MESSAGE FROM THE DEAN

On behalf of the Kenyatta University School of Business conference organizing committee it is my pleasure to invite all experts in the Business Industry, Policy makers, Researchers in academia and students to the International Business Research and Industrial Conference (IBRIC). The 2019 IBRIC theme is “Emerging Trends in Business Management for Global Sustainable Development”.

The conference is designed to create an interface between Academia and Industrial sectors to debate on how Business Management can be leveraged and scaled up to support the achievement of SDGs, Kenya Vision 2030 and the Big Four Agenda. Specifically, the conference will provide a forum for Inter-sectoral debate that will go a long way to define the role and value of Business Management Principles for sustainable business development. In addition, the conference will take stock of sector-wide strategies for leveraging creativity and Innovation promoting equitable and quality lifelong opportunities for all.

The conference debates are expected to inform action plans and policies that will form a basis for future partnerships among stakeholders in enhancing sustainable industrial development. Prior to the main conference, a pre-conference event was held at the Kenyatta university Main Campus on the 18th June, 2019 respectively to sensitize stakeholders on the importance of the conference, promote business and entrepreneurship development targeting consumers, and the surrounding community.

We welcome you to this conference and look forward to your active participation.

Dr. Paul K Sang  
Ag. Dean, School of Business
MESSAGE FROM THE CONFERENCE CHAIRMAN

Let me take this opportunity on behalf of the conference organizing committee to invite all the delegates, our guests and sponsors to the International Business Research and Industrial Conference (IBRIC) 2019. The conference is organized by Kenyatta University’s school of business. The conference theme of Emerging Trends in Business Management for Global Sustainable Development provides a platform to engage in this discourse with sobriety and from a logical and rational perspective. IBRIC 2019 offers an avenue of forging industrial linkages and providing solutions and insights to practical issues that bedevil businesses and industry.

The conference has been organized with great efforts and enthusiasm from a team of experts in business, leadership and management with the support of our partners such as the Kenya Ports Authority, The Tourism board and Savannah Cement. Indeed a lot of good work and research has gone into the preparation of this compendium, I do hope that the conference deliberations will be an eye opener and a game changer in academia and industry and by and large bridge the gap between the two sectors to enhance sustainable development.

I welcome you all to our preconference on 18th June at Kenyatta University’s main campus and subsequently to our conference on the 20th to 21st at the university’s North Coast Beach hotel at Kikambala in Mombasa. I wish you fruitful conference experience in the debates, exhibitions and discussions.

Best wishes!

Dr. Ambrose O. Jagongo

Chairman Conference Organizing Committee
MESSAGE FROM THE EDITORIAL CHAIRPERSON

The editor in chief on behalf of the editorial board takes great pleasure to invite you to our inaugural conference, International Business Research & Industrial Conference (IBRIC) on 20th and 21st June, 2019. IBRIC provides a platform through the IBRIC conference book 2019 for researchers to publish and disseminate their findings in business and management. The conference also accords an opportunity for professionals and industry players to keep abreast with latest findings and research in business and management.

“The world of business is dynamic and quite turbulent. In this age of knowledge explosion and information technology businesses need to be innovative to compete and sustain themselves in the global arena”.

IBRIC with the theme Emerging Trends in Business Management for Global Sustainable Development aims at unveiling constructs in business research and industry in all manifestations. This conference provides an opportunity for researchers, academia, professionals and partners in industry to show case their ingenuity in pieces of research and artifacts gathered through empirical and desk research and share the same with the all world. The emerging trends in business management provide a framework to sensitize the industry players, professionals and academia on opportunities, challenges and solutions in the world of business for growth and sustainability.

The digital platform has reduced the world into a global village which brings in opportunities, competition and challenges as well. Legal issues and human rights have also infiltrated businesses as players seek innovative mechanisms to leverage their stake. These transformations have gained momentum and provide a source of competitive advantage for global business sustainability. IBRIC conference offers an opportunity to interact with the right brains with knowledge to appreciate strengths, weaknesses and opportunities and threats that may be leveraged and enhanced for business success. It gives the academia the opportunity to propel and contribute to the body of knowledge.

The editorial board takes this opportunity to appreciate all the paper contributors and the editorial board members who have reviewed the papers. The total numbers of research abstract papers received were 181 by academia in Kenya and outside our borders. We accepted 110 papers whose abstracts have been published in the IBRIC 2019 Book of Abstracts.

We appreciate and wish healthy deliberations to our invited guests and speakers, sponsors and partners in the industry, our delegates and those who have come to learn from others. It is our commitment to see to it that the proceedings of this year’s conference will be published in the IBRIC 2019 conference proceedings and the final papers published in our IBRIC conference book 2019.

Welcome!

Dr. Hannah Bula (PhD)
The Chief Editor
Dr. Arch. Daniel Manduku, born in 1971, holds a Doctorate in Business Administration/Leadership from the United States International University (USIU) Nairobi, Kenya, a Master’s in Business Administration from the same university and a Bachelor’s Degree in Architecture from Jomo Kenyatta University of Agriculture and Technology (JKUAT). He has attended several corporate governance courses both locally and internationally. He is a corporate member of the Architectural Association of Kenya (AAK) and Institute of Construction Project Managers of Kenya. He has undertaken training in Corporate Governance from the Centre of Corporate Governance-Kenya as well as Strategic Leadership Management Training from the Columbia Business School in New York among other local and international management courses.

Dr. Arch. Manduku was appointed Managing Director of Kenya Ports Authority with effect from June 2018. He is responsible for driving the corporate governance agenda of the Authority by providing strategic guidance and support to the Board. In his current role as the Managing Director, Dr. Manduku is in charge of overseeing several huge port infrastructural development projects aimed at enhancing efficiency at the port of Mombasa. Among the key projects he is overseeing include Phase II of the Second Container Terminal, Completion of the Cruise Ship Terminal, Relocation of Kipevu Oil Terminal (KOT), Rehabilitation of berths 11-14 and implementation of the Green Port Policy in the Port of Mombasa which is first of its kind in Africa. In addition, Dr. Manduku is in charge of overseeing operationalization of the first three berths at the Lamu Port, which is a key component of the government backed LAPPSET Corridor Development Project.

Before his appointment as the Ag. Managing Director of the Kenya Ports Authority, Dr. Manduku was the Executive Director and Registrar of Contractors at the National Construction Authority, a state corporation mandated to oversee and regulate the construction industry, a position he held since November 2012.

Prior to his appointment as Executive Director of the Authority, he founded and managed a private architectural consultancy firm, Cadplan Architects Ltd, from 2001 to 2012. The firm was amongst the first Kenyan architectural firms to expand within the East African market with branch offices in Uganda and Rwanda. In addition, he was a founder member of the Rwanda Architectural Association. During his tenure as the Managing Director of Cadplan Architects, he oversaw the training of over 25 Architects and won several international architectural awards.

