	Strongly Disagreed	Mean	Standard Deviation
At KEBS organizational leadership structure influences employee performance	25%	66%	1%	7%	0%	4.09	0.755
At KEBS management has developed accountability processes that have improved employee performance	16%	70%	2%	12%	0%	3.89	0.809
In our organization fairness is portrayed by the organization's leadership structure.	20%	62%	2%	17%	0%	3.85	0.930
In our organizational leadership structure believes in a transparency process that influences employee performance	10%	78%	1%	11%	0%	3.87	0.977
The influence of corporate governance on employee performance depends on leadership strategy.	8%	60%	9%	23%	0%	3.53	0.935
Our organization’s leadership structure is built on teamwork and trust.	13%	63%	7%	18%	0%	3.71	0.910

The study aimed to establish the effects of leadership structure on employee performance at KEBS. The study variable was assessed by requiring the respondents to use a five-point Likert scale and the researcher sought to examine how leadership structure determines employee performance and the results are shown in Table 10. The study findings are discussed using descriptive statistics to show the responses and the findings are as follows; the first statement under the study variable leadership structure was if at KEBS organizational leadership structure influences employee performance and the responses were as follows 25% of the respondents strongly agreed, 66% of the respondents agreed, 1% of the respondents decided to remain neutral while 7% of the respondents disagreed and none of the respondents strongly disagreed, the statement had a mean of 4.09 and standard deviation of 0.755.

The second question inquired under leadership structure variable was if at KEBS leadership structure has developed accountability processes that have improved employee performance and the responses were as follows 16% of the respondents strongly agreed, 70% of the respondents agreed, 2% of the respondents decided to remain neutral, while 12% of the respondents disagreed and none of the respondents strongly disagreed with the statement having a mean of 3.89 and standard deviation of 0.809. The third statement under the leadership structure variable the study inquired if in our organization fairness is portrayed by the organization leadership structure, and the responses were as follows 20% of the respondents strongly agreed, 62% of the respondents agreed, 2% of the respondents decided to remain neutral, while 17% disagreed and none of the respondents strongly disagreed with the statement having a mean of 3.85 and standard deviation of 0.930. The fourth statement that the study asked was if our organizational leadership structure believes in a transparency process that influences employee performance, and the responses were as follows 10% of the respondents strongly agreed, 78% of the respondents agreed, 1% of the respondents decided to remain neutral, while 11% of the responded disagreed and none of the respondents strongly disagreed with the statement having a mean of 3.87, and standard deviation of 0.977.

In the fifth statement under the variable, the respondents were asked if the influence of corporate governance on employee performance depends on leadership strategy and the responses were as follows 8% of the respondents strongly agreed, 60% of the respondents agreed, 9% of the respondents decided to remain neutral, while 23% of the respondents disagreed and none of the respondents strongly disagreed with the statement having a mean of 3.53 and standard deviation of 0.935. Finally, the respondents were asked if our organization's leadership structure is built on teamwork and trust., and the responses were as follows 13% of the respondents strongly agreed with 63% of the respondents agreed while 7% were neutral and 18% and none of the respondents disagreed and strongly disagreed respectively with a mean of 3.71 and standard deviation of 0.910.

The findings show that leadership structure and employee performance are primarily related, and leadership structures are an important factor that determines employee performance of the organization. The findings are similar to others studies such as Asogwa, Ofoegbu, and Nnam (2019) investigated the effects of corporate governance leadership models and attributes on organization earnings using Nigerian listed firms. The study findings showed that unitary corporate leadership and dual board leadership model has a significant influence on improving organization earnings, the study also established that organization earnings grow in organizations where the CEO and chairs of the board qualify for financial management, and the quality of earning greatly improves significantly when leadership structure has a good mix of legal skills and financial expertise in the board composition, thus capital market places a premium on good leadership attribute mix. Bentley, Pugalis, and Shutt (2017) examined the leadership and system of governance in the case of the constraints on the scope for leadership structure of placed-based development in sub-national regions. The study established that deploying dual concepts of acceptability, and permissibility provides an innovative analytical device for decrypting corporate leadership, and also the study established that control mechanisms characteristics of governance are shaped by leadership autonomy. Feng, Hassan, and Elamer, (2020) investigated corporate governance, ownership, capital, and leadership structure regarding Chinese Real estate firms listed on the stock exchange. The study established that leadership structure, board size, ownership concentration, and organization size have a positive influence on capital structure, and also established that government ownership and profitability have an inverse influence on both leadership and capital structure.

4.1.3.2 Corporate Reporting

The study intentions were to examine the influence of corporate reporting in relation to employee performance as influenced by corporate governance.

Table 11: Respondents Views on Corporate reporting

Corporate reporting	Strongly Agreed	Agreed	Neutral	Disagreed	Strongly Disagreed	Mean	Standard Deviation
In our organization annual reports are published after an external and internal audit	16%	67%	2%	15%	0%	3.82	0.877
In my organization, CRS is part of the organization's communication process.	11%	59%	7%	23%	0%	3.89	0.752
In our organization leadership call for annual general meetings profitability has an increase as a result of innovative culture	6%	69%	5%	22%	0%	3.58	0.895
Audit reports are available, submit the “balance sheet” and “revenue and expense statement” for the most recent fiscal year	11%	59%	8%	22%	0%	3.58	0.967
In my organization accounting documentation, like invoices and timesheets, by quarter, by the donor, and by budget category.	12%	59%	7%	22%	0%	3.62	0.963
The ICT system in my organization has made corporate reporting very efficient.	6%	53%	13%	28%	0%	3.35	0.959

The study aimed to establish the effects of corporate reporting on employee performance at KEBS. The study variable was assessed by requiring the respondents to use a five-point Likert scale and the researcher sought to examine how corporate reporting determines employee performance and the results are shown in Table 11. The study findings are discussed using descriptive statistics to show the responses and the findings are as follows; the first statement under the study variable was if In our organization annual reports are published after an external and internal audit, and the responses were as follows 16% of the respondents strongly agreed, 67% of the respondents agreed, 2% of the respondents were neutral while 15% of the respondents disagreed, and none of the respondents strongly disagreed with a mean of 3.82 and standard deviation of 0.877. The second statement under the variable inquired if, in my organization, CRS is part of the organization communication process, and the responses were as follows 13% of the respondents strongly agreed, and 11% of the respondents strongly agreed,59% of the respondents agreed, 7% of the respondents were neutral while 23% of the respondents disagreed and none of the respondents strongly disagreed with a mean of 3.89 and standard deviation of 0.752.

