THE EFFECT OF CORPORATE GOVERNANCE PRACTICES ON PERFORMANCE OF PUBLIC UNIVERSITIES IN UGANDA: A CASE OF KYAMBOGO UNIVERSITY

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S23B05/054

A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF A DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION OF UGANDA CHRISTIAN UNIVERSITY

April, 2026

UGANDA CHRISTIAN UNIVERSITY
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DECLARATION

I **Mwiza Patricia** declare that, this dissertation is my original work and has never been published and or submitted for any award in any other institute or University.

Sign ....

Date WED / APRIL / 15th 2026.

APPROVAL

This study was done under our supervision and the dissertation has been submitted for examination with our approval.

Sign: ……………………

Date: 16/04/2024

Mr. Alex Ahabwe

DEDICATION

To my parents Pastor Hadijah Namukwaya and my sister sylivia .

ACKNOWLEDGEMENT

To God Almighty. Glory to thy name. My special thanks also go to my supervisor Mr. Ahabwe Alex for his commitment and guidance that has made this work a success. Special thanks also go to my course mates whose guidance and comments enhanced greatly the accomplishment of this study.

In the same way, I would like to extend my sincere gratitude to all the Uganda Christian University School of Business and Administrative staff for being so co-operative and always willing to help in my studies and research.

ABSTRACT

The study assessed the effect of corporate governance and performance of Kyambogo University. The study was carried out at a time when turbulences at Kyambogo University and other Public Universities were affecting their performances.

The purpose of the study was to examine the effect of Corporate Governance practices on the performance of public Universities in Uganda with particular reference to Kyambogo University. And the major study objectives were; to examine the role played by University Governance boards; to establish the relationship between Board effectiveness and performance of public Universities. ; to establish the relationship between Board contingency and performance of public Universities; and to establish the relationship between corporate governance and performance of public Universities.

The study used a descriptive research design given the nature of the study of corporate governance practice events at Kyambogo University. The study employed both quantitative and qualitative designs to describe the data collected, (Glass & Hopkins, 1984). Spearman's rank correlation analysis was used to determine the magnitude of the relationships between corporate governance with regard to institutional performance.

The findings revealed that corporate governance variables namely board size, had a negative effect on performance of Kyambogo University ($r = -0.516$, $p\text{-value} < 0.01$) while board effectiveness have a positive impact on firm performance ($r = 0524$, $P\text{-value}<0.01$).

The study recommended that to manage institutional turbulence like employee strikes or unrest, council and senate should understand and make effective policies and decisions regarding employee benefits and retirement plans. Good policies on terminal, medical and long service award; Boards also should be involved at strategic planning process of the University to improve on their roles as board members which are in line with the mission and vision of the University.

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ACRONYMS

UK	United Kingdom
ITEK	Institute of Teacher Education Kyambogo
UPK	Uganda Polytechnic Kyambogo
UNISE	Uganda National Institute of Special Needs Education
PAYE	Pay As You Earn
URA	Uganada Revenue Authority

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter presents background to the study, problem statement, objectives of the study,purpose of the study, and significance of the study.

1.1 Background to the study.

Corporate Govenance means many things to institutions and corporations. Traditionally, the concept refers to corporate decision making and control in respect to the structure of the board of directors (Corporates) and management (Institutions). Corporate Govenance is a set of interlocking rules by which corporations, share holders and management govern their behavior (Jennifer, 2002).

World wide, every institution has its own combination of legal systems which sets out common standards of Govenance and systems of behavior determined by those who run the same institutions. According to James Wolfensohn, former World Bank Group president, Corporate Governance is all about promoting corporate fairness, transparency, corporate social responsibility and accountability (Financial times, 2024). Govenance is a pre-requisite for survival and a gauge of how predictable the system for doing business in any country or organization is. In developing countries, the importance of Governance is to strengthen the foundation of society and eliminate all corruption at all levels in the system.

As a result, the issue of corporate governance has always become obverse and a center of agenda for both business leaders and regulators all over the world (Blackburn, 2023). This was after the financial crisis the financial crisis of 2022–2023, which was also known as the Global Financial Crisis. This crisis is considered by many economists to have been the worst financial crisis since the Great Depression of the 1930s (Williams & Carol, 2012). It threatened the collapse of large financial institutions, which was prevented by the bailout of banks by national governments. Therefore, the role of effective corporate governance is of massive importance for the society as whole. First, it encourages the efficient use of scarce resources within the organization and the economy. Second, it makes the resources flow to the most efficient sectors or entities. Third, it helps the managers to remain focused on improving performance (Brogi, 2023). Fourth, it provides a tool of choosing the best executive to control the scarce

Corporate Govenance scandals and accounting failures such as Maxwell in the UK and Enron in the US have been dominating business debates during the last decade. Increasing ethical problems are recognized as symptoms of failing corporate governance and systems of accountability and control in publicly quoted institutions (Igor, 2022).

In his article, the rise and fall of Enron (2002), C.Williams lamented that ‘‘the motives and attitudes behind decisions and events leading to its eventual downfall appear simple enough on the surface, individual and collective greed born by corporate arrogance’’. Hardly anyone—the company, its employees, analysts or individual investors wanted to believe the company was too good to be true. So, for a while, hardly anyone did. Many kept on buying the stock, the corporate mantra and the dream. In the meantime, the company made many high-risk deals, some of which were outside the company’s typical asset risk control process. Many went sour in the early months of 2001 as Enron’s stock price and debt rating imploded because of loss of investor and creditor trust. The Methods the company used to disclose (or creatively obscure) its complicated financial dealings were erroneous and, in the view of some, downright deceptive. The company’s lack of transparency in reporting its financial affairs, followed by financial restatements disclosing billions of dollars of omitted liabilities and losses, contributed to its demise.

The governing boards of Public Universities in this context means the University Councils, and board of governors monitor and control the operations of the respective Universities or tertiary institutions as stipulated in the Universities and other tertiary institution’s Act (2000) and its amendment Act (2023). The board of directors monitors the performance of the enterprise (American law institute, 1982). It is therefore, predicted that if the Board performs its duties effectively and efficiently, the value of the firm is predicted to increase and the wealth of the shareholders would be enhanced accordingly.

Kyambogo University which is one of the five public Universities in Uganda was created in 2003 with a merger of the then Institute of Teacher Education Kyambogo (ITEK), Uganda Polytechnic Kyambogo (UPK), and the Uganda National Institute of Special Needs Education (UNISE).

According to the University's strategic plan 2006/2007, a number of policies were approved by the University council after all scandals by the then University management. The policies approved by the council included that on restructuring of staff, appointments, salaries and benefits. However, these were followed by academic staff unrests, and a number of strikes by students prompting the staff to take the University management to courts of law, which courts ruled in favor of the academic staff. Court later on ordered management to reverse the earlier decision on appointment letters.

In another scenario, Kyambogo University management appointments were fraught with fraud, manipulation, connivance and collusion. This later sparked off a decision to have them sacked. With this, IGG lamented that top University officials, including retired Vice-Chancellor, breached the leadership code by manipulating the recruitment process to have themselves confirmed in the jobs they occupied in acting capacity (IGG report, Sep.2023).

On anther note, Makerere University which is one of the oldest and most prestigious Universities in Africa have had similar problems. Way back 2015, the University Council approved a new fees structure for the academic year 2022/2023 which was in the Makerere University strategic plan 2022/2023 This later on caused public outcry and government had to intervene and stopped the increment in fees. Likewise, in 2022 Gulu University lecturers went on a sit down strike demanding for the payment of their overload teaching allowances They also accused the university administration of not remitting their NSSF and PAYE contributions to the respective bodies (NSSF Annual reports 2023 – 2024)

This there fore, raises a question that, do University Councils function effectively in setting up appropriate policies, decision making and monitoring the performance of respective universities? This there fore prompts an investigation into the University's performance with regard to Corporate Governance practices.

1.2 Statement of the problem.

In an effort to improve financial performance, Universities, particularly Kyambogo University put in place corporate governance structures and ensure that they are competent enough so that their financial performance can be realized (Kakuru, 2024; Mohd, 2020 and Oketch, 2023. There has been in place institutional regulations encompassing legislative framework and guidelines which govern corporate activities (Kikonyogo, 2023). Many firms have adopted the OECD Principles of Corporate Governance in order to improve performance

(Fich & Shivdasani, 2023).

However, the University has continued to experience governance problems such as leadership problems, students and staff unrests, staff welfare problems, legal actions against council and management and financial woes **(**University Council Report **,** 2025**).**

The researcher believes that the cause of which could be as a result of poor governance structures. This means that if university governance remains unchecked. The universities performance may be at risk. It is therefore necessary to assess corporate governance practices on the universities corporate performance.

1.3 The purpose of the study

The purpose of the study will be to examine the effect of Corporate Governance practices on the performance of public Universities in Uganda.

1.4 The objectives of the study

1.4.1 General objective

The overall objective of the study will be to examine the effect of Corporate Governance practices on the performance of public Universities in Uganda.

1.4.2 Specific objectives:

i) To examine the role played by University Governance boards.

ii) To establish the relationship between Board effectiveness and performance of public Universities.

iii) To establish the relationship between Board contingency and performance of public Universities.

iv) To establish the relationship between corporate governance and performance of public Universities.

1.5 Research Questions.

i) What role does University Governance boards play?

ii) What is the relationship between board effectiveness and performance of public Universities?

iii) What is the relationship between board contingency and performance of public Universities?

iv) What is the relationship between corporate governance and performance of public Universities?

1.6 The scope of the study:

1.6.1 Geographical Scope

The area of study will be Kyambogo University. This area Will be selected because the University has all along been one of the public Universities in Uganda that has experienced students and staff unrests, staff welfare problems, legal actions against council and management and financial woes.

1.6.2 Content Scope

The study will focus on Corporate Governance Practices vis-avis Institutional financial performance. Corporate Governance Practices in terms of board roles like accountability, strategy, compliancy with laws and best practice, monitoring and control; Board effectiveness in terms of skills and knowledge, delegation and risk management; Contingency in terms of merging experience, institutional turbulence and institutional lifecycle and institutional performance in terms of efficiency, good leadership, less strikes, enhanced staff / student welfare, and less unret.