In 3 years, he facilitated the outstanding development of the Authority from a start up with no funds to a vibrant and nationally recognized organization. He spearheaded the registration of over 20,000 local and foreign contractors in Kenya in 2013, as well as the passing of NCA Regulations 2014 which established all Authority operations.
VICE CHANCELLOR’S FORWARD

It gives me great pleasure and humility on behalf of the Kenyatta University Community to welcome you to the first School of Business International Business Research & Industrial Conference. The main objective of this conference is to link the academia to industry though partnership and collaboration in various specialized fields. This is in line with Kenyatta University’s commitment to research and community outreach.

Ladies and gentlemen, the global economy has been easily connected to do business in the 21st century due to the advent of technological advancement and the digital platforms. There has been a realization that both academia and industry must open a candid discussion, collaboration and networking to help both the developed and developing economies in their growth trajectory. The academia is excited about multidisciplinary thoughts and conversations on the interaction between theory and practice in the area of business and industry through continuous innovation and monitoring. The BIG question and debate is on how academia can influence business and industry sustainable development.

It is on this basis that Kenyatta University has organised the first ever international business research and industrial conference in her bid to address the perceived disconnect between industry and academia and consequently harness the potential presented through this collaborative engagement. The Conference shall be held on 20th and 21st June, 2019 in North Coast Beach Hotel, Kikambala (Mombasa). It is worth-noting that the Hotel is fully owned by Kenyatta University.

The Conference seeks to create an interface between Academia and Industrial sectors to debate on how Business Management can be leveraged and scaled up to support the achievement of SDGs, Kenya Vision 2030 and the Big Four Agenda. Specifically, the conference will provide a forum for Inter-sectoral debate that will go a long way to define the role and value of Business Management Principles for sustainable business development. In addition, the conference will take stock of sector-wide strategies for leveraging creativity and Innovation promoting equitable and quality lifelong opportunities for all. The conference debates are expected to inform action plans and policies that will form a basis for future partnerships among stakeholders in enhancing sustainable industrial development. Towards this end, the conference targets to attract a broad spectrum of participants drawn from experts in the Industry, Policy makers and
researchers in academia addressing the theme “Emerging Trends in Business Management for Global Sustainable Development”.

To unleash potentials of businesses for global sustainable development, policy makers need to understand Business Management’s role in economic growth, and the sector-wide strategies of integrating academia research in business and innovation. It is against this context, that Kenyatta University (School of Business), with the support from Savannah Cement, the Kenya Ports Authority and the Kenya Tourism Board is organizing the International Business and Research Industrial Conference.

The expected outputs for the conference include but not limited to high-level statement on industry-academia efforts on sustainable business development, publication of the conference proceedings, following-up action plans on the various sub-thematic areas and partnership for following-up initiatives.

Our partners are invited due to the shared contributions, dreams and aspirations which we have with them in different responsibilities of building our nation. This is also an indication of the products of Kenyatta University who are holding various key positions in respected organizations. The impact of the school of business graduates in the Kenyan manufacturing, service as well as civil service sectors is almost incalculable; they are spread locally, regionally and internationally.

I have no doubt in my mind that this conference will be a very memorable experience for the participants as well as those in academia and industry. Let us also take this opportunity to mentor and be mentored as we also network. My expectation is to have a regional hub for the exchange of ideas and experiences in business.

Thank you all.

GOD bless you all!

GOD bless Kenyatta University.

PROF. PAUL K.WAINAINA

VICE CHANCELLOR

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Advertising Appeals and Generation Y Purchasing Intentions in Nairobi City County, Kenya.

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Most companies use advertisements to promote their brands amongst consumers. Today, Generation Y, also known as Millennials, have a huge influence in the buying decisions of their families. The aim of this study is to fill the gaps in the marketing literature by providing a comprehensive analysis of the impact of advertising appeals based on Kenyan products and services which target Generation Y, in order to increase advertising effectiveness and positively impact the intent to purchase among this particular generational cohort. The four advertising appeals that were under investigation are: fear appeal, emotional appeal, rational appeal and humor appeal. For the purposes of the study, a descriptive research design was employed and since the dependent variable was categorical, a logistic regression distribution model was used to test the impacts of the appeals on buying intention. The study established that all four appeals have a significant effect on Generation Y purchasing intentions, furthermore, revealing that advertising appeals are an important factor in the decision-making process for purchase. According to the study findings, the impact that emotional appeal has on Generation Y purchasing intention is the most significant out of the four appeals and can be very effective in increasing buying intention, as it promotes a positive brand attitude, cognitive response and reaction. Companies may refer to the results obtained to develop effective advertising appeal strategies that are beneficial for their brands, with the characteristics of Generation Y consumers in mind. This will in turn improve the delivery of the appeal in their advertisements, the marketing communication between company brands and Generation Y consumers, buying intention and ultimately increase profitability of the company.

Key Words: Generation Y, advertising appeals, purchasing intention, fear, emotional, rational, humor.

Communication Facilities, Human Resource Practices And Performance Of Health Centre In Pastoral Communities In Kenya: A Case Study Of Wajir County

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The devolved functions have been facilitated by transfer of funds and enactment of various laws. One of the functions of county government is provision of health services. The county leaders lack objectivity and impartiality in decision making thus decisions on how much to allocate to the health sector in each sub-county is marred with subjectivism and partiality. This paper seeks to address the influence of communication facilities and human resources practices on performance of health centres in patrol communities in Kenya. Research study is anchored on goal setting theory, with two study variables that included communication facilities and human resource policies. Descriptive survey was adopted where 65 respondents were chosen through random sampling that was stratified. Data was collected, edited, coded and then analysed using inferential and descriptive statistics with the aid of SPSS. The research study established that communication and human resource practices have a great influence in the provision of health services. The study recommends that Governor and county officials of Wajir County should provide adequate facilities and embraces the best human resources practices at the health centres assist ensuring the performance of the centres are ensured. They should also lobby for the increase of budget
allocation from central government. County and national Government must commit to work cooperatively with other stakeholders in achieving results by eliminating corruption.

**Key Words:** Devolved Government, Performance, Health centres, Pastoral Communities, Human Resource Practices, Communication facilities.