In the third statement under resource variable the respondents were asked if in our organization leadership call for annual general meetings profitability has an increase as a result of innovative culture and the responses were as follows 6% of the respondents strongly agreed, 69% of the respondents agreed, 5% of the respondents were neutral while 22% of the respondents disagreed and none of them strongly disagreed with the statement having a mean of 3.58 and standard deviation of 0.895. The study also inquired if Audit reports are available, submit the "balance sheet" and "revenue and expense statement" for the most recent fiscal year, and the responses were as follows 11% of the responses strongly agreed, 59% of the respondents agreed, 8% of the respondents were neutral and 22% of the respondents disagreed and none of the respondents strongly disagreed with a mean of 3.58 and standard deviation of 0.967. The respondents were also asked if In my organization accounting documentation, like invoices and timesheets, by quarter, by the donor, and by budget category., and the responses were as follows 12% of the respondents strongly agreed, 59% of the respondents agreed 7%of the respondents were neutral with 22% of the respondents disagreed and none of the respondents strongly disagreed with a mean of 3.62 and standard deviation of 0.963 and finally the study inquired if The ICT system in my organization has made corporate reporting very efficient, and the responses were as follows 6% of the responses strongly agreed, 53% of the respondents agreed, 13% of the respondents were neutral and 28% of the respondents disagreed and none of the respondents strongly disagreed with a mean of 3.35 and standard deviation of 0.959.

The study findings clearly show that corporate reporting influences employee performance. The study findings are similar to findings of other studies such as Okumus, Kuyucak-Sengur, Koseoglu, and Sengur (2020) examined what companies report for their CSR practices on their website. The study established that Turkish Airlines has documented several reports highlighting their CRS activities in annual reports, and organization policy documents, the study also established that the environmental dimension is the most area that the Airline has placed more focus on. Zúñiga, Pincheira, Walker, and Turner, (2020) examined the effect of integrated corporate reporting on quality on market liquidity, and analyst forecast error. The study findings showed that the quality of corporate reporting is associated with lower earnings forecast error, and the errors are higher for organizations with volatile returns; the study also established that integrated corporate reporting is positively associated with market liquidity. A study by Gnanaweera, Kunori, and Ntim (2018) examined corporate sustainability reporting that links corporate disclosure information and performance indicators from the content analysis finding of the study established that listed firms in Tokyo Stoke Exchange level of discloser on the environmental, economical, and social information varies from one firm to another, the study also established due to week positive significant linkage among corporate sustainability disclosure guidelines rate, water consumption, environmental conversation effort, and firm size. However, to be consistent with social values, the firms ensure that the guideline, and accuracy in the disclosure of information on corporate sustainability reporting.

4.1.3.3 Board Composition

The study intentions were to examine the influence of board composition in relation to employee performance as influenced by corporate governance.

Table 12: Respondents Views on Board composition

Board composition	Strongly Agreed	Agreed	Neutral	Disagreed	Strongly Disagreed	Mean	Standard Deviation
In our organization board composition, includes insiders hence no conflict of interest between all levels of leadership hence employee performance is always improving	11%	68%	4%	17%	0%	3.74	0.867
In my organization board composition is made up of business experts.	3%	23%	6%	64%	4%	2.45	0.910
Our board members have adequate monitoring skills that influence employee performance.	17%	66%	3%	14%	0%	3.85	0.868
In our organization board composition is made up of talented financial experts that results in better employee performance.	6%	68%	7%	19%	0%	3.60	0.855
The board composition in our organization is highly perceived as highly ethical, and valuable	19%	65%	3%	13%	0%	3.89	0.862

The study aims to establish the effects of board composition on employee performance at KEBS. The study variable was assessed by requiring the respondents to use a five-point Likert scale and the researcher sought to examine how board composition determines employee performance and the results are shown in Table 12. The study findings are discussed using descriptive statistics to show the responses and the findings are as follows; the first statement under the study variable was if In our organization board composition, includes insiders hence no conflict of interest between all levels of leadership hence employee performance is always improving and the responses were as follows 11% of the respondents strongly agreed, 68% of the respondents agreed, while 4% of the respondents were neutral and 17% of the respondents disagreed while none of the respondents strongly disagreed with the statement gathering a mean of 3.74 and standard deviation of 0.867. The second statement under the variable respondents was asked if in my organization board composition is made up of business experts and the responses were as follows 3% of the respondents strongly agreed, 23% of the respondents agreed, and 6% were neutral, 64% of the respondents disagreed while 4% of the respondents strongly disagreed with the statement having a mean of 2.45 and standard deviation of 0.910.

The variable third statement the study inquired was as if Our board members have adequate monitoring skills that influence employee performance, and the responses were as follows 17% of the respondents strongly agreed, 66% of the respondents agreed while 3% were neutral and 14% of the respondents disagreed and none strongly disagreed with a mean of 3.85 and standard deviation of 0.868. The fourth statement under the variable the study inquired if in our organization board composition is made up of talented financial experts that results in better employee performance and the responses were as follows, 6% of the respondents strongly agreed, 68% of the respondents agreed, 7% of the respondents were neutral, while 19% of respondents disagreed and none of the respondents strongly disagreed with the statement having a mean of 3.60 and standard deviation of 0.855 and the fifth question asked to the respondents was if The board composition in our organization is highly perceived as highly ethical, and valuable, and the responses were as follows 19% of the respondents strongly agreed, 65% of the respondents agreed, 3% of the respondents were neutral, while 13% of the respondents disagreed with the statement having a mean of 3.89 and standard deviation of 0.862.

The study findings show that board composition has a significant influence on strategic leadership and employee performance. The findings are similar to other earlier studies on board composition such as Vairavan and Zhang (2020) examined if a diverse board matter: a mediation analysis of board racial diversity on performance. The study established that there is neither a direct effect of board racial diversity on performance nor is there an indirect effect through employee productivity. Soare, Detilleux, and Deschacht (2021) investigated the impact of the gender composition of company boards on performance. The study established that quota policy resulted in the replacement of one male director by a female director on an average company between 2010-2017, however, the increase in diversity harms some organization's performance. The study also established that there is a statistically negative effect for ten out of twenty-three financial indicators included in the study while thirteen indicators showed no significant effect. A study by Rouf and Hossan, (2020) examined the effects of board size and composition on corporate social responsibility disclosure in the Bangladesh banking sector. The study established that a significant relationship between female directors and corporate social responsibility disclosure. Equally, board size was found to have no significant relationship with corporate social responsibility disclosure but the proportion of independent directors was established to have a significant relationship with corporate social responsibility disclosure in the annual report.

4.1.3.4 Ethical code of conduct

The study intentions were to examine the influence of ethical code of conduct in relation to employee performance as influenced by corporate governance.