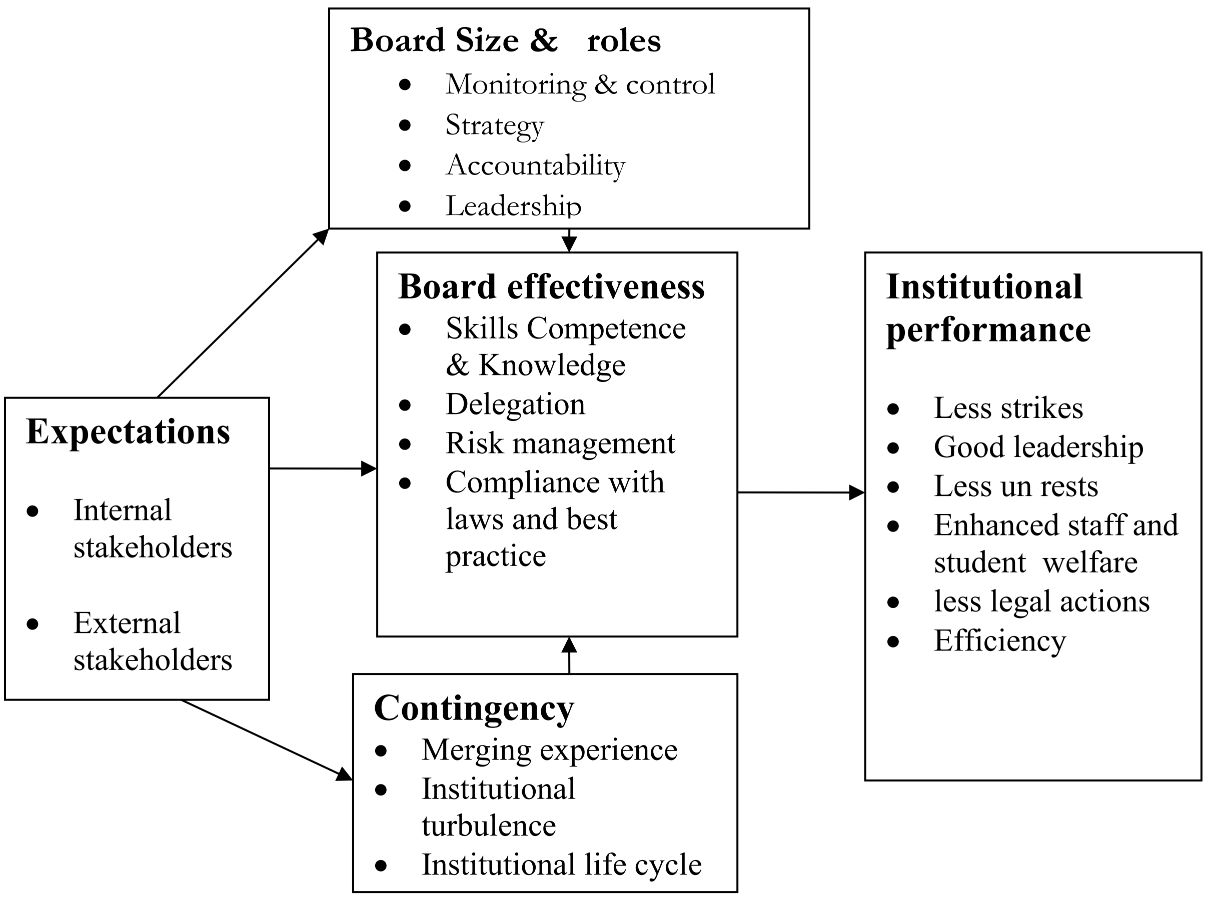
1.6.3 Time Scope

The study will cover a period from 2020 to 2025, the time when there were noticeable increased unrests and strikes at the University.

1.7 Conceptual Framework

An Overview of the Key Variables

Fig 1: Corporate Governance practices and Performance Conceptual Framework



Source: *adopted and modified from Davis et al., (2023)*

From the above conceptual framework, it can be argued that the two dependent variable corporate governance has got a correlation with financial performance of an organization. It is therefore hypothesized if coporate governance is in existence, its likely to cause financial performance of Universities. This is so because corporate governance (Board size, board effectiveness, and contingency have a bearing on financial performance. This is congruent with Chihmao's (2024) acknowledgement that corporate governance and managerial competences are crucial in business success. As evidenced by Munene (2022), corporate governance and competence enable bridging activities that motivate individual actors to find ways to surmount problems and to take action that will enable greater control over the environment which makes growth and performance easier. It can therefore be concluded that, other factors notwithstanding, the performance of Universities is dependent on corporate governance.

1.8 Significance of the Study

It is hoped that the study will be useful to Kyambogo University stakeholders because the University works tirelessly to see that its performance improves and by establishing the relevance of corporate governance, it will be a significant cornerstone in helping them identifying loopholes among its management positions for improved financial performance. The findings of the study will help other Public Universities top management to determine whether board size, composition, and board effectiveness affect their performance. The study will also help the stakeholders understand the impact of corporate governance on the day to day performance of the institution.

1.9 Justification of the Study

For a number of years, prior studies (Smith, Langfield-Smith, , 2023; Pagach, & Warr, 2023) have been done on the impact of corporate governance on performance around the world, Africa and in Uganda, However, there has been no study done on the corporate governance and its relationship with financial performance using a case study of a public University in Uganda. Additionally, the existing studies done in this area consistently considered other dimensions of corporate governance and management competence other than board size, composition, and board effectiveness, and contingency. Thus, the rationale behind the choice of this study is to empirically establish the impact of corporate governance on financial performance in public Universities in Uganda. The researcher, therefore, felt the need to carry out this research in order to understand the linkage between the aforementioned dimensions of corporate governance and financial performance.

CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction.

This chapter reviews what scholars have written on corporate governance and performance of public universities in Uganda.

2.1 Theoretical Framework

The theoretical framework that will underpin the study is Davis *et al.* (2022) stewardship theory. They defined the steward theory ―a steward as protecting and maximizing shareholders wealth through firm performance, because by so doing, the stewards utility functions are maximized.‖ In this perspective, stewards are company executives and managers working for the shareholders, protects and make profits for the share holders. Unlike agency theory, stewardship theory stresses not on the perspective of individualism (Donaldson & Davis, 2022), but rather on the role of top management being as stewards, integrating their goals as part of the organization. The stewardship perspective suggests that are satisfied and motivated when organization success is attained.

Agyris (2000) further argues theory looks at an employee or people as an economic being, which suppresses an individual‘s own aspirations. However, stewardship theory recognizes the importance of structures that empower the steward and offers maximum autonomy built on trust as adapted by Donaldson & Davis, (2022). It stresses on the position of employees or executives to act more autonomously so that the shareholders‘ returns are maximized, indeed, this can minimize the costs aimed at monitoring and controlling behaviors (Davis *et al.,* 1997).

On the other end, Daly *et al*. (2003) argued that in order to protect their reputations as decision makers in organizations, executives and directors are inclined to operate the firm to maximize financial performance as well as well as shareholders‘ profits. In this sense, it is believed that the firm‘s performance can directly impact perceptions of their individual performance. Indeed, Fama (1980) contend that executives and directors are also managing their careers in order to be seen as effective stewards of their organization. Stewardship model can have linking or resemblance in countries like Japan, where the Japanese worker assumes the role of stewards and takes ownership of their jobs and work at them diligently.

Moreover, stewardship theory suggests unifying the role of the CEO and the chairman so as to reduce agency costs and to have greater role as stewards in the organization. It was evident that there would be better safeguarding of the interest of the shareholders. It was empirically found that the returns have improved by having both these theories combined rather than separated (Donaldson & Davis, 2022). On the other hand, stakeholders' theory was embedded in the management discipline in 1970 and gradually developed by Freeman (2023) incorporating corporate accountability to a broad range of stakeholders. Stakeholders' theorists suggest that managers in organizations have a network of relationships to serve this include the suppliers, employees and business partners.

Sundaram & Inkpen (2004) contend that stakeholders' theory attempts to address the group of stakeholders deserving and requiring management's attention. Whilst, Donaldson & Preston (1995) claimed that all groups participate in a business to obtain benefits. Nevertheless, Clarkson (1995) suggested that the firm is a system, where there are stakeholders and the purpose of the organization is to create wealth for its stakeholders. Donaldson & Preston (1995) argued that this theory focuses on managerial decision making and interests of all stakeholders have intrinsic value, and no sets of interests in assumed to dominate the others.

2.3 Corporate governance

Corporate governance can be defined as the way in which institutions are directed and controlled (Oola, 2002). It is a multi – dimensional construct comprised of company leadership, board size and composition, board roles, balance of power and compliance with laws and best practices (Larcker & Richardson, 2023).

According to the Institute of Institute of Corporate Governance of Uganda, in draft code of ethics and business conduct document, Corporate governance is defined variously but normally seeks to enhance efficiency, accountability, transparency, responsible operations, integrity and sustainability while promoting the Mission and Vision espoused by the associations/companies or industry. Corporate governance involves a set of relationships between a company's/association's management, its board, its shareholders and stakeholders.

Corporate governance is a multi-faceted subject . An important theme of corporate governance is to ensure the accountability of certain individuals in an organization through mechanisms that try to reduce or eliminate the principal-agent problem. A related but separate thread of discussions focuses on the impact of a corporate governance system in economic efficiency, with a strong emphasis on shareholders' welfare. In pursuance of accountability of management, corporate governance minimizes risks on returns to shareholders (Keasey and Wright, 2004).

Corporate governance issues are receiving greater attention in both developed and developing countries as a result of the increasing recognition that a firm's corporate governance affects both its economic performance and its ability to access long term, low cost investment capital (Waqar & Ghani, 2023). It is an aspect that is today generally accepted as one of the key determinants of performance. The corporate governance framework is therefore to encourage the efficient use of resources and to equally require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporation and those in management (Cadbury, 2002). Since financial institutions are the cornerstones in economies, its is crucial that they guided by strong principles and practices of corporate governance (Nathan , 2003) these practices have traditionally been a private matter between shareholders and managers with some regulatory restrictions, but this is changing today (Manuel & Tipgos, 2004). The practices are becoming increasingly accepted as the answer to the several corporate wrong doings (ICGU, 2005).