**Human Resource Management Practices and Performance in Public Secondary Schools in the Thika West Sub-County of Kenya**

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This research project aimed at investigating the effects of Human Resource Management practices on student performance in public secondary schools in Kenya. The objectives of the study are to: establish the effect of training and development on student performance in public secondary schools in Thika West Sub-County Kenya; Determine the effect of management style on student performance in public secondary schools in Thika West Sub-County Kenya; Assess the effect of performance management on student performance in public secondary schools in Thika West Sub-County Kenya and; determine the effect of compensation and reward on performance in public secondary schools in Thika West Sub-County Kenya. This study is based on three theoretical foundations: Expectancy Theory, Human Capital Theory and; McGregor’s Theory X and Theory Y. The study adopts the descriptive survey design. The study sampled 100 teachers and 5 principles from the 13 public schools in the sub-county. The study collected both primary and secondary data using a structured questionnaires and interviews. Data from key informants is analysed thematically. Descriptive statistics, inferential statistics and Pearson correlation are used to analyse the data. On the first objective of the study, findings from Pearson correlation shows that training and development significantly affect student performance of public secondary schools and (r=0.870, p<0.05). On the second objective of the study, the findings show that principals’ leadership styles contribute to student achievement indirectly through teacher commitment and beliefs about their collective capacity. In this regard, the findings from Pearson correlation shows that there was significant effect on performance of public secondary schools and management style (r=0.648, p<0.05). On the third objective of the study, the findings show that performance management systems positive and significant affect student performance (Pearson correlation, r=0.844, p<0.05). On the last objective of the study, the findings obtained show that rewards positively contributed to the performance of teachers (Pearson correlation, r =0.885, p<0.05). In view of the findings of the study it is recommended that the government should put in place mechanisms for enhancing progressive training and development for teachers. Effort should be made to ensure consultative, democratic and transformational leadership styles are promoted in schools. Performance management should also be strengthened in schools so as to enhance assessment and feedback among teachers. Lastly, teachers’ salary increment proposals should be promptly implemented.

**Key Words:** Performance; Training & Development; Management Style; Performance Management; Reward and compensation.
Investigating the Effects of Leadership Commitment and the Implementation Of Strategic Plans In

Nandi County, Kenya

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The Government of Kenya adopted strategic planning in various parastatals, institutions and ministries to address distinct and prioritized strategic agendas in order to uplift service delivery. In the County Government of Nandi, strategic planning is part of the on-going public sector reforms geared at improving effectiveness and efficiency in the prompt delivery of public services. Strategic planning in the County Government is aimed at achieving the sustainable development goals (SDGs) as well as the targets set in the Kenya’s economic recovery strategy (KERS). This is one of the devotions of the Government of Kenya as a way of realizing her vision of providing accessible, affordable and quality services for all Kenyans. The core objective of this study was to determine the effect of managerial competence in the implementation of strategic plans in Nandi County. The research was carried out through a case study and interviews were conducted with the management, the sample populace and the functional staff with the help of interview guides. Nandi County developed its current integrated strategic development plan between the years 2013-2014 and during its implementation the strategic focus was on five wider objectives. However, the county continued to encounter managerial challenges in attaining her objectives. The research project sought to determine if County leadership, employees training, and resource allocations from the central government affect the implementation of the strategic plans. The target population for the project was members of the strategic management and implementation team of the various sub counties in Nandi County out of which all the 96 members were censured. The study employed a complete enumeration survey method where each and every item in the population was selected for the data collection. Primary data used in the study was collected using questionnaire which were self-administered while secondary data was collected from Nandi county’s annual reports and the quarterly departmental reports, researches journals, books, articles, and the internet publications. The questionnaires were evaluated for content reliability and validity. Pilot study was done on 20 respondents who were not included in the main study. Data analysis began by sanitizing data and establishing recurrent themes from the respondents’ description of their experiences. The data was then tested for completeness, coded, and analyzed. Tallying of the responses was carried out to generate information and to illustrate the general trend of findings about the respondents on the variables that were under study. The findings presentations was done using Statistical Package for Social Sciences (SPSS) software. Presentation took the form of tables, graphs and charts whereas qualitative findings were presented thematically. Majority of the respondents from the findings disagreed that the laid down strategies had been implemented. There was also no ideal period for the implementation of county strategic plans. Additionally, majority of the respondents agreed that there was need for improvement by benchmarking with other counties on the implementation of county strategic plans. The results of the study are of great significance to the county leadership and other related stakeholders in the various public or private sectors as it will recommend on parameters and or key indicators for improvement in the implementation of strategic plans. The study recommended that the county government of Nandi should give more priority to employment of woman so that the one –third rule envisage in the constitution of Kenya is realized. Additionally, the study recommended that top-level management should actively participate in formulation and implementation of strategic plans.

Key Words: Investigating the effect of Leadership Commitment and Implementation of Strategic Plans
Relationship between Employee’s Welfare Initiatives and Job Stability of University Catering

Employees in Nairobi City County, Kenya.

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The study sought to establish the relationship between employee’s welfare initiatives and job stability of catering employees in selected universities within the Nairobi City County, Kenya. It also established the relationship between employee’s welfare initiatives and job stability of university catering employees in selected universities in Nairobi City County, Kenya. The study was descriptive covering a stratified sample of 189 respondents drawn from 300 employees. Data was collected through self-administered questionnaires and an interview guide questions. The two tailed Pearson product moment correlation was used and interpreted as follows; 0.010 to 0.041 implied, insignificant relationships; 0.041 to 0.70 implied, a moderate relationship; while > 0.70 implied a significant positive relationship. Meanwhile, a negative value implied an inverse relationship. 189 questionnaires were distributed, out of which 152 questionnaires were received from the respondents. This represented a response rate of 80.42%. The findings indicated that, majority of the respondents (61.2%) were female while the minority (38.8%) were males. Majority (22.4%) aged between 40-44 years while the minority (1.3%). aged <20 years of age. The two tailed Pearson product moment correlation results revealed that, there is a strong positive relationship between welfare initiatives; sporting facilities (0.768), housing, (0.890), recreational facilities (0.651) and job stability. According to the findings of the study, there is a significant positive relationship between the welfare initiatives; paid holidays (0.701), leave policy (0.195), staff uniforms (0.142), pension policy (2.76), long service grants (0.879), meals allowance (0.771), canteen facilities, (0.178), sufficient number of toilets (0.971) with job stability of university catering employees. However, there is a moderate significant positive relationship between restrooms (0.562) and job stability.

Key Words; Welfare Initiatives, Job Stability, Welfare Programs, Fringe Benefits, Employee’s Assistance Programs, Employees’ Benefits, Social Exchange.

Role of Human Resource Metrics And Analytics On Organization Performance Of Insurance Firms In Kenya

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The purpose of this paper was to assess the role of human resource metrics and analytics in the organization performance of insurance firms in Kenya. The study used desktop literature review by focusing on past literature relating to HR Metrics and Analytics, and performance of a company. A total of 21 journals were found relating to HR Metrics and Analytics, and performance of a company. This paper is informed by two theories, namely, configurational theory and resource based view theory. The results from the literature review established different views of the effect of HR metrics and HR analytics on performance of insurance companies in Kenya. The study found that the use of HR information system increased the efficiency of HR functions and therefore contributing to the capacity of HR department in performance of insurance companies. Some of the measures that were found to measure efficiency were, the cost of recruitment per recruit and time taken to recruit. It was found that if the time of recruitment increased then there was a likelihood of a detrimental effect on the performance of the insurance company, and this is because key posts remained unfilled over time hence delay in decision making which eventually trickles down to negative effect on the performance of the company. Further, efficiency metrics were found to be useful in balancing the aspects of resource expenditure and performance.
enhancement in insurance companies. Properly set effectiveness metrics were also found to represent the quality of the efforts by HR in wider systems such as, compensation, training, staffing, recruitment, labour relations and performance appraisal. In regard to outcome metrics, the paper found that insurance companies having high workforce HR systems had considerable financial impacts in terms of market value per employee, profits per employee, and sales per employee. Revenue per employee as an outcome metric was found to have the capacity of providing the HR with a good understanding of an insurance company’s human capital. The study concluded that HR analytics was an evidence based approach that enabled better decision making in an insurance company which in turn improved the performance of the company. HR analytics were found to connect workforce utilization to financial objectives for enhanced insurance company performance, and identification of determinants that lead to greater customer satisfaction and retention.