Table 13: Respondents Views on Ethical code of conduct

Ethical code of conduct	Strongly Agreed	Agreed	Neutral	Disagreed	Strongly Disagreed	Mean	Standard Deviation
The Code of ethics in our organization promotes professional competence.	19%	70%	0%	11%	0%	3.97	0.795
Professional behavior encourages ethical behavior in an organization.	20%	64%	2%	14%	0%	3.89	0.888
In my organization confidentiality of employees is driven by an ethical code of conduct	22%	68%	1%	9%	0%	4.03	0.767
Ethical code of conduct in our organization promotes integrity among employees	13%	62%	8%	19%	0%	3.69	0.927
The ethical code of conduct in our organization influences objectivity on employee performance.	4%	69%	9%	18%	0%	3.61	0.831

The study aimed to establish the effects of an ethical code of conduct on employee performance at KEBS. The study variable was assessed by requiring the respondents to use a five-point Likert scale and the researcher sought to examine how ethical code of conduct determines employee performance and the results are shown in Table 13. The study findings are discussed using descriptive statistics to show the responses and the findings are as follows; the first statement under the study variable was if the code of ethics in our organization promotes professional competence and the responses were as follows 19% of the respondents strongly agreed, 70% of the respondents agreed while 11% of the respondents disagreed and none were neutral or indicated strongly disagreed with the statement having a mean of 3.97 and standard deviation of 0.795.

The second inquiry under this variable was if professional behavior encourages ethical behavior in an organization and the responses were as follows 20% of the respondents strongly agreed, 64% of the respondents agreed, 2% were neutral while 14% disagreed with the statement having a mean of 3.89 and standard deviation of 0.888. The third question asked was if in my organization confidentiality of employees is driven by an ethical code of conduct and the responses were as follows 22% of the respondents strongly agreed, 68% of the respondents agreed, 1% of the respondents were neutral with 9% of the respondents disagreed with the statement having a mean of 4.03 and standard deviation 0.767. The respondents were also asked if the ethical code of conduct in our organization promotes integrity among employees and the responses were as follows 13% of the respondents strongly agreed, 62% of the respondents agreed, while 8% were neutral and 19% of the respondents disagreed with the statement having a mean of 3.69 and standard deviation of 0.927 and the last question under this variable was if Ethical code of conduct in our organization influences objectivity on employee performance and the responses were as follows 4% of the respondents strongly agreed, 69% of the respondents agreed while 9% were neutral and 18% of the respondents disagreed with a mean of 3.61 and standard deviation of 0.831.

The study findings show that the ethical code of conduct has a significant influence on employee performance, this finding is similar to findings by Vairavan and Zhang (2020) examined if a diverse board matter: a mediation analysis of board racial diversity on performance. The study established that there is neither a direct effect of board racial diversity on performance nor is there an indirect effect through employee productivity. Soare, Detilleux, and Deschacht (2021) investigated the impact of the gender composition of company boards on performance. The study established that quota policy resulted in the replacement of one male director by a female director on an average company between 2010-2017, however, the increase in diversity harms some organization's performance. The study also established that there is a statistically negative effect for ten out of twenty-three financial indicators included in the study while thirteen indicators showed no significant effect. A study by Rouf and Hossan, (2020) examined the effects of board size and composition on corporate social responsibility disclosure in the Bangladesh banking sector. The study findings showed that the extent of corporate social responsibility disclosure of these institutions varied between 11.11% -73.33%, and on average they report between 45.37-43.44%, however, the study established that a significant relationship between female directors and corporate social responsibility disclosure. Equally, board size was found to have no significant relationship with corporate social responsibility disclosure but the proportion of independent directors was established to have a significant relationship with corporate social responsibility disclosure in the annual report.

4.1.3.5 Employee performance

The study examined employee performance factors in relation to corporate governance.

Table 14: Respondents Views on Employee performance

Employee performance	Strongly Agreed	Agreed	Neutral	Disagreed	Strongly Disagreed	Mean	Standard Deviation
Employee performance is influenced by disciplined leadership that influences overall performance.	9%	75%	3%	13%	0%	3.97	0.782
Employees job satisfaction has improved as a result of corporate governance	4%	78%	6%	12%	0%	3.75	0.724
Customer satisfaction has increased as a result of ethical values adopted by my organization.	10%	68%	2%	20%	0%	3.68	0.905
Organization profits have increased as a result of leadership structure and board composition	8%	67%	4%	21%	0%	3.62	0.904
Corporate governance strategies adopted in our organization have enhanced return on investments	13%	74%	3%	10%	0%	3.90	0.746

Responders were asked to use the Likert scale to respond to the following views on how corporate governance influences employee performance at KEBS. The study variable was assessed by requiring the respondents to use a five-point Likert scale and the researcher sought to examine how corporate governance determines employee performance and the results are shown in Table 14. The study findings are discussed using descriptive statistics to show the responses and the findings are as follows; the first statement under the study variable was if employee performance is influenced by disciplined leadership that influences overall performance, and responses were as follows 9% of the respondents strongly agreed,75% of the respondents agreed, and 3% of the respondents were neutral while 13% of the respondents disagreed with a mean of 3.97 and standard deviation of 0.782.

The study inquired if employees job satisfaction has improved as a result of corporate governance, and the responses were as follows 4% of the respondents strongly agreed, 78% of the respondents agreed, and 6% of the respondents were neutral while 12% of the respondents disagreed with the statement having a mean of 3.75 and standard deviation of 0.724. The third question the study inquired if customer satisfaction has increased as a result of ethical values adopted by my organization and the responses were as follows 10% of the respondents strongly agreed, 68% of the respondents agreed, while 2% were neutral and 20% of the respondents disagreed with a mean of 3.68 and standard deviation of 0.905. The researcher also asked if Organization profits have increased as a result of leadership structure and board composition and the responses were as follows 8% of the respondents strongly agreed, 67% of the respondents agree, while 4% were neutral and 21% of respondents disagreed with a mean of 3.62 and standard deviation of 0.904, and finally, the study inquired if corporate governance strategies adopted in our organization have enhanced return on investments and the responses were as follows 13% of the respondents strongly agreed, 74% of the respondents agreed while 3% were neutral and 10% of the respondents disagreed with a mean of 3.90 and standard deviation of 0.746.