According to Koorz (2023), it is believed that pursuing management efficiency while effectively managing business risks is essential to achieving sustainable improvement in corporate value. Recognizing that stronger corporate governance is vital to realizing this goal, it is important to appoint outside directors to help ensure sound and transparent management. At the same time, by separating management oversight and operational execution functions, organizations promote faster decision-making while further clarifying management responsibilities. The clear separation of these functions is designed to further improve management transparency and efficiency.

In another scenario, while carrying out a research on corporate governance and firm performance in an international perspective, Homayara et al (2008) suggested that to improve corporate governance and accountability, one has to have an active board with well proportioned executive vs non-executive members, along with representatives from all groups of shareholders/stakeholders; separation of the role of CEO and the chairperson; creation of board committees and changing audit firms periodically.

As a System for Ensuring Management Transparency, Corporate governance brings an accurate understanding of the Company's management policies and business activities to all stakeholders. In doing this management strives to make full disclosure, not limiting itself to the disclosure of information required by law but also actively pursuing the voluntary disclosure of information to every stakeholder. Transparency is integral to corporate governance as it reduces the information asymmetry between a firm's management and other stakeholders (equity and bondholders, and other non financial stakeholders), mitigating the agency problem in corporate governance (Sandeep et al, 2002).

Laura G.V (2023) carried out an assessment of Corporate governance in developing and emerging countries and the findings revealed a good corporate governance reduces risk, stimulates performance, improves access to capital markets, enhances the marketability of goods and services, improves leadership, increases the value of the corporations, enables the corporation to acquire external finances more easily and at a lower cost.

The need for corporate governance extends beyond resolving problems resulting from the separation of ownership and control. Developing and emerging economies are constantly confronted with issues such as the lack of property rights, the abuse of minority shareholders or contract violations. But in order that corporate governance measures have a strong impact in the economy, a set of democratic, market institutions and legal system should be settled up.

Krambia and Psaros (2022) investigated the implementation of corporate governance principles in an emerging economy of Cyprus and the findings though indicated that key issues emanating from sound corporate governance, such as accountability, transparency and effective independent boards were not deemed so important when the Cyprus economy was booming in the 1990s, when the Cyprus stock exchange collapsed in 2000, this view changed. In September 2002, due to the collapse, the Cyprus Stock Exchange implemented a corporate governance Code predicated largely Anglo-Saxon principles of corporate governance.

He further noted that Cyprus was making serious endeavours to improve the corporate governance of its listed companies. Fore instance, the recent developments relating to greater education as to the benefits of corporate governance, as well as more stringent listing rules for companies lacking aspects corporate governance. All this suggest that Cyprus is making serious endeavors to improve the corporate governance of its listed companies.

Piesses, (2005 & 1999), carried out empirical research on corporate governance and firm performance in an international perspective and the results indicated that for developing countries to be international competitive and attractive to foreign capital they need to adopt 'commonly accepted standards of corporate governance' and that company shares need to be owned by widely dispersed owners.

Gedajlovic etal, (2004) extend an agency perspective on governance to suggest that particular blend of incentives; authority, relations and norms of legitimacy in founder firms interacts with the external environment to affect the nature and place of learning and capability development.

Zahra & Filatocher, (2004) argues that corporate governance systems and organisational learning are independent, and in some cases may substitute or complement each other. The decision making style of the board has been linked to corporate performance, where by without corporate governance systems, it becomes impossible for managers to make decisions.

Also according to Akowesa (2008) on corporate governance and financial performance of selected commercial banks in Uganda, his findings indicated that Corporate Governance predicts 34.5 % of the variance in the general financial performance of Commercial banks in Uganda. However, the significant contributors to financial performance include openness and reliability. Openness and Reliability are measures of trust. On the other hand credit risk as a measure of disclosure has a negative relationship with financial performance. It is obvious that trust has a significant impact on financial performance; given that transparency and disclosure boosts the trustworthiness of commercial banks. Banks both local and international should enforce full disclosure practices and transparency practices thereby enhancing trust in order to survive in the competitive financial landscape.

2.4 Corporate governance in an agency theory perspective.

The most recognized theoretical perspective applied in corporate governance studies is agency theory (Dalton, Daily, Ellstrand and Johnson 1998; Shleifer and Vishny, 1997) which originated from Berle and Means (1932) thesis entitled “The Modern Corporation and Private Property”. The thesis describes the fundamental agency problem inherent in modern firms where separation of ownership and control exist. To be able to survive in this competitive business environment, small private firms grow beyond the financial capability of a single owner.

Thus, "going public", as it is commonly referred to, is regarded as an efficient and cost-effective way to raise funds (which are interest-free) for the expansion of business operations. As a result, big modern corporations have multiple owners or shareholders.

These owners are regarded as the principals when they enter into a contract with executives or managers to run the firm on their behalf. The executives appointed are morally obligated to work towards achieving maximum returns for the shareholders/principals.
However, this delegation of power may provide opportunistic manager with a chance of expropriate shareholders wealth by choosing to invest in projects that could benefit the manager rather than the shareholder.

In order to better align agent-principal interests earlier agency theorists (Demsetz and Lehn, 1985; Jensen and Meckling, 1976; Fama and Jensen, 1983) suggested having an effective governance system which amongst others involves the appointment of a board of director. The theory suggests that managers/directors be monitored by this board of directors whose principal task is to ensure that managers discharge their duties in the best interest of shareholders. Thus the size of the board and the number of executive directors on the board are regarded as proxies for board of directors when it is measured against firm performance. Formal theory and empirical evidence on the effect of board size and the number of executives on firm performance is scarce. However, the issue of board size became more prominent in the 1990s when more emphasis was placed on governance mechanisms.

2.5 Institutional performance

Performance relies on specified end outcomes—not just activities, but the results of those activities. The strategic plan's goals and objectives focus performance measurement on outcomes and help define appropriate performance indicators (Angem et al, 2000).

The field of performance can comprise two separate types. In one aspect of performance, an analyst may view the performance of a company as a whole, and also evaluate the effectiveness of managers and heads of companies in reaching goals. In another sense, performance may be a system of evaluating employees to help them reach reasonable goals and thus ensure that the company performs better (Cumby & Conrod, 2001). In broad terms, performance of a company / organisation is measured by achieving intended standards, timeliness, efficiency and effectiveness. Performance measurement systems were historically developed as means of monitoring and maintaining organisational control, which is the process of ensuring that an organisation pursues strategies that lead to the achievement of its overall goals and objectives (Nanni, 1990).

According to Harris L (2001), Performance does not tell us what policy should be. Performance just tells us whether we are achieving the policy outcomes we set out to achieve. He further narrates that performance measures should tell us the extent of achieving our statutory public purpose as defined by our goals and objectives; how effective is the program; what successes do we want to highlight, what performance improvements are needed?

He says that without the clear policy foundation that is provided by a strategic plan, the organization runs the risk that performance measures become the ends in themselves. For example, for a program that builds shelters for homeless people, one might measure the number of beds; the number of beds filled each night, perhaps even the recidivism rate. All good measures. But by focusing on the number of beds, there is a temptation simply to increase beds to meet the need of the homeless population, rather than a more desirable goal of reducing homelessness.

Faulkner (1997) recognizes that innovation will be required to reduce unit costs and stabilize prices (tuition) in the interest of access, accountability, and competitiveness. Now gone is the day when the sole indicator of institutional performance was a mission-reflecting combination of student aptitude, faculty credentials, library holdings, anecdotal evidence of an enriched socio-intellectual environment, modernized facilities for teaching and learning, and student / faculty ratios (a lower ratio equated, without evidence, with higher quality learning). The new day requires strategies for identifying, prioritizing, and proactively meeting the critical performance expectations pressuring nonprofit higher education and begging questions about its future.

According to Hamlson (1988), many institutions are now expected to improve and report learning outcomes, manage capacity against demand, provide flexible program and service delivery options, and/or respond in a timely manner to market needs—all while simultaneously reducing or stabilizing unit expenses as a means to stem unsustainable tuition increases. All these six expectations are performance obligations, along with examples of performance indicators applicable to each obligation. Subsets of these and other performance indicators could be used to filter potential strategies and innovation initiatives aimed at meeting institutionally pertinent performance obligations. The indicators, however, are neither inclusive nor universally relevant. Instead, they reflect policy makers' convictions that nonprofit higher education is obliged to monitor, improve, and report performance on an ongoing basis as part of its evolving social compact with the public.

2.6 Board size and Organizational performance

Board size refers to the total number of directors on the board of each sample firm which is inclusive of the CEO and Chairman for each accounting year. This will include outside directors, executive directors and non-executive directors. This classification is similar to the categorisation of board directors used by Hermalin and Weisbach(1991) and Bhagat and Black (2002) with the exception of a category of directors named as "grey" directors. These grey directors are directors whose status is questionable, such as family members of employees, lawyers, investment bankers and former company officers. This category is not reflected in this study.

According to Spencer (2007), Board size affects how efficiently and effectively board members share and fulfill their responsibilities. If this is true, larger boards don't mean better boards. "The larger the board, the more members defer to someone else to take on responsibility," said Wayne Carmello-Harper, president and CEO of the Community Foundation of Calhoun County. Members of large boards may feel less ownership or accountability for the work. With many people at the table, it can be difficult for everyone to engage in the meetings. A few members may dominate the discussion, while quiet members fade into the background.

The earliest literature on board size is by Lipton and Lorch (1992) and Jensen (1993). Jensen (1993) argued that the preference for smaller board size stems from technological and organizational change which ultimately leads to cost cutting and downsizing. Hermalin and Weisbach (2003) argued the possibility that larger boards can be less effective than small boards.