**Key Words:** HR Metrics, HR Analytics, Performance and Insurance companies

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**Employee Retention Strategies and Organizational Performance of the Judiciary In Nairobi County, Kenya.**

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The purpose of this study is to determine the effect of employee retention strategies and organizational performance of the Judiciary of Kenya, a case of employees based in Nairobi County. Specifically, the study sought: to determine how employee compensation, job security, employee training and development and employee motivation affects performance of the Judiciary of Kenya. The study employed a descriptive survey research design through which primary data was collected from 286 employees of the Judiciary of Kenya based in Nairobi. Quantitative data was analyzed using both descriptive and inferential statistics. The R² for the overall model was 0.844 an indication that the four variables of the study explained up to 84.4% of performance of Judiciary in Nairobi. There should be a study to therefore unveil the other factors contributing to performance of state corporations that make the 15.6% remainder.

**Key Words:** Employee Retention, Strategies, Organizational Performance, Judiciary, employee training and development.

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**Quality Management Practices And Performance Among Manufacturing Companies In Kenya**

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In today’s global environment, organizations are constantly looking for ways to expand and improve their businesses in terms of quality and quantity to enhance performance, a challenging feat to all
manufacturing companies in Kenya. Because of this, it has become necessary for Kenya government through Vision 2030 to come up with strategies of improving performance of locally produced goods in local and international markets. Accordingly, all manufacturing companies are seeking to implement a set of cutting edge practices that have proven successful elsewhere and that will help them to identify changes in their environment and to respond proactively, including embracing quality management practices. The purpose of this study was to establish the effects of quality management practices on performance of ISO certified manufacturing companies in Kenya. The target population comprised all 60 ISO certified manufacturing companies in Kenya and a sample size of 120 respondents. The study employed descriptive and explanatory research design, which was cross sectional in nature. Primary data was collected self-administered questionnaires with both open-ended and close-ended questions. The data were analyzed using descriptive and inferential statistics. Descriptive statistics was used to describe and summarize data. Inferential statistics, particularly Pearson’s Product Moment Correlation, was used to quantify the strength and direction of the relationship between variables and regression analysis was used to establish the hypothesized relationship among the study variables. Data presentation was done in form of tables. The study established that there is a positive relationship between quality management practices on performance of ISO certified manufacturing companies in Kenya.

Key Words: Quality management practices, performance, ISO certification

Dynamics In Managerial Decision Making
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In the recent times there has been high competition in highly dynamic environment, thus business practitioners have paid key attention on managerial decision has so as to enhance competitive advantage. There is high need to find answers to complex issues arising and where the old ones are not working. Managers have to use a modern way of decision making which companies should design plans of coping with challenges in the business environment and evaluating the impact of those decisions made. Management coming with strategies has gained acceptance by most organizations so as to be effective and efficient in their operations and achieve objectives. Most organizations are not an exemption thus management has to come up with decisions with an aim of enhancing its efficiency through formulation, implementation and evaluation. There has been a conflict of results as this management decision has not necessary brought the intended outcome or benefited the organizational performance. Studies have been done over this decisions which are costly and do not necessarily lead to achievement of objectives and realization of the organizational mission. Proponents of strategic management, on the other hand, idealizes that strategic management improves the performance of organizations thus It is a crisscross stand point that every organization should monitor. This paper explores empirical literature and gives conceptual overview that will have its unique contribution on exploring the concept of managerial decision and implication to Firm’s Performance.

Key Words: Managerial Decision Making, Firm Performance.

Transformational Leadership and Management for Enhanced Industrial Capability
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Global technological and social alteration has promoted today’s managers to rethink on their leadership styles. Transformational leadership therefore becomes necessary for both private and public agencies, particularly for those in in turbulent industries where there is heightened competition. The importance of transformational leadership as a component of strategic management process toward high performance
has been subject of a lot of discussion by scholars and practitioners. Studies quoted concluded in 57 public sectors in the United Kingdom revealed that transformational leaders could influence how followers perceive their work activities and that these perceptions resulted in an increase in the followers’ job satisfaction, commitment, and performance. Whether called active, strong indications are that transformational leaders affect their subordinates’ behavior and effectiveness more. The dominant role of transformational leadership, particularly in the context of any industry is the result of the fact that many Chief Executive Officers have transformational ventures, which gives them visionary decision-making guidelines. Most companies nowadays are characterized by flat hierarchies which imply a large span of control. Additionally, most companies tend to be managed in an informal way, which again opens up a large degree of discretion to decisions of top management. Leadership issues can cause an exodus of talent, tardiness, absenteeism, lower productivity, reduced customer satisfaction, less innovation and, ultimately, reduced economic benefits. Therefore, it is vital that managers become transformational leaders because leader effectiveness determines the success levels of organizations. Effective leaders and managers are vital to ensuring employees are fully engaged at work. There is a relationship between transformational leadership and organization’s success. The relationship is central to business success and core to the way we structure and manage business organizations in the industry. Transformational leaders have been suggested to have an impact on institutions performance across the globe. The trade in services is growing enormously worldwide. World-class service providers like American Express alongside other small service firms are exporting information through advertisements, knowledge, creativity and innovation that the world badly needs. Key elements of Companies are that they are characterized by a dominant role of top management on the firm. The top management of a company has a considerable impact on the company's strategic orientations: "executives' experiences, values, and personalities affect their field of vision (the directions they look and listen), selective perception (what they actually see and hear) and the interpretation (how they attach meaning to what they see and hear)."