The findings show that corporate governance influences employee performance to a great extent. According to Alareeni (2018), the best quality corporate governance practice is directly associated with a good organizational policy framework. Organizations that practice good corporate governance are not always affected by fraud, and other corporate scandals (Asogwa, Ofoegbu, & Nnam, 2019). According to Asogwa, Ofoegbu, and Nnam (2019), good corporate governance improves the organization's corporate image as well as the reputation that attracts more investors and clients. Liu, Lee, and Tsai (2019) established that good corporate governance has a direct financial benefit to the organization and also boosts the competitive advantage of the organization. They further established that good corporate governance for investors is the key to decision-making on investments that ensures profits on their investments. The components of corporate governance revolve around several basic principles that are classified as regulatory framework, accountability, and financial management, financial system, integrity in reporting (Malherbe & Segal, 2020). According to Shleifer and Vishny (2018), there are four main principles of good corporate governance they are transparency, responsibility, fairness, and accountability. The principles determine and establish the necessary standards that provide legitimacy in the corporate sector. An organization that adopts these four principles is in a better position to perform better, attract investors and expand rapidly.

4.1.4. Inferential Statistics

4.1.4.1 Inferential Statistics Leadership structure

Table 15: Model Summary of leadership structure

Model Summary of Leadership structure									
					Change Statistics				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. The error of the Estimate**	**R Square Change**	**F Change**	**df1**	**df2**	**Sig. F Change**
1	0.548a	0.151	0.142	0.724	0.151	15.872	1	89	0.000

a. Predictors: (Constant), Leadership structure

Regression analysis was done with employee performance as the dependent variable and leadership structure as the predictor factor. The regression analysis revealed a relationship R = 0.548 which showed a strong correlation and revealed that leadership structure and employee performance are primarily related, the study established a strong positive relationship between the variables (r= 0.548, p=0.000) as shown in Table 15. Consequently, proliferation in leadership structure will improve employee performance and the variations in employee performance can be explained by other factors.

Table 16: ANOVA[a] Results for leadership structure

ANOVA[a]					
Model 1	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Regression	8.329	1	8.329	15.872	0.000b
Residual	46.704	90	0.525		
Total	55.033	91			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), Leadership structure

The values of F = 15.872 show that leadership structure statistically and significantly affects employee performance which means the regression model is a good fit of the data and that leadership structure significantly influences the employee performance at KEBS. The level of significance is 0.000 which is less than 0.05 hence the regression model significantly predicts the dependent variable. The results were enumerated as seen in Table 16.

Table 17: Regression Coefficients[a] for leadership structure

Coefficients[a]					
	Unstandardized Coefficients		**Standardized Coefficients**		
Model 1	**B**	**Std. Error**	**Beta**	**t**	**Sig.**
(Constant)	2.144	0.420		5.100	0.000
Leadership structure	0.403	0.101	0.389	3.984	0.000

a. Dependent Variable: Employee performance

An ANOVA analysis was conducted between leadership structure and employee performance at a 95% confidence level. The F critical was 15.872 and the P-value was (0.000) therefore the significance of the results as shown in table 17 the regression equation developed was

$Y = \beta 0 + \beta 1X1 + \varepsilon$; $Y = 2.144 + 0.403X1 + 0.420$

Whereas:

Y is the Employee performance

$\beta 0$ is the regression constant;

$\beta 1$ is the coefficients of leadership structure;

X1 is the leadership structure and

ε is the error term.

4.1.4.2 Inferential Statistics corporate reporting

Table 18: Model Summary of Corporate reporting

Model Summary									
					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
1	0.302a	0.091	0.081	0.750	0.091	8.957	1	89	0.004

a. Predictors: (Constant), Corporate reporting

Regression analysis was carried out with employee performance as the dependent variable and corporate reporting as the predictor factor. The regression analysis revealed a relationship R = 0.302 which showed a moderate correlation and revealed that corporate reporting and employee performance are significantly connected, the study established a strong positive relationship between the variables (r= 0.302, p=0.004) as shown in table 18. And the variations in employee performance can be explained by other study variables such as leadership structure, board composition, ethical code of conduct, and other factors within the organization.

Table 19: ANOVA[a] Results for Corporate reporting

ANOVA[a]					
Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Regression	5.032	1	5.032	8.957	0.002b
Residual	50.001	89	0.562		
Total	**55.033**	**90**			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), Corporate reporting

The values of F = 8.957 show that corporate reporting significantly affects employee performance which means the regression model is a good fit of the data and that corporate reporting significantly influences the employee performance at KEBS. The level of significance is 0.002 which is less than 0.05 hence the regression model significantly predicts the dependent variable. The results were enumerated as seen in Table 19.

Table 20: Regression Coefficients[a] for Corporate reporting

Coefficients[a]					
	Unstandardized Coefficients		**Standardized Coefficients**		
Model	**B**	**Std. Error**	**Beta**	**t**	**Sig.**
(Constant)	2.760	0.353		7.808	0.000
Corporate reporting	0.270	0.090	0.302	2.993	0.002

a. Dependent Variable: Employee performance

An ANOVA analysis was conducted between corporate reporting and employee performance at a 95% confidence level. The F critical was 15.872 and the P-value was (0.002) therefore the significance of the results as shown in table 20 the regression equation developed was

$Y = \beta0 + \beta2X2 + \varepsilon$; $Y = 2.760 + 0.270X2 + 0.353$

Whereas:

Y is the Employee performance

β0 is the regression constant;

β2 is the coefficients of corporate reporting;

X2 is the corporate reporting and

ε is the error term.

4.1.4.3 Inferential Statistics Board composition

Table 21: Model Summary of Board composition

					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the estimate	R Square Change	F Change	df1	df2	Sig. F
1	.658[a]	.570	.464	.52831	.570	73.571	1	89	.000

a. Predictors: Constant, board composition

Regression analysis was carried out with employee performance as the dependent variable and board composition as the predictor factor. The regression analysis revealed a relationship R = 0.658 which showed a strong correlation and revealed that board composition and employee performance are significantly connected, the study established a strong positive relationship between the variables (r= 0.658, p=0.000) as shown in table 21. And the variations in employee performance can be explained by other study variables such as leadership structure, corporate reporting, ethical code of conduct, and other factors within the organization.

Table 22: ANOVA[a] Results for Board composition

ANOVA[a]						
Model		**Sam of Squares**	**df**	**Mean square**	**f**	**Sig.**
	Regression	20.584	1	20.584	73.571	0.000[b]
	Residual	23.223	89			
	Total	43.807	90			

a. Dependable Variable; Employee performance
b. Board composition

The values of 73.571 show that board composition significantly affects employee performance which means the regression model is a good fit for the data and that board composition significantly influences the employee performance at KEBS. The level of significance is 0.000 which is less than 0.05 hence the regression model significantly predicts the dependent variable. The results were enumerated as seen in Table 22.