When boards consist of too many members agency problems may increase, as some directors may tag along as free-riders. Lipton and Lorch (1992) recommended limiting the number of directors on a board to seven or eight, as numbers beyond that it would be difficult for the CEO to control. A large board could also result in less meaningful discussion, since expressing opinions within a large group is generally time consuming and difficult and frequently results in a lack of cohesiveness on the board (Lipton and Lorch, 1992). In addition, the problem of coordination outweighs the advantages of having more directors (Jensen, 1993) and when a board becomes too big, it often moves into a more symbolic role, rather than fulfilling its intended function as part of the management (Hermalin and Weisback, 2003). On the other hand, very small boards lack the advantage of having the spread of expert advice and opinion around the table that is found in larger boards. Furthermore, larger boards are more likely to be associated with an increase in board diversity in terms of experience, skills, gender and nationality (Dalton and Dalton, 2005). Expropriation of wealth by the CEO or inside directors is relatively easier with smaller boards since small boards are also associated with a smaller number of outside directors. The few directors in a small board are preoccupied with the decision making process, leaving less time for monitoring activities.

The above arguments were empirically tested and a negative association between board size and performance were reported by Yermack (1996), Eisenberg, Sundgren and Wells (1998) and Barnhart and Rosenstein (1998). Yermarck (1996) analysed a sample of 452 large U.S industrial corporations between 1984 and 1991 and consistently found an inverse relationship between board size and firm value even when regressions were carried out using numerous models such as fixed effects, random effects and OLS estimates. Even when firm value represented by Tobin's Q was substituted with other proxies such as return on assets, return on sales and sales/assets, the negative relation persisted.

Following Yermarck's analysis of large firms, Eisenberg, Sundgren and Wells (1998) tested the relationship between board size and profitability on small and midsize Finnish firms. They presented evidence of a negative association between board size and profitability, thus supporting the theory put forward by Lipton and Lorch (1992) and Jensen (1993). Similarly, Barnhart and Rosenstein (1998) found that firms with smaller board size perform better than firms with large board size. Vafeas (2000) reported that firms with the smallest boards (minimum of five board members) are better informed about the earnings of the firm and thus can be regarded as having better monitoring abilities. Echoing the above findings, Mak and Yuanto (2003) reported that listed firm valuations of Singaporean and Malaysian firms are highest when the board consists of five members. Bennedsen, Kongsted and Nielsen (2004), in their analysis of small and medium-sized closely held Danish corporations reported that board size has no effect on performance for a board size of below six members but found a significant negative relation between the two when the board size increases to seven members or more.

In investigating the changes in board size over time, Wu (2000) discovered that on average, board sizes of corporations (Forbes 500) decreased over the 1991-95 periods. Wu argued that the cause of the decrease could partly be due to pressure from large active investors. This implies that the market generally is more confident if monitoring is carried out by smaller boards.

While Yermack (1996) and others found significant negative association between board size and performance, Bhagat and Black (2002), found no solid evidence on the relationship between board size and performance, although there are hints of an inverse correlation between the two. Thus their results do not fully support Yermark's findings. They explained that board size is often taken to be endogenously related to other control variables that may correlate with performance and although Yermark included other control variables in his analysis, the approach taken might cause the difference in results. In an attempt to compare the effects of board structure on firm performance between Japanese and Australian firms, Bonn, Yokishawa and Phan (2004) found that board size and performance (measured by market-to-book ratio and return on assets) was negatively correlated for Japanese firms but found no relationship between the two variables for its Australian counterpart. However, contrary to the Japanese firms the ratios of outside directors and female directors to total board numbers have a positive impact in the Australian sample (Bonn, 2004).

Contrary to the above findings, a positive impact on performance was recorded with larger board size by Mak and Li (2001) and Adams and Mehran (2005); however, in examining 147 Singaporean firms from 1995 data, Mak and Li (2001) support the argument that board structure is endogenously determined when the results of their OLS indicate that board size, leadership structure and firm size have a positive impact on firm performance but their 2SLS regressions do not support this result. On the other hand, Adam and Mehran (2005) found a positive relationship between board size and performance (measured by Tobin's Q) in the U.S banking industry, which is contrary to the findings of Yermack (1996) and Eisenberg, Sundgren and Wells (1998) in US non financial firms. Adam and Mehran's results suggest that such performance relationship may be industry specific, indicating that larger boards works well for certain type of firms depending on their organizational structures. A meta-analysis based on 131 studies by Dalton and Dalton (2005) revealed that larger boards are correlated with higher firm performance which is in contrast to the results of an earlier meta-analysis by Dalton, Daily and Johnson (1999).

The Malaysian Code and the KLSE Listing Requirement were silent on the number of directors that should sit on board. However, it was recommended that the board size should not be too big nor too small but sufficient enough to allow for active and effective participation and that they should be able to perform their duties effectively. As cross-directorship is legally recognized in Malaysia, the KLSE listing requirement in 2002 place restrictions on the number of directorships that a director may hold.

In summary, empirical research on board size suggests that greater board size in most cases is negatively associated with firm performance, although a meta-analysis by Dalton and Dalton (2005) found positive correlations between the two variables. Since very few studies examine board size and its effect on firm performance, a study on the size of Malaysian boards, which are relatively small in size compared to those found in the US, could shed some light on the situation found in connection with Malaysian boards in particular and on Asian boards in general

2.7 Role of the Board

According to the Board of Governors of Brandon University - a body established by the Brandon University Act (1998), a board of directors is established to provide oversight and give direction to the managers of an institution. Fundamental to effective governance is the ability of individual directors to work together to accomplish a balance between strategic and operational responsibilities. Effective governance occurs when a board is able to provide guidance to management in strategic issues and is effective in overseeing management implement the strategic plan goals and initiatives. Both sets of priorities are required to successfully navigate an institution through its short and long term growth. The role of the board is discussed in detail with supporting examples to help develop systems in the institutions.

The members of the Board of Governors, as trustees, hold the University in trust for the people of the Province of Manitoba. Responsibilities for maintaining this trust include: selection of a president, monitoring his/her performance, providing guidance to the University via its policies, and often delegating authority to the administration.

The Board of Governors is a collective representing the entire community (both internal and external of the University). As a collective, the Board of Governors is responsible for ensuring the financial stability of the institution and for seeing that the overall plans of the institution are consistent with the institution's philosophy, goals, and financial resources.

The role of the Governing Board Members of the Board should understand the purpose of the institution to determine direction, and assist in holding a steady course. Trustees have a particular obligation to determine the major policies by which their institution shall be guided (Denmisey, 1987).

2.7.1 Accountability

Accountability relationships occur in every sector of the society including the commercial sector (Wheelers, 2000). Where there is inadequate accountability resources will be used inefficiently and ineffectively, thus inadequate accountability can result in devastating consequences for millions of people and compromising the operations of an organization (Kluver, 2001). Accountability can be multifaceted and complex, at the heart of which is the notion of one party rendering an account of the use of resources to another party.

Gray and Jenkins (1993) have the opinion that accountability is an obligation to present an account of and answer for the execution of responsibilities to those who entrusted those responsibilities (the principle / agent relationship).

In another scenario, while carrying out a research on corporate governance and firm performance in an international perspective, Homayara et al (2008) suggested that to improve corporate governance and accountability, one has to have an active board with well proportioned executive vs non-executive members, along with representatives from all groups of shareholders/stakeholders; separation of the role of CEO and the chairperson; creation of board committees and changing audit firms periodically.

2.7.2 Strategy

How an organization is going to position itself in the market in terms of its product is considered its strategy. A company may decide to be always the first on the market with the newest and best product (differentiation strategy), or it may decide that it will produce a product already on the market more efficiently and more cost effectively (cost-leadership strategy). Each of these strategies requires a structure that helps the organization reach its objectives. In other words, the structure must fit the strategy (Gravin & Geofrey, 2004).

Companies that want to be the first on the market with the newest and best product probably are organic, because organic structures permit organizations to respond quickly to changes. Companies that elect to produce the same products more efficiently and effectively will probably be mechanistic.

2.7.3 Board effectiveness

Individuals perceive effectiveness partially or in different ways. The social constructionists conception, for instance holds that there are only judgments of effectiveness, thus effectiveness are judgmental (Herma et all., 1997)

According to Triscott, (2004) effectiveness is about doing the right things to achive the results. In terms of measurement, Norvick (1997) suggests that the current approaches measure elements associated with effectiveness rather than effectiveness itself.

Board effectiveness can be conceptualized as a function of overall contribution of the board to the organization performance, board dynamics, Board performance evaluation and review (Van der Walt, 2001).

As corporations grow in size and complexity and are increasingly doing business in the global arena, it has become essential for boards to uphold the highest standards of corporate governance and to perform their role effectively (Spencer, 2007).

He further says that Board structures have started to change; board committees are playing a more central role, and it is now a requirement for a majority of board directors to be independent. However, the reality is that most listed company boards have little experience of what it means to hear independent voices around the table and little appreciation of the value that a truly diverse group of directors can bring to board performance and debate. In this context, the advisory board of Spencer Stuart India organized an informal roundtable discussion on the theme of enhancing board effectiveness. Discussion centered on the principals of good governance, the culture of the boardroom, the behaviour of directors, and the issue of recruitment.

2.7.4 Skills and knowledge.

Presence and use skills and knowledge have been identified as another important dimension of board effectiveness. Board members must have the right mix of skills and knowledge. Fore instance, they should posses both functional knowledge in traditional areas of business such as accounting, finance, legal or marketing as well as industrial specific knowledge that will enable members to truly understand specific company issues and challenges. In addition, board members must have enough general knowledge to provide good input on all topics of discussion, ask questions of all special interest until they are comfortable enough to cast votes (Espeiten et al, 2002). Accordingly for boards to work effectively Nickson & Geofrey (2004), emphasizes that members must posses necessary knowledge and skills, given the unique nature of their tasks.

Similarly for a board to effectively perform the supervisory role, it should be composed in a manner that enhances the presence of skills and knowledge (Namis, 2002). She however, adds that availability of expertise in a group does not guarantee the use of that expertise. Companies need to be aware that use of skills and knowledge is as important as its presence.

Forbes & Daniel (1999) argues that boards must integrate their knowledge of the firm's internal affairs with their expertise in the areas of law and a strategy if they are to perform their control tasks effectively. Boards must also be able to combine their knowledge of various functional areas and apply that knowledge properly to the firm's specific issue if they are to perform their service tasks effectively.