**Key Words:** Transformational leadership, management, industrial capability, turbulent, competition, strategic management process

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**Training and Employee Performance in Nyeri County Government, Kenya.**  
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Employee performance in the County has been deteriorating with majority of the employees not achieving the set individual and departmental targets, some of the employees don’t report to work in the right time and others leaving early for their personal activities. Employees should be the most valued and critical asset in any county as they individually and collectively contribute to achievement of County objectives. This has not been so in County Government of Nyeri with less training and at times several employees lacking a single training in a year. Therefore, this study aimed at investigating the effect of training on employee’s performance in County Government of Nyeri. The specific objectives of the study were; to identify the effect of job rotations, coaching, orientations and role playing on the employee performance in County Government of Nyeri. The study was carried out in Nyeri County and the study included data for 2013 to 2017 on employee performance. The study was anchored on Human Capital Theory. Other theories supporting the study were Reinforcement Theory and Social Learning Theory. Descriptive and exploratory research design were used. The target population focused on all the employees working in the County Government of Nyeri. The sample size was 97 employees. Questionnaire was used to collect primary data. Validity was sought from experts and reliability was tested using Cronbach alpha. The data
collected was analyzed by inferential Statistics and descriptive statistics. The findings presented that job rotation was rarely practiced in Nyeri County Government. The study also found that job rotation is necessary to decipher the needs of the individuals and groups within the organization in order to utilize maximize experience which translates to high performance workplace. The findings presented that knowledge was shared during orientation in Nyeri County government. The findings indicated that employees in the county government normally attend Kenya school of government for training or are trained internally by their senior employees. Adherence to policies and leadership programs had moderately improved due to introduction of role playing in many departments in Nyeri County Government. The study concluded that the relationship between job rotation and employee performance was positive and significant. The study concluded that relationship between orientation and employee performance was negative and significant. The study concluded that the relationship between coaching and employee performance was negative and significant.

**An Empirical Investigation of the Role of Corporate Communication on Performance of Equity Bank Limited in Nairobi City County, Kenya**

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The study sought to investigate the role of corporate communication on performance of Equity Bank limited in Nairobi City County, Kenya. Corporate communication measures comprised of staff communication, shareholders communication, and communication to the general public. Learning organization theory anchored this study. This research adopted explanatory and cross-sectional research design. This study targeted a population of 130 employees encompassing senior level management, middle-level management, and functional-level management. Proportionate stratified random sampling technique was applied to sample 65 staff as the target population. The research instruments used in this study were semi-structured questionnaires and interviews guide. They were used collect both quantitative and qualitative primary data while secondary information was retrieved from published records. The response rate was 92% which was above 50% threshold of the recommended response rate by Mugenda and Mugenda. Descriptive statistics were used in analyzing quantitative data by use of SPSS version 22 and results were presented in the form of standard deviations, percentages, frequencies, and frequencies mean. Correlation test (α=0.05) was performed to ascertain the level of association between the predictor and the response variable. Qualitative data was tested using content scrutiny and was presented in a prose form. The study found out that corporate communication positively affects the performance of Equity bank limited in Nairobi City County, Kenya. Statistical analysis results illustrated that corporate communication and performance were significantly related. The study recommended the management to incorporate effective and efficient channels of communication to ensure timely and full disclosures of relevant information to the stakeholders.

**Key Words:** Change management, corporate communication, and performance
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The Insurance industry in Kenya is very competitive, with the number of insurance companies as at December 2016 standing at 50. Despite this, the level of insurance penetration in the country is about 2.73%, which is relatively lower than the average world penetration rate of 6.28%. This study sought to investigate the influence of competitive strategies on insurance penetration in Kenya. The specific objectives included; investigating the influence of cost leadership, differentiation, focus strategy and critical success factors on insurance penetration in Kenya. The study adopted a descriptive and explanatory research design. The study was cross-sectional, with the use of both primary and secondary data. Primary data was collected by use of questionnaires with close ended questions. Data was collected from head of marketing and head of business development departments as they hold key information. Before collection of data, the questionnaire was tested for validity and reliability. Both tests confirmed that the questionnaire was valid and reliable for data collection. The data was analyzed using descriptive statistics, correlation analysis and regression analysis. The results of correlation analysis indicated that competitive strategies were positively associated with market share. The findings indicate cost leadership strategy positively and, company size had positive and significant influence on insurance penetration, implying that an increase in size had positive effects on insurance penetration. No evidence of moderation effect of critical success factors was found. The study concluded that adoption of cost leadership strategy enhances insurance penetration. Additionally, an increase in size of insurance companies enhances their ability to penetrate the market. The study recommends that insurance companies should seek strategies for cost efficiency in order to penetrate the market. Also, the insurance companies should seek growth opportunities.

Key Words: competitive strategies, cost leadership, differentiation, focus, penetration

Corporate Social Responsibilities Practices and Organizational Performance of Firms in the Petroleum Industry: A Case of Total Kenya Limited, Kenya
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The study sought to investigate the relationship between environmental responsibility, and the organizational performance of Total Kenya Limited. The study was anchored on the theory of fiduciary capitalism, stakeholder’s theory, Theory of Social Costs, and Carroll’s Pyramid of Corporate Social Responsibility. The study adopted an explanatory research design. The study targeted the 400 employees of Total Kenya Limited to determine the relationship between its various corporate social responsibility practices on organizational performance. A sample of 80 employees established using Slovin’s formulae was used in this study. Statistical Package for the Social Sciences was used to code and analyze the collected data. Besides, regression analysis was conducted to determine the relationship between Corporate Social Responsibility practices and organizational performance. The findings of the study revealed that there exists a positive correlation between environmental responsibilities on organizational
performance. The study concluded that apart from the four variables studied, there are other CSR practices that can be adopted to enhance organizational performance. Therefore, the study recommended that further studies are conducted to establish the other CSR practices. Besides, further studies should be done in other companies in the petroleum industry as well as in other sectors and compare results.

**Key Words:** corporate social responsibility, organizational performance, petroleum industry, environmental responsibility.

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**Corporate Social Responsibility Activities And Competitive Advantage Of Equity Bank Kenya Limited**

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Commercial banks in Kenya operate in a dynamic environment characterized by technological changes, competition, regulatory requirements, economic changes and opportunistic strategic decisions. The stiff competition among the various players in the banking industry has lead the banks to look for more innovative ways of satisfying their stakeholders while at the same time making profits. Banks in Kenya have been involved in corporate social responsibility programs in the area of education and training, health, sustainable environment, sports and improving the livelihoods of vulnerable groups in society. Corporate Social Responsibility refers to operating a business in a manner that accounts for the social and environmental impact created by the business. As competition in the banking sector intensifies not only amongst themselves but from other competitors such as Micro Finance Institutions and Saccos, there is need to focus on other strategies to gain competitive advantage. The objectives of this study were; to determine the influence of education programs, environmental protection, and enterprise development and staff development programs as CSR activities on competitive advantage of Equity Bank Kenya Limited. The study was anchored on stakeholder’s theory, strategic leadership theory and resource based view theory. The study used descriptive research design. The target population of this study comprised all the management staffs of equity bank in Kenya drawn from the head office in Nairobi who total to 145. Stratified sampling was used to draw 67 respondents. Primary data was collected using a semi structured questionnaire administered to staff using pick and drop method. Data was analysed using descriptive statistics, correlation and regression analysis. Results of the study revealed positive and significant relationship between education programs, environmental protection, enterprise development, staff development programs and equity bank competitive advantage.