Table 23: Regression Coefficients[a] for Board composition

Coefficients[a]						
	Model	Unstandardized Coefficients		Standardized Coefficients		
		B	Std. error	Beta	t	Sig
1	Constant	1.0752	.352		3.449	0.000
	Board composition	0. 735	0.83	0.685	3.578	0.000

An ANOVA analysis was conducted between board composition and employee performance at a 95% confidence level. The F critical was 73.571 and the P-value was (0.000) therefore the significance of the results as shown in Table 23 the regression equation developed was

$Y = \beta 0 + \beta 3X3 + \varepsilon$ which equals $Y = 1.0752 + 0.735X3 + 0.352$

Whereas:

Y is the Employee performance

$\beta 0$ is the regression constant;

$\beta 3$ is the coefficient of board composition

X3 is the board composition and

ε is the error term.

4.1.4.4 Inferential Statistics Ethical code of conduct

Regression analysis of ethical code of conduct

Table 24: Model Summary Ethical code of conduct

					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the estimate	R Square Change	F Change	df1	df2	Sig. F
1	.685[a]	.433	.425	.54731	.433	62.251	1	86	.000

b. Predictors: Constant, ethical code of conduct

Regression analysis was done with employee performance as the dependent variable and ethical code of conduct as the predictor factor. The regression analysis revealed a relationship R = 0.658 which showed a strong correlation and revealed that leadership structure and employee performance are primarily related, the study established a strong positive relationship between the variables (r= 0.658, p=0.000) as shown in table 24. Consequently, if organization focuses more on ethical code of conduct will increase employee performance. And the variations in employee performance can be explained by other study variables.

Table 25: ANOVA of Ethical code of conduct

ANOVA[a]						
Model		**Sam of Squares**	**df**	**Mean square**	**f**	**Sig.**
1	Regression	18.947	1	18.947	68.500	.000[b]
	Residual	24.860	89			
	Total	43.807	90			

a. Dependable Variable: Employee performance
b. Ethical code of conduct

The values of 68.500 show that the ethical code of conduct significantly affects employee performance which means the regression model is a good fit for the data and that the ethical code of conduct significantly influences the employee performance at KEBS. The level of significance is 0.000 which is less than 0.05 hence the regression model significantly predicts the dependent variable. The results were tabulated in Table 25

Table 26: Regression Coefficients[a] for Ethical code of conduct

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. error	Beta	T	Sig
1	Constant	1.915	.252		7.612	0.000
	Ethical code of conduct	0.571	0.73	0.685	7.954	0.000

An ANOVA analysis was conducted between the ethical code of conduct and employee performance at a 95% confidence level. The F critical was 62.251 and the P-value was (0.000) therefore the significance of the results as shown in Table 26 the regression equation developed was

$Y = \beta0 + \beta4X4 + \varepsilon$; $Y = 1.915 + 0.571X4 + 0.252$

Whereas:

Y is the Employee performance

$\beta 0$ is the regression constant;

$\beta 4$ is the coefficient of the ethical code of conduct

X4 is the ethical code of conduct and

ε is the error term.

4.1.4.5 Inferential Statistics Employee performance

Regression Analysis of Employee performance

Table 27: Model summary Employee performance

					Change Statistics				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the estimate**	**R Square Change**	**F Change**	**df1**	**df2**	**Sig. F**
1	.780 [a]	.611	.594	.45801	.611	46.601	3	88	.000

a. Predictors: Constant, Leadership structure, corporate reporting, board composition, and ethical code of conduct

The study analyzed the connection between employee performance and independent variables (leadership structure, corporate reporting, board composition, and ethical code of conduct) the findings shows that the R^2 value was 0.611 therefore, 61.1% of the variation in employee performance is explained by leadership structure, corporate reporting, board composition and ethical code of conduct as shown in table 27.

Table 28: ANOVA of Employee performance

ANOVA[a]						
Model		**Sam of Squares**	**df**	**Mean square**	**f**	**Sig.**
	Regression	26.813	4	8.931 .310	46.601	.000[b]
	Residual	16.889	86			
	Total	47.602	90			

a. Dependable Variable is Employee performance
b. Leadership structure, corporate reporting, board composition, and ethical code of conduct

The values of 46.601 show that employee performance is influenced by independent variables (leadership structure, corporate reporting, board composition, and ethical code of conduct) which means the regression model is a good fit of the data and that employee performance at KEBS is significantly influenced by leadership structure, corporate reporting, board composition and ethical code of conduct. The level of significance is 0.000 which is less than 0.05 hence the regression model significantly predicts the dependent variable. The results were tabulated in Table 28.

Table 29: Regression Coefficients[a] for Employee performance

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. error	Beta	t	Sig
1	Constant	0.844	0.288		2.578	0.000
	Leadership structure	0.403	0.101	0.389	3.984	0.000
	Corporate reporting	0.270	0.090	0.302	2.993	0.004
	Board composition	0.735	0.830	0.685	3.578	0.000
	Ethical code of conduct	0.571	0.730	0.685	7.954	0.000

The regression analysis is shown in table 29 established that all factors put into consideration and leadership structure, corporate reporting, board composition, ethical code of conduct, and other factors are held constant employee performance will increase by 0.844 The multiple linear regression models \as established by the study findings is laid below.

$Y=\beta 0+ \beta 1X1+ \beta 2X2+ \beta 3X3+ \beta 4X4+ e$

Employee performance = 0.844 +0.403X1 + 0.270X2 + 0. 735X3 +0.571X4 +0.288

Where:

Y= Employee performance

(Bi; i=1, 2, 3,4) = various coefficients for the independent variables

Xi for;

X1= Leadership structure

X2= Corporate reporting

X3= Board composition

X4= Ethical code of conduct

4.2 Study Limitations

The study targeted the broad factors of leadership structure, corporate reporting, board composition, and ethical code of conduct, this may be limiting because it may not bring out the exact contributing factors to employee performance. However, the questionnaire was designed in such a manner that enabled the study to gather as much information as possible. It was not easy to access the respondents physically due to the Covid-19 pandemic, however, the researcher emailed questionnaires to the respondents. Additionally, the restructured work arrangements due to government protocols on social distancing, respondents were sometimes not available as they worked on a work scheduled rota thus delaying the data collection process. However, the researcher was very patient with them and allowed them to take their time in filling the questionnaires.

Respondents were not comfortable sharing information about the organization because of the policy that is in place at KEBS response to research in the organization. The researcher was, however, able to convince the respondents by sharing the letter from NACOSTI and the University assuring them that the information was purely for academic and the information provided would not be shared with any third party and its strictly for academic purpose as a requirement for the award of Master in Management and Leadership of the Management University of Africa.