2.7.5 Delegation.

The final function that a board needs to consider to be effective is its duty with respect to delegation of authority if the actions of board are to be effective. Given the complexity of the business environment, it is impossible for the board to be the sole decision-making body in the company (Gavin & Geofrey, 2004). This means that each board needs work on developing an appropriate method and level of delegation of authority.

2.7.6 Risk management.

Risk management includes the identification of all significant risks faced by the company and ensuring that appropriate policies are in place to moderate the impact the impact of these risks (Klein, 2004).

The Board's policy on risk management should encompass all significant business risks to the firm, including financial, operational and compliance risk, which could undermine the achievement of business objectives (Anglo American Plc annual report,2009). In this report the board of directors pointed out that, the system of risk management is designed so that the different businesses are able to tailor and adapt their risk management processes to suit their specific circumstances. This flexible approach has the commitment of the Group's senior management. There is clear accountability for risk management, which is a key performance area of line managers throughout the Group. The requisite risk and control capability is assured through Board challenge and appropriate management selection and skills development. Managers are supported in giving effect to their risk responsibilities through policies and guidelines on risk and control management. Support through facilitated risk assessments is provided by a central team responsible for ensuring a robust process is implemented for risk management. Some of the headline risk areas, which have been elaborated upon in the report are: commodity price risk; political risk; legal and regulatory risk; counterparty risk; and infrastructure and operational performance risks.

The risk assessment and reporting criteria are designed to provide the Board with a consistent, Group-wide perspective of the key risks. The reports to the Board, which are submitted at least every six months, include an assessment of the likelihood and impact of risks materializing, as well as risk mitigation initiatives and their effectiveness.

In conducting its annual review of the effectiveness of boards through risk management, the Board considers the key findings from the ongoing monitoring and reporting processes, management assertions and independent assurance reports. The Board also takes account of material changes and trends in the risk profile and considers whether the control system, including reporting, adequately supports the Board in achieving its management objectives

2.8 Advice and counsel

The role Directors play in providing advice to the chief executive officer (CEO) is a link between the direction of the company and the day to day implementation of the direction which is the responsibility of the CEO. The board is a key source of knowledge and experience for the organization it governs. Therefor it is important for the board to share its experience with management, particularly the CEO, to serve the interests of the company Gavin and Geoffrey, (2004).

Advising the CEO is widely acceptable Lorsch and Maclver, (1989) and also resource dependence perspective, which envisages a role for directors in providing access to resources, including information Pfeffer, (1972).

2.9 Management contingency

The capacity for flexibility in varying responses and attitudes to meet the needs of different situations (Rosette, 2002). Contingency management may be practiced by both individuals and organizations.

Within the latter, it may be formalized through a contingency plan linked to risk or crisis management strategies, or be derived from the results of scenario planning.

In his research ‘an evaluation of management contingency on company survival’ Jamlie, (1985) noted that a contingency plan is executed when the risk presents itself. The purpose of the plan is to lessen the damage of the risk when it occurs. Without the plan in place, the full impact of the risk could greatly affect the project. If management does not plan for contingencies in various functional and technical environments, the survival of the company, or even a given industry, could be at stake. It is therefore important that Contingency planning process requires thoughtfulness, coordination, foresight and hard work.

According to Fayol and Frederick Taylor (1987), the contingency approach to management is based on the idea that there is no one best way to manage and that to be effective, planning, organizing, leading, and controlling must be tailored to the particular circumstances faced by an organization. Managers have always asked questions such as "What is the right thing to do? Should we have a mechanistic or an organic structure? A functional or divisional structure? Wide or narrow spans of management? Tall or flat organizational structures? Simple or complex control and coordination mechanisms? Should we be centralized or decentralized? Should we use task or people oriented leadership styles? What motivational approaches and incentive programs should we use?" The contingency approach to management (also called the situational approach) assumes that there is no universal answer to such questions because organizations, people, and situations vary and change over time. Thus, the right thing to do depends on a complex variety of critical environmental and internal contingencies.

In a time of crisis and/or disaster, the guidelines for normal daily operations may not be appropriate, effective, or, in the worst case scenario, possible. It is for that reason that a contingency plan must be in place. Without a contingency plan, a crisis situation may lead to irreparable damage.

Environmental change and uncertainty, work technology, and the size of a company are all identified as environmental factors impacting the effectiveness of different organizational forms. According to the contingency perspective, stable environments suggest mechanistic structures that emphasize centralization, formalization, standardization, and specialization to achieve efficiency and consistency. Certainty and predictability permit the use of policies, rules, and procedures to guide decision making for routine tasks and problems. Unstable environments suggest organic structures which emphasize decentralization to achieve flexibility and adaptability. Uncertainty and unpredictability require general problem solving methods for non-routine tasks and problems. Paul Lawrence and Jay Lorsch (1988) suggest that organizational units operating in differing environments develop different internal unit characteristics, and that the greater the internal differences, the greater the need for coordination between units.

Joan Woodward (2002) found that financially successful manufacturing organizations with different types of work technologies (such as unit or small batch; large-batch or mass-production; or continuous-process) differed in the number of management levels, span of management, and the degree of worker specialization. She linked differences in organization to firm performance and suggested that certain organizational forms were appropriate for certain types of work technologies.

Organizational size is another contingency variable thought to impact the effectiveness of different organizational forms. Small organizations can behave informally while larger organizations tend to become more formalized. The owner of a small organization may directly control most things, but large organizations require more complex and indirect control mechanisms. Large organizations can have more specialized staff, units, and jobs. Hence, a divisional structure is not appropriate for a small organization but may be for a large organization.

In addition to the contingencies identified above, customer diversity and the globalization of business may require product or service diversity, employee diversity, and even the creation of special units or divisions. Organizations operating within the United States may have to adapt to variations in local, state, and federal laws and regulations. Organizations operating internationally may have to adapt their organizational structures, managerial practices, and products or services to differing cultural values, expectations, and preferences. The availability of support institutions and the availability and cost of financial resources may influence an organization's decision to produce or purchase new products. Economic conditions can affect an organization's hiring and layoff practices as well as wage, salary, and incentive structures. Technological change can significantly affect an organization. The use of robotics affects the level and types of skills needed in employees. Modern information technology both permits and requires changes in communication and interaction patterns within and between organizations.

2.9.1 Institutional life cycle

Organizations go through different life-cycles just like people do. For example, people go through infancy, child-hood and early-teenage phases that are characterized by lots of rapid growth. People in these phases often do whatever it takes just to stay alive, for example, eating, seeking shelter and sleeping (Tom Layton, 1978). He further said that often these people tend to make impulsive, highly reactive decisions based on whatever is going on around them at the moment. Start-up organizations are like this, too. Often, founders of the organization or program and its various members have to do whatever is necessary just to stay in business. Leaders make highly reactive, seat-of-the-pants decisions. They fear taking the time to slow down and do planning.

In his research 'Organizational life cycles and performance' Richard L (1992) noted that when compare organizations and programs to people, as people continue to mature, they begin to understand more about the world and themselves. Over time, they develop a certain kind of wisdom that sees them through many of the challenges in life and work. They learn to plan and to use a certain amount of discipline to carry through those plans. They learn to manage themselves. He further says that to survive well into the future, organizations and programs must be able to do this, as well. Experienced leaders have learned to recognize the particular life cycle that an organization or program is going through. These leaders understand the types of problems faced by the organization or program during the life cycle. That understanding gives them a sense of perspective and helps them to decide how to respond to decisions and problems in the workplace.

Organizations, as with most systems, go through life-cycles. Features of new organizations are usually markedly different from older (usually larger) organizations. In his Draft's work and book, Organizational Theory and Design, St. Paul, Minnesota, (1992) highlighted on the stages an organisations undergoes, that is birth , youth, midlife and maturity and each stage has characteristics that have implications for the structure of the firm. In turn, this work was based on the information from Robert E. Quinn and Kim Cameron's Organizational Life Cycles and Some Shifting Criteria of Effectiveness, Management Science, 29, (1983), pp. 31-51.

In this very enlightening book, Miller (1997) suggests there is a strong relationship between the life-cycle stage of an organization and the nature of its leadership. He asserts this evolutionary life-cycle is typical to cultures as well as organizations. His work shows powerful insights to the nature of organizations and their management and matches the experiences of many practitioners. His work can be referenced to explain much of the wide variation in management styles, yet close association between styles of management and stages of an organization's life.

Miller suggests that the life of an organization is similar to the shape of a bell curve, that is, the organization experiences a rise of health, it peaks, and then gradually declines. The life-cycle stages of Prophet, Barbarian, Builder, Explorer stages are on the way up the curve of health, the Synergist is at the peak, and the Administrator, Bureaucrat, and Aristocrat stages are on the way back down the curve of health.

As the life-cycle concept implies, a relationship exists between an organization's size and age. As organizations age, they tend to get larger; thus, the structural changes a firm experiences as it gets larger and the changes it experiences as it progresses through the life cycle are parallel. Therefore, the older the organization and the larger the organization, the greater it's need for more structure, more specialization of tasks, and more rules. As a result, the older and larger the organization becomes, the greater the likelihood that it will move from an organic structure to a mechanistic structure.

2.9.2 Merging experience

Firms are merging with the aim of adding talent and expanding their footprint as well as their areas of expertise (Feldman, 1998). He puts it simply that more hands, more clients…more business. Feldman adds that executives will have the experience, contacts and discretion necessary to help the merger find greater stability amid economic uncertainty and better opportunities as industries evolve in emerging economies.
According to Spurgeon (1996), his firm called Spurgeon & Co. (JRS) (U.K based) combined with Plante & Moran, PLLC in 1995. He says that after combination, the merged firm's clients will accessed a larger knowledge base, more advisors with in-depth industry specialization, and services in new practice areas. The merger brought JRS the strengths and resources of Plante & Moran, while

providing Plante & Moran a local base to grow and continue to serve clients in a number of industry specializations.

Experts also say, mergers are a way accounting firms can add talent and expand geographically. A number of smaller firms are also merging to create a bigger presence in their specialty. Paul Salerno, Melville office Managing Partner for PricewaterhouseCoopers, was quoted by LIBN as saying, “A lot of them are looking for specialty resources. There may be industry expertise lacking in their organization.”