**Key Words:** Competitive advantage, corporate social responsibility, Equity Bank Kenya Limited.

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**Corporate Social Responsibility and Growth Strategies of Selected Commercial Banks in Kitui County, Kenya**

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**Purpose:** The purpose of the study was to investigate the effects of corporate social responsibility on growth strategies of commercial banks in Kitui County. **Methodology:** the study used descriptive research design. The target population was commercial banks in Kitui County which have integrated corporate social responsibility activities in their operations. The study focused mainly on staff of commercial banks
in Kitui County who were one hundred and twenty eight. The respondents were drawn from departments of managerial, operations and sales. Moreover a census of departments within the commercial banks was taken for the study. The study used both primary and secondary method of data collection. The primary data was collected using self-administered questionnaires, which were administered by drop and pick method. The closed ended and open ended questions were used in the self-administered questionnaires. The secondary data was collected using previous annual reports from the banks. Data collected was quantitative and was analyzed using descriptive data analysis. The relationship between the variables was analyzed using multiple regression models, computer packages SPSS version20. Results: The study found out that philanthropy contributed more to growth strategies of commercial banks, followed by ethical labor relations while environmental protection had the lowest effect. The study concludes that for commercial banks to achieve high level of growth and profitability they must actively engage in philanthropic activities which have a great influence on growth strategies of commercial banks. Moreover commercial banks should promote ethical labor relations amongst their employees and also participate in environmental protection that has a positive effect on growth strategies of commercial banks. Unique contribution to theory, practice and policy: The study recommends that commercial banks should increase the budget allocation on philanthropic activities, environmental protection programs and ensure ethical labor practices are implemented as they have a significant positive influence on growth strategies of commercial banks. The study recommends a similar study to be conducted in other Counties facing similar challenges in Kenya and also other financial institution in Kitui County to allow generalization of results.

Key Words: Corporate, Social, Responsibility, Growth, Strategies.

Compensation Schemes and Employee Performance of Commercial Banks In Nairobi City County, Kenya

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Compensation and benefits are the most critical factors in attracting and retaining high quality employees. The employees' commitment and motivation are directly tied to this aspect of the employment relationship. Great employers provide generous monetary and non-monetary compensation and benefits to their workforce. Money is considered as the reward which is given to employees against work, to support their family, and payment for the work which is done. The banking sector in Kenya has over the years faced a number of challenges including increasing competition, increased regulation by the government and high rate of technological growth especially the mobile phones that now offer banking services. Managers often use rewards to reinforce employee behaviour that they want to continue. The general objective of this study was to establish the relationship between compensation schemes and employee performance among commercial banks in Kenya. Further, the study sought to find out the effect of commissions and bonus schemes on employee performance among commercial banks in Kenya. The study was guided by the following theories: Expectancy theory, and Herzberg’s Two-Factor Theory of Motivation. A descriptive research design was used to gather the information needed to achieve the objectives. The target population was all the 44 commercial Banks consisting of staff members working in the human resources department at top level, middle level and low level management totaling to 336. Stratified random sampling technique was used to generate a sample size of 101 respondents who formed 30% of the target population. A semi-structured self-administered questionnaire was used to collect the data. The data was analysed using descriptive statistics and presented in tables, charts, means and percentages. The study established that. Commission (β=0.179, p=0.030<0.05) had a positive and significant effect on employee performance. Bonus schemes (β=0.171, p=0.015<0.05) had a positive and significant effect on employee performance. The study concludes that incentives had a positive and significant effect on employee performance.
**Key Words:** Compensation Schemes Commissions, Bonus, Employee Performance.

**Effect of Corporate Strategies on the Performance Of Manufacturing Firms In Nairobi City County, Kenya**

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Performance is an important factor in firm strategic analysis since it helps in measurement of the competitive position of an organization within industry. Most theoretical literature in strategic management describes performance as outcome of firm’s strategic objectives, which are developed and executed at the corporate level of management. The acquisition and utilization of strategic resources has been shown in various empirical studies as determinants to maximise performance. However, extant literature on the role of corporate strategies as driver in the utilization of these firm strategic resources towards superior performance has not been adequately examined. This is so especially in the developing economies, notably sub-Saharan Africa. This paper examines the effect of corporate strategies on performance of manufacturing firms in Nairobi City County, Kenya. The corporate strategies under study were market development, product development and diversification. The authors empirically examine the relationship using survey data from 148 manufacturing firms in Nairobi City County, Kenya. The study findings indicate that corporate strategies have a positive and significant impact on a firm’s performance. This study has important implications for managers and policy makers of manufacturing firms on the need of developing and executing corporate strategies within their firms to enhance performance.

**Key Words:** Corporate strategies, firm performance, manufacturing firms, Nairobi City County

**Employee training and performance of agency banking units of selected commercial banks in Nairobi city county, Kenya**

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Despite the progress made in implementation of Agency Banking both the Commercial Banks and the Agents have not realized the expected results. The study aimed at establishing the relationship between training needs assessment, on-the-job training, off-the-job training and training evaluation and the performance of agency banking Kenya. The study was guided by the Human Capital Theory, Resource Based Theory, and Experiential learning theory, Reinforcement theory and Balanced Scorecard. The study adopted a descriptive research design. The study targeted a population of 882 comprising Agency Banking Managers, Agency Banking Supervisors and Bank Agents and selected a sample of 268 respondents. Primary data was obtained using self-administered open and closed ended questionnaires and an interview guide. Secondary data was obtained from the banks record on profitability, market share and number of transactions. Data was analyzed for descriptive and inferential statistics using Statistical
Package for Social Sciences (SPSS Version 25.0). The information was presented in form of tables and graphs. The study found out that training needs assessment influences performance of agency banking in Kenya to a great extent. The study also found that transfers were used in the banks and it provided experience in other areas. The study concluded that Training Needs Assessment had the most influence on the performance of agency banking in Kenya, followed by on-the Job Training, then by Training Evaluation and the least was off-the Job Training. The study recommends that the commercial banks should assess their agents’ needs for training and development more often and conduct them as need arises. Further, the study recommends that the commercial banks should give equal opportunity and chance to every employee to participate in the training programmes.

**Key Words:** Performance of Agency Banking, Training Needs Assessment, on-the-job training, Off-The-Job Training, Training Evaluation, Profitability and Market Share.