4.3 Chapter Summary

The researcher distributed the questionnaire to a sample population of 100 and the results obtained by the study findings show that a total of 91 respondents filled up the questionnaire, emailed them back which represented 91%. Data has been analyzed using descriptive statistics. These research results were analyzed using SPSS Version 26.0 and presented on tables. The study findings established that the model shows that ethical code of conduct is the predictor variable that highly affected employee performance at KEBS, followed by and leadership structure, board composition while corporate reporting had the least effect on employee performance. Therefore, this chapter has presented the results of the research in different sub-sections as provided in the questionnaire as guided by the objectives of the study.

CHAPTER FIVE

SUMMARY, RECOMMENDATIONS, AND CONCLUSION

5.0 Introduction

The chapter outlines the summary of study findings, a conclusion based on the study objectives as well as recommendations and suggestions for further study. The main objective of the study was to establish and determine the influence of corporate governance on employee performance in the case of KEBS.

5.1 Summary of the Findings

The results obtained show that 91% of respondents filled and emailed back the questionnaires that represented, the response rate was excellent as echoed by Kothari and Grag (2015). This implies that the research response rate was excellent. Most employees who participated in the research were males. This implies that the gender representations of the respondents were not fairly balanced in the study and contributions towards the study findings cannot be associated with any single-gender despite male respondents being more than their female counterparts as recommended by Kothari and Grag (2015). Respondents were required to indicate their age bracket and the responses show that the majority of the respondents indicated their age was between 25 years and 34 years. The response represents a good dispersion of the respondents in the age bracket and the majority of them were at their middle stage of life. According to Kothari and Grag (2015) age also indicates the level of maturity of a person in that sense of age becomes more important in examining the response.

The respondents were required to indicate their highest level of education and the data showed that more than half who were the majority had attained degree level of education this implies that respondents' highest education level was adequate to answer and interpret the research questions. This shows that work at the organizations requires professional input. The response of an individual is likely to be determined by his or her educational level and therefore it becomes imperative to know the educational background of the respondents. As echoed by Kothari and Grag (2015), education is one of the most important characteristics that might determine and affect individual attitudes and the way of looking and understanding any particular social phenomenon. In a way, the response of an individual is likely to be determined by one's educational status and hence it becomes imperative to know the educational background of the respondents. The variability of the education level of the respondents was investigated and data about their education level. Respondents were asked to indicate the number of years they have worked in the organization and were the majority, indicated that they had worked at the organization for between 1 year and 5 years. The study findings show that the respondents had worked in the organization for the duration of time that places them in a better position to respond to the questionnaire. According to Bryman and Bell (2011) respondents who have worked in an organization for a long are in a better position to understand its dynamics and answer research questions with an expert witness.

5.1.1 Leadership Structure

The study aimed to establish the effects of leadership structure on employee performance at KEBS. The study variable was assessed by requiring the respondents to use a five-point Likert scale and the researcher sought to examine how leadership structure determines employee performance. The findings show that leadership structure and employee performance are primarily related, and leadership structures are an important factor that determines employee performance of the organization. Regression analysis was done with employee performance as the dependent variable and leadership structure as the predictor factor. The regression analysis revealed a relationship R = 0.548 which showed a strong correlation and revealed that leadership structure and employee performance are primarily related, the study established a strong positive relationship between the variables (r= 0.548, p=0.000). Consequently, proliferation in leadership structure will improve employee performance and the variations in employee performance can be explained by other factors. An ANOVA analysis was conducted between leadership structure and employee performance at a 95% confidence level. The F critical was 15.872 and the P-value was (0.000). The values of F = 15.872 show that leadership structure statistically and significantly affects employee performance which means the regression model is a good fit of the data and that leadership structure significantly influences the employee performance at KEBS. The level of significance is 0.000 which is less than 0.05 hence the regression model significantly predicts the dependent variable.

The findings are similar to other studies such as Asogwa, Ofoegbu, and Nnam (2019) findings showed that unitary corporate leadership and dual board leadership model has a significant influence on improving organization earnings, the study also established that organization earnings grow in organizations where the CEO and chairs of the board qualify for financial management, and the quality of earning greatly improves significantly when leadership structure has a good mix of legal skills and financial expertise in the board composition, thus capital market places a premium on good leadership attribute mix. Bentley, Pugalis, and Shutt (2017) established that deploying dual concepts of acceptability, and permissibility provides an innovative analytical device for decrypting corporate leadership, and also the study established that control mechanisms characteristics of governance are shaped by leadership autonomy. Feng, Hassan, and Elamer, (2020) established that leadership structure, the board size, ownership concentration, and organization size have a positive influence on capital structure, and also established that government ownership and profitability have an inverse influence on both leadership and capital structure.

5.1.2 Corporate Reporting

The study aimed to establish the effects of corporate reporting on employee performance at KEBS. The study findings clearly show that corporate reporting influences employee performance. Regression analysis was carried out with employee performance as the dependent variable and corporate reporting as the predictor factor. The regression analysis revealed a relationship R = 0.302 which showed a moderate correlation and revealed that corporate reporting and employee performance are significantly connected, the study established a strong positive relationship between the variables (r= 0.302, p=0.004), and the variations in employee performance can be explained by other study variables such as leadership structure, board composition, ethical code of conduct and other factors within the organization. An ANOVA analysis was conducted between corporate reporting and employee performance at a 95% confidence level. The F critical was 15.872 and the P-value was (0.002) therefore the significance. The values of F = 8.957 show that corporate reporting significantly affects employee performance which means the regression model is a good fit of the data and that corporate reporting significantly influences the employee performance at KEBS. The level of significance is 0.002 which is less than 0.05 hence the regression model significantly predicts the dependent variable.

The study findings are similar to findings of other studies such as Okumus, Kuyucak-Sengur, Koseoglu, and Sengur (2020) established that Turkish Airlines has documented several reports highlighting their CRS activities in annual reports, and organization policy documents, the study also established that the environmental dimension is the most area that the Airline has placed more focus on. Zúñiga, Pincheira, Walker, and Turner, (2020) examined the effect of integrated corporate reporting on quality on market liquidity, and analyst forecast error. The study findings showed that the quality of corporate reporting is associated with lower earnings forecast error, and the errors are higher for organizations with volatile returns; the study also established that integrated corporate reporting is positively associated with market liquidity. Gnanaweera, Kunori, and Ntim (2018) established that listed firms in Tokyo Stoke Exchange level of discloser on the environmental, economical, and social information varies from one firm to another, the study also established due to week positive significant linkage among corporate sustainability disclosure guidelines rate, water consumption, environmental conversation effort, and firm size. However, to be consistent with social values, the firms ensure that the guideline, and accuracy in the disclosure of information on corporate sustainability reporting.