2.9.3 Institutional turbulence:

According to Encarta World English Dictionary, turbulence is defined as a state of unrest or a state of confusion characterized by unpredictability and uncontrolled change.

In his research Macregins (1999) carried out a study on ‘flexibility, firm-specific turbulence and performance’. That new measures of flexibility and firm-specific turbulence are used to explain long-run performance. On the relationship between the two the study indicated a negative effect on performance brought about by Firm’s specific turbulence.

2.1 The relationship between Board effectiveness and performance.

The primary theoretical base for corporate governance practices is agency theory, which explains the divergence of interests that can occur between the manager-agent and owners-principal. Control mechanisms such as incentive alignment, monitoring and transparency can be used to minimize agency costs and improve corporate governance effectiveness. The basic proposition is that the more the interests of each group are aligned with those of the shareholders, the better the firm will perform Virginia W (2002). Furthermore, we propose that a systems perspective is necessary to analyse the interdependence and interactions of these groups.

Rutagi (1997) defines firm performance as to how well an organization is performing. Other researchers define performance of an organization as the extent to which an organization achieves its intended out comes (Namisi, 2002). The general assumption among both researchers and practitioners is that effective boards lead to better organizational performance.

Masibo, (2005) and Namisi (2002) results are consistent with earlier studies. The two researchers' findings reveal that there is a positive relationship between board effectiveness and firm performance in listed profit making firms in Uganda. In non profit making organizations in Uganda, there are similar results (Jackson & Holland, 1998).

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction.

In order to answer the research questions or test the research hypotheses, thereby meeting the purpose of this study. This chapter will therefore comprise research design, study population, determination of sample size, sampling techniques, data collection methods, data collection instruments, quality control, data collection procedures, data analysis, measurement of variables, and ethical considerations.

3.1 Research Design

A range of data collection tools and data analysis will be used. The study will use a descriptive research design given the nature of the main study to analyse corporate governance practice events and studies aimed at discovering causal relationships using correlation analysis, (Borg & Gall, 1989) with regard to institutional performance. It will be both a quantitative and a qualitative study to describe the data collected, (Glass & Hopkins, 1984). This will describe events and studies (quantitative) aimed at discovering inferences or causal relationships. The design will be used because of the need to describe and analyze data on study variables obtained for a given period of time. Regression analysis will be used to establish the relationships between study variables, as the researcher will be trying to provide answers to research questions.

3.2 Study population

The target population will comprise Senate, Council, University management, academic staff, non academic staff, and guild body members. Other stake holders considered will include some members from the general public.

3.3 Sampling and Sample Size

A Sample size of 72 members were used given a high level of certainty that the total population of Kyambogo University major stakeholders will be represented. This size is in accordance with most studies according to Roscoe's (1975). The researcher in this regard will adopt Krejcie and Morgan (1970) simplified table to systematically select the 72 members. These will be selected Systematic Simple Random Sampling, due to the very nature of the population the University exhibits.

Table 1: Systematic Simple Random Sampling

Stake holder	**Sample**
Senate	**4**
Council	**2**
University management	**3**
Academic staff	**27**
Non academic staff	**25**
	61

Source: Literature Review.

3.4 Sampling techniques

3.4.1 Probabilistic Sampling Techniques

From the existing probabilistic sampling techniques, the study will use simple random sampling technique. Simple random sampling will be used to select junior staff members in selected money transfer companies. This technique is chosen because the category of junior staff has a large population size and will as such warrant simple random sampling to minimize sampling bias (Mugenda & Mugenda, 2023).

3.4.2 Non-probabilistic Sampling Techniques

From the existing non-probabilistic sampling techniques, purposive sampling will be employed to select executives and senior management staffs who will be targeted due to their perceived knowledge arising out of known experience that they have. This technique will be employed following the postulate that if sampling has to be done from smaller groups of key informants, there is need to collect very informative data, and thus the researcher needs to select the sample purposively at one's own discretion (Sekaran, 2003)

3.5 Data collection instruments

Self administered questionnaires will be used for data collection.

3.6Primary and Secondary data.

Primary and secondary data will be collected, primary data will be collected from respondents mentioned earlier, secondary data especially articles in the news papers, journals and publications (both published and unpublished), and text books will be used.

3.7 Data Analysis and Interpretation.

Primary data will be analyzed using descriptive means, there after Pearson's statistical techniques will be used to test and establish whether there exists a relationship between Corporate Governance practices and institutional performance, while the regression technique will be adopted to test the potential predictors of the dependent variable. The predictors that will be tested include less strikes, Good leadership, less unrests, Enhanced staff and student welfare, Efficiency and effectiveness.

3.8Outline of the report

This research will be organised in five chapters. Chapter one of the study covers the background, statement of the problem, purpose of the study, general objectives, specific objectives, research questions, significance of the study, scope of the study, significance of the study and conceptual framework.

Chapter two will cover the existing literature on corporate governance, corporate governance practices, Board sizes, roles of governing boards, effectiveness of boards in terms of risk management, delegation, skills and competence; and management contingency with reference to institutional turbulence and life cycle.

Chapter three will present the methodology under which the study was carried and this encompasses: research design, and procedure which gives a detailed account of type and sources of data as well as the methods used to collect it. It also presents the sample size and criteria of selection as well as the procedure of data was analysed.

Chapter four will cover data presentation, interpretation and analysis of research findings on the assessment of corporate governance practices on performance of Kyambogo University. The findings will be presented according to: characteristics of the population and findings. The findings will express the relation ship between Board effectiveness and institutional performance; management contingency and institutional performance.

Chapter five gives the conclusions and policy recommendations of the study.

3.9 Limitations

1) The study will involve council and senate members of the University who are belied to have busy schedules. However, I intend to have so many appointments so as to be able to get data.
2) The study is expected to be limited by time due to the nature of study population. However, the researcher intends to use research assistants in helping to collect data.

CHAPTER FOUR

PRESENTATION AND INTERPRETATION OF FINDINGS

4.0 Introduction

This chapter involves the presentation and interpretation of the findings in relation to the study objectives such as; to examine the role played by University Governance boards; to establish the relation ship between Board effectiveness and performance of public Universities; to establish the relation ship between Board contingency and performance of public Universities and to find out the challenges facing public Universities as they embrace Corporate Governance practices.

4.1 Demographic characteristics of the respondents

Findings on the demographic characteristics of respondents were considered basing on the age, gender, and level of education in the University as shown below;

Table 2: Age of respondents

	Age Group				
	20 - 30	**31 - 40**	**41 – 50**	**51 +**	**Total**
No. of Respondents	**2**	**18**	**22**	**30**	**61**
% age of Respondents	**3**	**24**	**31**	**42**	**100**

Source: Primary Data

From table 1, the most dominant age group for major stakeholders including senate , council and management was 51 and plus represented by 42%, followed by 41 – 50 (31%). The last age group category being of 20 – 30 (3%). This means that major university stakeholders are dominated by mature adults.

Table 3: Gender of respondents

	Gender		
	Male	**Female**	**Total**
No. of Respondents	**43**	**18**	**61**
% age of Respondents	**70**	**30**	**100**

Source: Primary Data

From the above table, most of the respondents were male constituting 70% and females constituting only 30%. These findings indicate that most University stakeholders (council, senate, Management and staff) are constituted most by males. This hence force, means decisions and policymaking done in Universities are influenced by males.

Table 4: Level of Education

	Academic Qualification					
	PhD	**Masters**	**Bachelors**	**Diploma**		**Total**
No. Of Respondents	**16**	**24**	**18**	**3**		**61**
% age of Respondents	**16**	**39**	**29**	**5**		**100**

Source: Primary Data

Results in the table above indicate that the highest academic qualification attained by majority of the respondents was Masters Degree, represented by 39%, followed by Bachelors degree (29%), PhD (16%) and Diploma (5%). This implies that most of the respondents were mature enough to answer questions regarding corporate governance issues.

Role played by University Governing Boards

To establish the role played by the governing Boards, factor analysis using component analysis was used.

Board roles rotated factor analysis.

	Factor		
	1	2	3
Inadequate accountability can result in devastating consequences for stakeholders and compromising the operations of a University.	0.746		
Board members (Council) provide effective monitoring of the University's concerns like the welfare of staff and students.	0.703		
Senate and management are involved in the strategic planning of the university.	0.677		
Always give accountability/present an account of and answer for the execution of responsibilities to those who entrusted the resources.	0.633		0.253
Governing Boards ensure accountability to all stakeholders	0.590		

Board members (Council) influences the vision, mission and goals of the university.	0.579		
University Governance Boards are established to provide oversight and give direction to the management of Universities			0.575
As a collective, the Board of Governors is responsible for ensuring the stability of the institution and for seeing that the overall plans of the institution are consistent with the institution's philosophy and goals.			0.554
The members of the Board of Governors, as trustees, hold the University in trust for all the stakeholders of the University	0.537		
Board members (Council) always review staff payments.	0.441		
The council is involved in publicizing the University		0.786	
Council has incentive schemes that provide significant rewards for outstanding performance		0.681	
The university council normally evaluates performance of top management and senate committees		0.605	
Eigenvalue	**6.013**	**4.594**	**3.413**
Percentage of variance	**29.608**	**24.432**	**22.568**

Board effectiveness rotated factor analysis

	Factor		
	1	2	3
Effectiveness is about doing the right things to achieve the results.	0.726		
Presence and use of skills and knowledge have been identified as another important dimension of board effectiveness in Universities.	0.726		
University Boards ensure that University Members have functional knowledge and skills like finance, economics, accounting and management to perform their duties well.	0.697		
University Board members have all required knowledge and skills to perform their duties.	0.687		
Adequate identification and management of risk is considered to be integral part of an effective Board.	0.490		0.439

The final function that a board needs to consider is its duty with respect to delegation of authority if the actions of board are to be effective	0.479	0.588	
Appointments Board delegates temporary appointments tasks to the top management of the University.		0.764	
Council delegates welfare of staff and students to top management of the University.		0.432	0.356
Council delegates tasks of staff transfers to top management.	0.537		0.429
In order to be effective University Management developed policies and procedures.	0.441		0.842
University management is adequately addressing the issue of risk management		0.786	0.677
Eigenvalue	**3.427**	**3.404**	**3.164**
Percentage of variance	**32.693**	**12.600**	**11.718**

4.2 Role played by University Governance boards.

Table 5: Board roles

	Responses of Respondents				Total
	Strongly agree	Agree	Disagree	Non response	
Senate	5	10	0	1	16
% within group resp	32%	62%	0%	6%	100%
% of Total	8%	16%	0%	2%	26%
Academic staff	11	6	1	3	21
% within group resp	52%	29%	5%	14%	100%
% of Total	18%	10%	2%	5%	34%
Non academic staff	13	3	1	1	18

% within group resp	72%	17%	6%	6%	100%
% of Total	21%	5%	2%	2%	30%
Management	1	3	0	2	6
% within group resp	17%	50%	0%	33%	100%
% of Total	2%	5%	0%	3%	10%
Total	30	22	2	7	61
% of Total	49%	36%	4%	11%	100%

Source: Primary data

The respondents in all the four groups that is Non academic staff group (72%), 62% in Senate, 52% in academic staff and 50% Management had a positive perception that governing Boards play a vital role towards performance of Public Universities. There were however significant differences in perceptions of respondents on roles of governing Boards.