**Influence Of Trade Unions’ Management Of Collective Bargaining Terms On Productivity In Technical And Vocational Education Training Institutions In Kenya**

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The study aimed at establishing the influence of management of collective bargaining terms on productivity in Technical and Vocational Education Training (TVET) Institutions in Kenya. The research adopted cross sectional survey research design. The target population was TVET Institutions with 5718 individuals that included Principals, Deputy Principals, heads of departments, teaching staff, non-teaching staff, a ministry of science and technology education official, Secretary Generals of KNUT, KUPPET, COTU, TUC and representative from the TVET Institutions. The sample size was 361 of which 315 responded. Purposive sampling was used to select 10% of sample size of institutions for pilot testing. Normal approximation to the binomial distribution and stratified sampling were used to arrive at the sample size. A structured questionnaire and an interview schedule were used to collect primary data. The questionnaire was pretested before data collection for validation and reliability. Secondary data was collected through evaluation of journals, reports, and publications. The Statistical Package for Social Sciences (SPSS) version 22 was used for the statistical analyses. The study revealed that there is a positive linear relationship between trade unions’ management of collective bargaining terms and productivity. The study recommended that TVET institutional heads and Ministry of Science and Technology officers should always seek to work harmoniously with trade unions instead of competing in order to enhance productivity of lecturers and other members at the TVET institutions. TVET institutional heads and the ministry officials should tap into the influence of trade unions to achieve organizational goals at TVET institutions and thereby enhance productivity. The study is beneficial to Education stakeholders, trade union officials and the Government at large.

**Key Words:** Trade Unions Management of Collective Bargaining Terms, Productivity, TVET Institutions in Kenya.

**Integrating Entrepreneurial Education through Online platforms in Kenyan Higher Education Institutions: A case of Kenyatta University**

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In as much as entrepreneurial education is fast growing and viewed as the avenue for development and economic growth by various government and policy makers, there is little consensus on the goals to be
achieved by entrepreneurial education, its classroom pedagogy, and its evaluation in terms of how the results, outcomes, and efficiency of that education can be attained. Hence, there have been calls from entrepreneurship scholars for action as regards to the construction of a public policy to facilitate entrepreneurship through developing theories around entrepreneurial education. This paper addresses the effectiveness of delivering entrepreneurship curriculum through a blended approach that involves regular face to face teaching and online delivery through video tapes and case studies. The paper is anchored on three main research objectives: to establish the vocational choices of youth after completing the undergraduate degree; the societal influence on attitudes towards the entrepreneurship among the youth and to establish the effectiveness of the blended curriculum in entrepreneurship among university students in Kenyatta University. The study employs a descriptive survey research design; a target sample of 361 Kenyatta University, entrepreneurship first year students was used. The study adopted both quantitative and qualitative research designs and both primary and secondary data sources were used. Open and closed ended questionnaires were used to collect primary data and data set from the National Entrepreneurship Network was used for secondary data. From the study findings, at least 43% of the respondents stated starting a small business to be their most preferred vocational choice after completing the undergraduate degree compared to 24% who stated working for a private business corporation. The study also revealed that at least 50% of the respondents agreed to a great extent that the blended curriculum complements the face to face classroom experiences; with at least 69.5% agreeing to a great extent that the blended entrepreneurship unit changed their attitudes positively towards entrepreneurship. However, following the qualitative analysis, the lack of adequate resources such as smart phones, reliable and accessible internet, inadequate facilities in the lecture halls and computer laboratory hindered the implementation of the blended curriculum. This implies that although the attitude towards entrepreneurship is changing positively among the youth, the institutions of higher learning should provide the enabling environment through provision of resources that will enhance the delivery of the entrepreneurship curriculum among the students.

**Key Words:** Blended curriculum, entrepreneurship education, national entrepreneurship network.

*Knowledge Management Practices and Performance Of Public Sector Institutions ¹Nathan Karanja Kiiru*

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There has been raging debate on the effect of knowledge management in performance of government institutions. Knowledge management provides a strong basis for gaining competitive advantage in today's business environment, hence organizations have been forced to review the importance of knowledge in organizations. The current study explored the effect of practices associated to knowledge management in public sector institutions focusing on the Kenya School of Government (KSG). The study sought to find out the effect of knowledge creation, sharing and application on performance of KSG. The study adopted a descriptive research design whereby a survey was carried out on the study population. The target population was the KSG management, staff at supervisory level and faculty. The sample size of 109 respondents, out of the population of 109, 55 respondents was selected through stratified sampling. Primary data was obtained through structured questionnaires. Study findings indicated that knowledge management practices had a significant effect on performance of KSG. The correlation analysis carried out indicated that knowledge creation had the strongest correlation with performance at KSG. Knowledge storage had an equally stronger relationship with KSG performance. Knowledge application and sharing had insignificant relationship with KSG performance. The coefficient correlation between knowledge storage and performance was significant. This implies that there was a direct relationship between
knowledge storage and KSG performance. The findings of the study benefited KSG as it highlighted the gap to effective knowledge management for enhanced performance. The findings will be beneficial to policy makers as the findings will guide in enhancing areas of improvement in knowledge management for improved institutional performance. Academicians will rely on the gaps identified in the study to further interrogate knowledge management and organizational performance.

Key Words: Knowledge Management, Knowledge Creation, Knowledge Sharing, Knowledge Storage, Knowledge Application, Organization Performance

Marketing Mix and Adoption of Improved Sanitation Products among Rural Households in Magarini, Kilifi County Kenya

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Adoption of improved sanitation has remained a challenge over a period of time. Kenya is one of the countries that missed the MDG target, with almost 70% lacking access to improved sanitation, and approximately 6 Million Kenyans defecating in the open. There is evidence of social marketing strategies being used to change behavior and increase adoption of products with health benefits. However the use of the conventional marketing strategies is scantily explored. This research sort to seek the following specific objectives: 1) the effects of product attributes on adoption of improved sanitation among rural households in Magarini, Kilifi County, 2) the effects of price on adoption of improved sanitation among rural households in Magarini, Kilifi County, 3) the effects of promotion on adoption of improved sanitation among rural households in Magarini, Kilifi County, 4) the effects of product placement on adoption of improved sanitation among rural households in Magarini, Kilifi County. Primary data was collected from a total of 375 households. Using semi structured questionnaires. Data was analyzed using both descriptive and inferential statistical methods. In particular multiple regression was also used to establish the effect of marketing mix on adoption of improved sanitation as well as the change in $R^2$ with introduction of income and payment options as a moderator. Findings indicate that community meetings, friends and relatives play a great role in influencing adoption. The marketing mix significantly influence adoption and the relationship is moderated significantly by income and payment mode used by the providers. The study recommends introduction of flexible payment options as a way of increasing adoption as well as utilization of community volunteers as sales agents.

Key Words: Improved sanitation, Millennium development goals and marketing mix.

Marketing strategies and purchase decision among consumers of smartphones in Nairobi city county, Kenya

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The study sought to establish the effect of marketing strategies among consumers of smartphones in Nairobi City County. The study was guided by the Stimulus Response Model, Howard & Sheth model and Jerome McCarthy’ 4Ps, it applied descriptive and explanatory research design. Residents of Nairobi between the ages 18 and 35 years formed the target population, they were approximated to be 1,694,127 and a sample size of 278 drawn from this population. The research adopted area sampling method which
is a form of cluster sampling and data was collected using self-administered questionnaires based on a 1-5 Likert Scale. Descriptive and inferential data was analyzed using stepwise multiple regression and data was tested using SPSS (22.0). Findings reveal that product strategies significantly influenced purchased decision with brand name and camera resolution being the leading drivers. Pricing strategies also had a significant influence on purchase decision with everyday low pricing, free data bundles and high price for high specifications as the most significant strategies. Place strategies significantly influenced purchase decision with indicators like shops stocking a wide variety of phones, online presence and availability of warranty centers being the most significant. Social media reviews, family and friends, TV advertisements were the most effective of all promotion strategies items. Customer characteristics (age, education and income) had a significant moderating effect on the relationship between marketing strategies and purchase decision. Based on these findings the study concluded that marketing strategies do have a significant effect on purchase decision.