5.1.3 Board Composition

The study aims to establish the effects of board composition on employee performance at KEBS. The study findings show that board composition has a significant influence on strategic leadership and employee performance. Regression analysis was carried out with employee performance as the dependent variable and board composition as the predictor factor. The regression analysis revealed a relationship R = 0.658 which showed a strong correlation and revealed that board composition and employee performance are significantly connected, the study established a strong positive relationship between the variables (r= 0.658, p=0.000). And the variations in employee performance can be explained by other study variables such as leadership structure, corporate reporting, ethical code of conduct, and other factors within the organization. An ANOVA analysis was conducted between board composition and employee performance at a 95% confidence level. The F critical was 73.571 and the P-value was (0.000) therefore the significance. The values of 73.571 show that board composition significantly affects employee performance which means the regression model is a good fit for the data and that board composition significantly influences the employee performance at KEBS. The level of significance is 0.000 which is less than 0.05 hence the regression model significantly predicts the dependent variable.

The findings are similar to other earlier studies on board composition such as Vairavan and Zhang (2020) established that there is neither a direct effect of board racial diversity on performance nor is there an indirect effect through employee productivity. Soare, Detilleux, and Deschacht (2021) investigated the impact of the gender composition of company boards on performance. The study established that quota policy resulted in the replacement of one male director by a female director on an average company between 2010-2017, however, the increase in diversity harms some organization's performance. The study also established that there is a statistically negative effect for ten out of twenty-three financial indicators included in the study while thirteen indicators showed no significant effect. Rouf and Hossan, (2020) established that a significant relationship between female directors and corporate social responsibility disclosure. Equally, board size was found to have no significant relationship with corporate social responsibility disclosure but the proportion of independent directors was established to have a significant relationship with corporate social responsibility disclosure in the annual report.

5.1.4 Ethical Code of Conduct

The study aimed to establish the effects of an ethical code of conduct on employee performance at KEBS. Regression analysis was done with employee performance as the dependent variable and ethical code of conduct as the predictor factor. The regression analysis revealed a relationship R = 0.658 which showed a strong correlation and revealed that leadership structure and employee performance are primarily related, the study established a strong positive relationship between the variables (r= 0.658, p=0.000). Consequently, an increase in the ethical code of conduct will increase employee performance. And the variations in employee performance can be explained by other study variables. An ANOVA analysis was conducted between the ethical code of conduct and employee performance at a 95% confidence level. The F critical was 62.251 and the P-value was (0.000) therefore the significance. The values of 68.500 show that the ethical code of conduct significantly affects employee performance which means the regression model is a good fit for the data and that the ethical code of conduct significantly influences the employee performance at KEBS. The level of significance is 0.000 which is less than 0.05 hence the regression model significantly predicts the dependent variable.

The study findings show that the ethical code of conduct has a significant influence on employee performance, this finding is similar to findings by Vairavan and Zhang (2020) established that there is neither a direct effect of board racial diversity on performance nor is there an indirect effect through employee productivity. Soare, Detilleux, and Deschacht (2021) established that quota policy resulted in the replacement of one male director by a female director on an average company between 2010-2017, however, the increase in diversity harms some organizations performance. The study also established that there is a statistically negative effect for ten out of twenty-three financial indicators included in the study while thirteen indicators showed no significant effect. Rouf and Hossan, (2020) findings showed that the extent of corporate social responsibility disclosure of these institutions varied between 11.11% -73.33%, and on average they report between 45.37- 43.44%, however, the study established that a significant relationship between female directors and corporate social responsibility disclosure. Equally, board size was found to have no significant relationship with corporate social responsibility disclosure but the proportion of independent directors was established to have a significant relationship with corporate social responsibility disclosure in the annual report.

5.1.5 Employee Performance

Responders were asked to use the Likert scale to respond to the following views on how corporate governance influences employee performance at KEBS. The findings show that corporate governance influences employee performance to a great extent. The study analyzed the connection between employee performance and independent variables (leadership structure, corporate reporting, board composition, and ethical code of conduct) the findings shows that the R2 value was 0.611 therefore, 61.1% of the variation in employee performance is explained by leadership structure, corporate reporting, board composition and ethical code of conduct. The values of 46.601 show that employee performance is influenced by independent variables (leadership structure, corporate reporting, board composition, and ethical code of conduct) which means the regression model is a good fit of the data and that employee performance at KEBS is significantly influenced by leadership structure, corporate reporting, board composition and ethical code of conduct. The level of significance is 0.000 which is less than 0.05 hence the regression model significantly predicts the dependent variable. The regression analysis established that all factors put into consideration and leadership structure, corporate reporting, board composition, ethical code of conduct, and other factors are held constant employee performance will increase by 0.844 The multiple linear regression models \as established by the study findings is laid below. $Y=\beta 0+ \beta 1X1+ \beta 2X2+ \beta 3X3+ \beta 4X4+ e$. Employee performance = 0.844 +0.403X1 + 0.270X2 + 0. 735X3 +0.571X4 +0.288.

According to Alareeni (2018), the best quality corporate governance practice is directly associated with a good organizational policy framework. Organizations that practice good corporate governance are not always affected by fraud, and other corporate scandals (Asogwa, Ofoegbu, & Nnam, 2019). According to Asogwa, Ofoegbu, and Nnam (2019), good corporate governance improves the organization's corporate image as well as the reputation that attracts more investors and clients. Liu, Lee, and Tsai (2019) established that good corporate governance has a direct financial benefit to the organization and also boosts the competitive advantage of the organization. They further established that good corporate governance for investors is the key to decision-making on investments that ensures profits on investments. The components of corporate governance revolve around several basic principles that are classified as regulatory framework, accountability, and financial management, financial system, integrity in reporting (Malherbe & Segal, 2020). According to Shleifer and Vishny (2018), there are four main principles of good corporate governance they are transparency, responsibility, fairness, and accountability. The principles determine and establish the necessary standards that provide legitimacy in the corporate sector. An organization that adopts these four principles is in a better position to perform better, attract investors and expand rapidly.

5.2 Conclusion

The study established that leadership structure and employee performance are primarily related, and leadership structures are an important factor that determines employee performance and there is a strong correlation and revealed that leadership structure and employee performance are primarily related, the study concludes that leadership structure statistically and significantly affects employee performance. The results also showed that corporate reporting influences employee performance. Regression analysis shows a moderate correlation and revealed that corporate reporting and employee performance are significantly connected, the study concludes that there is a positive relationship between corporate reporting and the variations in employee performance can be explained by other study variables such as leadership structure, board composition, ethical code of conduct and other factors within the organization.