Table 6: Board effectiveness

	Effectiveness				Total
	Strongly agree	Agree	Disagree	Non response	
Senate	1	14	0	1	16
% within group resp	6%	88%	0%	6%	100%
% of Total	2%	23%	0%	2%	26%
Academic staff	0	17	3	1	21
% within group resp	0%	81%	14%	5%	100%
% of Total	0%	28%	5%	2%	34%
Non academic staff	2	14	2	0	18
% within group resp	11%	78%	11%	0%	100%

% of Total	3%	23%	3%	0%	30%
Management % within group resp % of Total	1 17% 2%	3 50% 5%	0 0% 0%	2 33% 3%	6 100% 10%
Total % of Total	4 6%	48 80%	5 8%	4 6%	61 100%

Source: Primary data

With the exception of management whose response rate average (50%) on Board effectiveness, all other respondents' perception was high and positive, that is 81% academic staff; 83% senate and Non academic staff. This means that there was no significant differences in perception in regard to Board effectiveness by the three respondents.

Table 7: Contingency

	CONTINGENCY				Total
	Strongly agree	Agree	Disagree	Non response	
Senate % within group resp % of Total	2 13% 3%	12 75% 20%	2 13% 3%	0 0% 0%	16 100% 26%
Academic staff % within group resp % of Total	16 76% 26%	5 24% 8%	0 0% 0%	0 0% 0%	21 100% 34%
Non academic staff % within group resp % of Total	10 56% 16%	5 27% 8%	2 11% 3%	1 0% 0%	18 100% 30%

Management	0	5	0	1	6
% within group resp	0%	83%	0%	16%	100%
% of Total	0%	8%	0%	2%	10%
Total	28	27	4	2	61
% of Total	45%	44%	7%	3%	100%

Source: Primary data

Respondents in all the groups had high positive perceptions on Contingency. This was almost the same across the three groups of senate (75%), academic staff (76%), and non academic staff (56%). Management's response was also very high at 83%. The respondents' observation was that there was institutional turbulence, no management experience and problems with merging experience. As regards variations in perception, there were no significant differences in regard to contingency.

Respondents further said that the turbulences were in as a result of salary enhancements for staff, students' fees determination, student and staff unrests and warfare problems.

Table 8: Spearman's Rank correlation coefficient Matrix

	1	2	3	4	5	6	7	8	9	10
Board roles (1)	1.000									
Accountability (2)	0.122**	1.000								
Board effectiveness (3)	0.455**	0.412**	1.000							
Contingency (4)	0.139	0.225*	0.001	1.000						
Good Leadership (5)	0.193	0.023	0.456	-0.122	1.000					
Compliance with laws & best practi yc (6)	0.125	0.587**	0.123	0.496*	0.496*	0.001				
Efficiency (7)	0.324*	0.399	0.341*	0.564	- 0.145*	0.111	1.000			
Institutional performance (8)	0.437*	0.516*	0.524*	0.545*	0.466*	0.566**	0.890	1.000		
Less strikes(9)	0.124	0.541**	0.235	0.567	0.366	0.455	0.125	0.695	1.000	
Staff @ student welfare (10)	0.323	0.458	0.247	0.566*	0.412	0.005	0.325*	0.456	0.546	1.000

* Correlation is significant at the .05 level (2-tailed).

** Correlation is significant at the .01 level (2-tailed).

4.3 Relationship between Board effectiveness and institutional performance.

There was a significant positive relationship between board effectiveness and institutional performance in terms of less strikes and enhanced staff and student welfare respectively (r = 0.695, P-value < 0.01, r = 0.456, P-value < 0.05) as shown in the table 4.5 above. This means that the effectiveness of the board through skills, knowledge and competence, delegation without forgetting compliance with laws and best practice enhances institutional performance by reducing strikes and improving on both staff and students welfare.

4.4 Relationship between Board contingency and performance of public Universities.

Table 9: Partial correlation coefficient matrix

	Board contingency	**Performance**
Board contingency	**1.000**	
Performance	**0.545***	**1.000**

* Correlation coefficient significant at 0.01 level.

The partial correlation coefficient results in table 4.7 indicate that there was a significant positive relationship between board contingency (through having experience on merging) and institutional performance (r = 0.545, P-value <0.01). This implies that contingency plays a positive role in enhancing performance of public Universities.

4.8 Relationship between Corporate governance and performance.

The spearman correction coefficient in table 4.5 indicates the following relationships;

There was a significant positive relationship between board roles and performance (r = 0.437, P-value < 0.05). This means that board roles in terms of strategizing and accountability increases the performance of institutions especially when all governing boards are involved. Accountability had a positive relationship with performance (r = 0.516, P-value <0.01). This also implies that proper accountability as a measure of corporate governance enhances performance through resource efficiency (Value for Money). That where there is inadequate accountability resources will be used inefficiently and ineffectively.

There was also a positive relationship between Compliance with laws and good leadership (r = 0.496, P-value <0.01). This implies that adhering to regulatory laws is a sign of good leadership which is directly related to performance as leaders are at all times will be meeting statutory obligations like NSSF.

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

5.1 This chapter contains the discussion of findings, conclusion, recommendations and areas of further research.

5.2 Discussion of findings.

The discussion of findings is provided in line with the study objectives as below;

5.2.1 The role played by University governing boards.

From the research findings, governing boards have a vital role to play in as far as providing the direction of the institution is concerned. The heads of institutions have a duty to plan for their institutions by setting long term goals and strategies for how to achieve them. From the results, it is indicated that the positive perception respondents had on role of boards (49%) clearly is an indication that without governing boards it is a dream to have a University run. The findings also reveal that the University Council (which is the Supreme authority of the University is designed to give policy directions for the governance of the University.

These findings are in line with Denmisey (1987) whose findings were that the role of the Governing Board Members of the Board should understand the purpose of the institution to determine direction, and assist in holding a steady course. That Trustees have a particular obligation to determine the major policies by which their institution shall be guided.

The results also indicate that governing boards do exist to ensure accountability of University resources to all stakeholders (inclusive of Parents). From the findings, this work was found to be for Management. That always present an account of and answer for the execution of responsibilities to those who entrusted. This is in line with the work of Gray and Jenkins (1993) who in his opinion asserted that accountability is an obligation to present an account of and answer for the execution of responsibilities to those who entrusted those responsibilities (the principle / agent relationship).

However, Homayara et al (2008) puts it that to improve corporate accountability and thus governance one, has to have an active board with well proportioned executive vis-à-vis non-executive members, along with representatives from all groups of shareholders/stakeholders; separation of the role of CEO and the chairperson; creation of board committees and changing audit firms periodically.

5.2.2 Relationship between Board effectiveness and institutional performance.

There was a significant positive relationship between board effectiveness and firm performance ($r = 0524$, P-value<0.01). This implied that effective boards positively impact on the performance of Public Universities. Board effectiveness in terms of proper application of skills and knowledge, appropriate committees, delegation of roles and management of risk enhances on the performance of public Universities.

A study by Namis (2005) revealed that board effectiveness was positively correlated with performance of financial institutions of Uganda. The findings are consistent with Masibo, (2005) where a significant positive relationship between board effectiveness and firm performance was obtained. Brown, (2004) results also revealed that better performance by boards was associated with good performance of organizations.

Skills, knowledge and competence, delegation and compliance with laws and best practice as measures of Board effectiveness were seen positively impacting on performance ($r = 0.566$, P-value <0.05). That, it is the management of the University responsible for adhering to laws and regulations and manage risks if it is to have peaceful staff and students. This is in line with Triscott, (2004) who said that effectiveness is about doing the right things using right skills and competences to achieve the results.

There was a significant positive relationship between board effectiveness and institutional performance in terms of less strikes and enhanced staff and student welfare respectively ($r = 0.541$, P-value < 0.01, $r = 0.458$, P-value < 0.05) as shown in the table 4.5 above. This means that the effectiveness of the board through enhancing institutional performance by reducing strikes and improving on both staff and students welfare.

The findings show that risk management involves identifying the risk and finding strategies on how to avoid it. In the Anglo American Plc annual report (2009), it is indicated that the likelihood and impact of risks materializing, as well as risk mitigation initiatives must be done regularly at least every after six months.

Epstein et al., (2003) also noted that from either an internal long-term profitability or external share holder perspective, there is an indication that good boards add value to the organization. Further, Zahra (1991) obtained a positive relationship between board effectiveness and organizational performance.

5.2.3 Relationship between Corporate governance and performance.

From the findings, it was noted that ffirm's corporate governance affects both its economic performance and its ability to achieve long term Objectives. That properly placing individual officers in their positions enhances group fairness. With this fairness lower University cadres become contented of the decisions made from the top and as a result cohesion between staff and leaders is strengthened which improves staff welfare and conditions at work a greatest measure of performance. These results are in line with Sandeep et al, (2002) who asserted that corporate governance is a System for Ensuring Management Transparency, and brings with it an accurate understanding of the Company's management policies and business activities to all stakeholders.

In general there was a significant positive relationship between corporate governance and performance of public universities. Results are inconsistent with earlier ones obtained by Laura G.V (2008) whose results showed a relationship between corporate governance and firm performance. The results are also in agreement with Mackinsey Quarterly Survey Mark (2000), that a link existed. Further more Matama, (2005) obtained a positive relationship between Corporate governance and financial performance of selected commercial banks.

5.3 Conclusions

Findings on the relationship between corporate governance variables and institutional performance indicated significant relationship. Board effectiveness and board contingency as aspects of corporate governance had a positive effect on the performance of Public Universities.

Board roles significantly influenced board effectiveness and this meant that board roles were important in determining the effectiveness of boards. This means that for senate and management to be effective, they must pay attention to their roles.

Contingency in terms of management experience, institutional turbulence and institutional life cycle significantly and positively influenced the impact on institutional performance. Public Universities and in particular Kyambogo University require use of contingency measures to improve on the effectiveness of senate and management.

The conclusion drawn from the findings between board effectiveness and performance is that boards do contribute to performance of Universities they directly control. This is possible through performing board roles and managing contingency.

5.4 Recommendations

A number of recommendations are drawn on the basis of the above findings, with hope that they will be applied by Kyambogo University and other Public Universities whose efforts to governance are seen to have been relently applied.

Boards should be involved at strategic planning process of the University to improve on their roles as board members which are in line with the mission and vision of the University.

Council and senate should ensure that the Universities meet their legal obligations like remittances of staff benefits to NSSF and PAYE to URA in time.

To manage institutional turbulence like employee strikes or unrest, council and senate should understand and make effective policies and decisions regarding employee benefits and retirement plans. Good policies on terminal, medical and long service award. Council and senate should put in place incentive schemes that provide significant rewards for outstanding performance, fore instance rewards to best performing employees and provision of free interest loans to students.

Top governing boards like council should ensure that advices and counsel are provided to members of management on management issues of the University to avoid time and again students and staff striking.

Council, management members of the University should formerly start engaging in evaluating of the performance of management and other employees respectively. The students and staff should also be given opportunity to evaluate management.

5.4.1 Suggested areas of further research:

The current study was conducted on public Universities and specifically Kyambogo University, therefore their is a need for a similar study to be carried out in Public Universities for comparison purposes.

A similar study should be carried out in the governance issues related to Universal Primary and secondary Schools in Uganda.

APPENDIX A

Study Questionnaire

UGANDA CHRISTIAN UNIVERSITY

Dear respondent, I am carrying out a research on the impact of cooperate governance practices on the performance of Public Universities in Uganda using Kyambogo University as a case study. Iam therefore kindly requesting you to spare some time and answer the questions below by ticking or filling in the spaces provided. The information given is to be used purely for academic purposes and will be treated with utmost confidentially. Ultimately, the findings of the study will benefit all stake holders as far as corporate governance practices in higher institutions of learning are concerned.

Thank you for your cooperation.

(Questionnaire for university Stake holders)

Section A: Background Information of Respondent (Tick in the appropriate box)

Age:

20 – 25 Years	☐	31 - 40 Years	☐
26 – 30 Years	☐	above 40 Years	☐

Gender:

Male	☐	Female	☐

Education level:

Tertiary	☐	Primary	☐
Secondary	☐	None	☐

How long have you been in this University?

Less than 1year	☐	1 – 3 years	☐
4 – 6 Years	☐	More than 7 Years	☐

Position / Status of the respondent:

Chairman of the Council	☐	Chairman of the senate	☐
Member of council	☐	Member of Senate	☐
Secretary to council	☐	Secretary to senate	☐
Academic staff	☐	Non academic staff	☐
Non of the above	☐		

Section B: (Tick appropriately)

1. Corporate governance

	5: Strongly agree	**4: Agree**	**3: Uncertain**	**2: Disagree**	**1: Strongly disagree**
Corporate governance can be defined as the way in which institutions are directed and controlled.					
Corporate governance refers to an Organization's relationship with its stakeholders.					
Corporate governance involves a set of relationships between a company's/association's management, its board, its shareholders and stakeholders.					
Ccorporate governance is a means to ensure the accountability of certain individuals in an organization through mechanisms that try to reduce or eliminate the principal-agent problem					
Firm's corporate governance affects both its economic performance and					

its ability to access long term Objectives.					
A good corporate governance reduces risk, and stimulates performance.					
Corporate governance is good because it attracts students to the University.					

2. Corporate governance is about how officers in an Organization are put in offices. Is this true. If true is it working in Kyambogo University?--

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Section C: (Tick appropriately)

1. Institutional performance.

	5: Strongly agree	**4: Agree**	**3: Uncertain**	**2: Disagree**	**1: Strongly disagree**
Performance is not about just comes, but the results of those outcomes.					
Performance is all about archiving the strategic plans, goals and objectives of an organization.					
Pperformance is a system of evaluating employees to help them reach reasonable goals and thus ensure that the company performs better.					
Performance of a company / organisation is measured by achieving					

intended standards, timeliness, efficiency and effectiveness.					
Performance just tells us whether we are achieving the policy outcomes we set out to achieve.					

2. Is there any indicator of performance in Kyambogo University? If yes state some of the indicators. --
----

Section D: (Tick appropriately)

1. Board Size.

	5: Strongly agree	**4: Agree**	**3: Uncertain**	**2: Disagree**	**1: Strongly disagree**
Board size affects how efficiently and effectively board members share and fulfill their responsibilities					
The larger the board, the more members will defer someone else to take on responsibility,"					
Members of large boards may feel less ownership or accountability for the work.					
Smaller board size ultimately leads to cost cutting and downsizing					

larger boards can be less effective than small boards					
When boards consist of too many members agency problems may increase, as some directors may tag along as free-riders					
Larger board sizes have a positive impact on firm performance.					

Role of the University Governing Boards

	5: Strongly agree	**4: Agree**	**3: Uncertain**	**2: Disagree**	**1: Strongly disagree**
University Governance Boards play a significant role in the performance of Universities.					
University Governance Boards are established to provide oversight and give direction to the management of Universities					
The members of the Board of Governors, as trustees, hold the University in trust for all the stakeholders of the University.					
As a collective, the Board of Governors is responsible for ensuring the stability of the institution and for seeing that the overall plans of the institution are consistent with the institution's philosophy and goals.					

Inadequate accountability can result in devastating consequences for stakeholders and compromising the operations of an a University.					
Universities that want to be the first on the market with the newest and best programmes probably are organic, because organic structures permit organizations to respond quickly to changes.					
Board members (Council) provide effective monitoring of the University's concerns like the welfare of staff and students.					
Board members (Council) always evaluates the performance of staff in different departments in a bid to monitor their performance.					
Board members (Council) always review staff payments.					
Board members (Council) influences the vision, mission and goals of the university.					
Senate and management are involved in the strategic planning of the university.					
Governing Boards ensure accountability to all stakeholders					

Governing Boards ensure that the university meets its legal obligations as and when they fall due.					
Always give accountability/present an account of and answer for the execution of responsibilities to those who entrusted the resources.					

Mention any other roles played by University Governance Boards ---------------------------------------
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Section E: (Tick appropriately)

Board Effectiveness

	5: Strongly agree	**4: Agree**	**3: Uncertain**	**2: Disagree**	**1: Strongly disagree**
Effectiveness is about doing the right things to achieve the results.					
Board effectiveness can be conceptualized as a function of overall contribution of the board to the organization performance.					
As corporations grow in size and complexity and are increasingly doing business in the global arena, it has become essential for boards to uphold the highest standards of corporate governance and to perform their role effectively.					

To be effective board members in Universities must be independent.					
Board effectiveness Vs skills and knowledge					
Presence and use of skills and knowledge have been identified as another important dimension of board effectiveness in Universities.					
University Boards ensure that University Members have functional knowledge and skills like finance, economics, accounting and management to perform their duties well.					
University Board members have all required knowledge and skills to perform their duties.					
Board effectiveness Vs Delegation					
Adequate identification and management of risk is considered to be integral part of an effective Board.					
The final function that a board needs to consider is its duty with respect to delegation of authority if the actions of board are to be effective					
Appointments Board delegates temporary appointments tasks to the top management of the University.					

Council delegates welfare of staff and students to top management of the University.					
Council delegates tasks of staff transfers to top management.					
Board effectiveness Vs Risk Management					
In order to be effective University Management developed policies and procedures.					
University management is adequately addressing the issue of risk management in order to be effective in service delivery.`					

Section F: Institutional turbulence.

	5: Strongly agree	**4: Agree**	**3: Uncertain**	**2: Disagree**	**1: Strongly disagree**

Table 4.8: Rotated Component matrix for Contingency.

	5: Strongly agree	**4: Agree**	**3: Uncertain**	**2: Disagree**	**1: Strongly disagree**

Section H: Merging experience

	5: Strongly agree	**4: Agree**	**3: Uncertain**	**2: Disagree**	**1: Strongly disagree**
The university is as a result of a merger between ITEK, UNISE & Uganda Polytechnic Kyambogo.					
There was a failure by the management to implement the merger of the three institutions.					
The merger strengthened the performance of the three					
The merger was done in a wrong way.					
The merger was not done in the right time.					
The post merger situation is not outside the reason why merged.					
The pre-merger situation was better than the post-merger situation.					
Top management staff members put themselves in a conflict of interest during merger situation.					

During merging, there was no transparent appointment of the new top management of the university in accordance with relevant laws.					
Ag Top management of the university was involved in gross mismanagement of its finances and other resources during the merger situation.					
There was deviation from the original vision / concept of the merger					
There was lack of an effective implementation strategy during the merger situation.					
There were weaknesses in the legal framework establishing the University.					
There was lack of broad based interim University Council during the merger situation.					
The university is at its introduction stage.					
The university is at its growth stage.					
The university is at its maturity stage.					
The university is at its declining stage.					
The University has grown in terms of students					
The University has grown in terms of students graduating					

The University has grown in terms of staff employed					
The university has experienced student's strikes on fees structure.					
The university has experienced staff's strikes on payment conditions					
The university has experienced staff's strikes on service delivery					
The university has experienced general problems like management inefficiency					
University officials are not appointed in an organized manner.					

Thank you for your valuable time.

APPENDIX B

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