Regression analysis was carried out with employee performance as the dependent variable and board composition as the predictor factor. The study concluded that board composition and employee performance are significantly connected, and the variations in employee performance can be explained by other study variables such as leadership structure, corporate reporting, ethical code of conduct, and other factors within the organization. The study established that an ethical code of conduct has a significant influence on employee performance, and the study concluded there is a strong correlation and revealed that ethical code of conduct and employee performance are primarily related, and ethical code of conduct significantly affects employee performance. The study analyzed the connection between employee performance and independent variables (leadership structure, corporate reporting, board composition, and ethical code of conduct) the findings show that the variation in employee performance is explained by leadership structure, corporate reporting, board composition, and ethical code of conduct.

5.3 Recommendations

The research study suggests the following recommendations for improvement by the KEBS and Board of Directors and other organizations.

The researcher recommends that KEBS management should create a clear chain of command that designates who each employee directly reports to. This cautions and prevents departments from transferring employees anyhow. Titles and positions in all departments should be in line with KEBS organizational structure and Staff Establishment to prevent confusion.

KEBS management should not treat organization structure as a top-secret document and it should be shared with all employees especially new ones during the orientation program and will work best if every employee, down to the lowest worker on the chain of command, knows leadership structure. Management of KEBS should develop and formulate guidelines, governing structures, and strategic plans for the effective implementation of organizational goals and objectives. KEBS should know there is a clear relationship between chief executive officer abilities and performance and senior management team of the organization and the success of the organization therefore, the management team influences each stage of the strategic process. Senior management at KEBS needs to utilize an appropriate balance of leadership structure to enhance the likelihood of longer-term strategic effectiveness and employee performance.

The Board of Directors and Management of an organization such as KEBS should know that corporate reporting is an integral part of organizational success and therefore the study recommends that management of any organization such as KEBS should develop an organizational culture that is honest and reports income and expenditure without fear or favor, annual reports should be readily available for all employees and members of the public.

The ministry of industrialization should know that an effective management board reflects strategic priorities for the organization, organization challenges and strategic priorities. The appointing authority should select board directors who understand the board's unique areas of risk and the diversity of its stakeholders.

Management of KEBS should invest in human capital and training on code of ethics and workshop. Building human capital requires investment in training and development, and requires that senior management provide the support and budget necessary to make this happen to enhance employee productivity and performance. HRM activities have a central role in this, but without active support from the senior management in the organization, such activities will neither have the impetus nor budget to be effective.

5.4 Suggestion for future studies

Based on the findings of this study, the conclusion, and subsequent recommendation, there is a need for a further study on corporate governance and employee performance in state corporations in Kenya whereby the study should seek to provide more insights on the current study findings and validate these findings.

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APPENDIX I: LETTER OF INTRODUCTION

Dear respondent

My names are BEATRICE CHEPKIRUI LUGADIRU (MML/18/00196/1/20) in partial fulfillment of the requirement for the award of MML degree at MUA I am conducting a study on **CORPORATE GOVERNANCE PRACTICES AND EMPLOYEE PERFORMANCE IN STATE CORPORATIONS: A CASE STUDY OF KENYA BUREAU OF STANDARDS (KEBS)** and it is for this purpose, I unassumingly appeal to your help attached questionnaire. Data and information you give are for academic purposes only.

Thank You

Yours Truly,

BEATRICE CHEPKIRUI LUGADIRU

MML/18/00196/1/20

APPENDIX II: QUESTIONNAIRES

Section One: Bio Data

1. Indicate your gender?

   Male ( ) Female ( )

2. Select your age bracket?

   18-25years ( ) 26-30years ( )

   31-35years ( ) 40-45years ( )

   46 – 50years ( ) Above 51 Years ( )

3. What is your highest Education Level?

   Primary ( ) Secondary ( ) Certificate ( )

   College or Diploma ( ) Degree ( )

   Master ( ) PhD or Pursuing ( )

4. Work experience?

   1-5years ( ) 6– 10years ( )

   10-15years ( ) 16 years and above ( )

Leadership Structure

Use the Likert scale provided to respond to the following questions on leadership structure in relation to employee performance at KEBS.

	SA	**A**	**N**	**D**	**SD**
At KEBS organizational leadership structure influences employee performance					
At KEBS has developed accountability processes that have improved employee performance					
At KEBS organization fairness is portrayed by the organization leadership structure					
At KEBS organizational leadership structure believes in a transparency process that influences employee performance					
The influence of corporate governance on employee performance depends on leadership strategy					
Our organization's leadership structure is built on teamwork and trust.					

Corporate Reporting

Use the Likert scale provided to respond to the following questions on corporate reporting in relation to employee performance at KEBS.

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	SA	**A**	**N**	**D**	**SD**
At KEBS organization annual reports are published after an external and internal audit					
In at KEBS, CRS is part of the organization communication process					
At KEBS organization leadership call for annual general meetings profitability has an increase as a result of innovative culture					
Audit reports are available, submit the "balance sheet" and "revenue and expense statement" for the most recent fiscal year					
In at KEBS accounting documentation, like invoices and timesheets, by quarter, by the donor, and by budget category					
The ICT system in at KEBS has made corporate reporting very efficient					

Board Composition

Use the Likert scale provided to respond to the following questions on board composition in relationship to employee performance at KEBS.

Statement on Board Composition	SA	A	N	D	SD
At KEBS organization board composition, includes insiders hence no conflict of interest between all levels of leadership hence employee performance is always improving					
In at KEBS board composition is made up of business experts					
Our board members have adequate monitoring skills that influence employee performance					
At KEBS organization board composition is made up of talented financial experts that results in better employee performance.					
The board composition at KEBS organization is highly perceived as highly ethical, and valuable					

Ethical code of conduct

Use the Likert scale provided to respond to the following questions on the ethical code of conduct in relation to employee performance at KEBS.

	SA	**A**	**N**	**D**	**SD**
The Code of ethics at KEBS organization promotes professional competence					
Professional behavior encourages ethical behavior in an organization					
In at KEBS confidentiality of employees is driven by an ethical code of conduct.					
Ethical code of conduct at KEBS organization promotes integrity among employees					
Ethical code of conduct at KEBS organization influences objectivity on employee performance					
The code of conduct, policies, regulations, and rules that exist at KEBS organization are well stated and are strictly adhered to by our staff.					

Employee Performance

Use the Likert scale provided to respond to the following questions on employee performance in relation to corporate governance at KEBS.

	SA	A	N	D	SD
Employee performance is influenced by disciplined leadership that influences overall performance.					
Employees job satisfaction has improved as a result of corporate governance					
Customer satisfaction has increased as a result of ethical values adopted by at KEBS.					
Organization profits have increased as a result of leadership structure and board composition					
Corporate governance strategies adopted at KEBS organization have enhanced return on investments					

Thank you for your participation