Key Words: Marketing strategies, purchase decision, differentiation, branding

Customer Service Skills, Firm Characteristics And Firm Performance: An Integrative Theoretical Framework

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For the past decade there has been rising need for customer service skills by both academicians and professionals alike. Customer service skills are a major milestone in marketing and entrepreneurial fields as one of the key marketing strategies to help organizations gain competitive advantage over their competitors. Realizing this need, organizations and entrepreneurs in a competitive market have implemented customer service skills to outdo their competitors in the field. The study purposes to carry out a comprehensive review of the conceptual, theoretical and empirical literature on the relationship between customer service skills and firm performance, and moderating effect of firm characteristics. A focus on the nature of customer service skills raises fundamental questions on how firms could sustainably achieve this aspect. The study is anchored on the service quality theory and resource based view theory. Comprehensive proposed conceptual framework is clearly indicated based on the empirical and theoretical literature. In conclusion, it is therefore urged that Customer service skills has a significant effect on firm performance. Therefore, further studies should be conducted using different variables as opposed to the ones used for this study. Data collection and analysis are recommended to be carried out using different contextual aspects from different geographical location.

Organizational Resources and Strategic Plans Implementation in Administration Police Service in Baringo County, Kenya

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The aim of the study was to explore the relationship between organizational resources and strategic plans implementation in Administration police service in Baringo County, Kenya. **Methodology:** The study adopted descriptive research design. The population of this study was administration police officers deployed in Baringo County. The total number of officers was 720 found in six sub counties; Baringo Central 92, Baringo North 113, Mogotio 81, Marigat 223, Koibatek 128 and East Pokot 83. The aggregate sample size was 216. Data was collected by use of structured questionnaires adopting Likert scale formation. Data was analyzed mainly by use of descriptive and inferential statistics. Descriptive statistics included mode, mean, median, standard deviation. Inferential statistical techniques like correlation and regression coefficients were used to draw causal relationship between the various organizational resources and implementation of strategic plans. Data was presented by use of graphs, pie charts and tables.

**Results:** The study findings indicate that organizational resources significantly influenced implementation of strategic plans. Financial, human, capital and technological resources greatly influence successful implementation of strategic plans in an organization.

**Unique contribution to theory, practice and policy:** The study recommended that there is need for increased funding of Administration police service in Baringo County both from the national and county governments. Job relationship between senior and junior officers should be improved. Government should ensure all housing facilities are operational, in good condition and enough. The study further recommends clear guidelines on implementation of reforms, community-based policing and improvement of guidelines on training, enhancement and capacity building.

**Keywords:** Organizational, Resources, Strategy, Plans, Implementation, Administration Police Service

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**Resource Isolating Mechanism and Sustainable Competitive Advantage Among Commercial Banks In Kenya**

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Kenyan commercial banks are facing intense rivalry within the industry due to dynamic changes in the external environment. For survival in the industry, it is important that banks respond to the changes in the external environment. Sustainable competitive advantage has become the core focus of corporate strategy, has increasingly gained much attention in strategic management and is a concept which enables organizations to survive in the long-run. The main purpose of this study was to establish the effect of resource isolating mechanism on sustainable competitive advantage among commercial banks in Kenya.

The specific objectives in this study were to ascertain the effect of economic deterrence, identification of rival competitive advantage and exploitation of opportunities on sustainable competitive advantage among commercial banks in Kenya. Descriptive and explanatory research designs were employed in the study. The research targeted all the commercial banks in Kenya. Purposive sampling was used to select a sample of 160 respondents from the key departments of Finance, Sales and Marketing, Strategy and Operations of all the forty (40) commercial banks’ headquarters in Kenyan capital Nairobi. The data collection instrument used was semi-structured questionnaire. The variable characteristics were summarized using descriptive statistics. Agreement to the most frequent responses to the statements on the study variables ranged between moderate and high extent. Based on results of hypotheses testing, there exists a positive effect of resource isolating mechanism on sustainable competitive advantage.

**Key Words:** Resources, Isolating Mechanism, Competitive Advantage, Sustainable Competitive Advantage, Sustainability
Service Quality and Customer Satisfaction among Account Holders in Deposit Taking Savings and Credit Cooperative Societies in Nairobi City County, Kenya.

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Organizations innovate quality products and services to meet the needs of their target market in a satisfying manner. However, customer preference and technological changes that have increased information awareness to the customer are changing the way organizations operate for sustenance. DT SACCOs are under pressure to meet the changing needs of their customers which has been made worse with competing brands and availability of substitute. SACCO members are withdrawing their membership while some opt for alternative banking products due to dissatisfaction with SACCO products. The study sought to assess the effect of service quality on customer satisfaction among account holders in DT SACCOs in Nairobi City County, Kenya. Theories of cognitive dissonance, expectancy-disconfirmation, SERVQUAL and European Consumer Satisfaction Index (ECSI) guided the study. The study used descriptive design with cross-sectional approach. The target population was members of DT SACCOs in Nairobi generated from SASRA DT SACCO performance report of 2016. A census survey of 39 DT SACCOs was adopted with proportionate stratified sampling to arrive at a study sample of 100. Data was collected using 52 questions made from SERVQUAL model. Systematic random sampling was used to identify respondents in the banking hall assisted by two research assistants. Cronbach’s Alpha was used to test reliability. Descriptive, correlation and multiple regressions were used in the analysis with the aid of SPSS. The study found that service quality is strongly related to customer satisfaction. The study also found that service quality dimension of empathy affected the outcome of customer satisfaction significantly. The study recommended enhancement of tangibility, reliability, responsiveness and assurance dimensions to improve customer satisfaction. The study also recommended future research on other factors that affect customer satisfaction outside service quality like culture and corporate image.

Key Words: Service Quality, Customer Satisfaction, SERVQUAL, Tangibility, Reliability, Responsiveness, Assurance, Empathy.

Stakeholder Management and Performance Of Construction Projects In Informal Settlement In Kenya

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Recurrent observations on increased number of underperforming construction projects in informal settlements as evidenced by frequent collapsing of the buildings which has claimed the lives of people and destroyed their properties worth millions of money has attracted a lot of the studies on performance of construction projects. This paper examines the contribution of stakeholders’ management on performance of the construction projects in informal settlement in Kenya. Specifically the paper focuses on effects of project clients, consultants and contractors management on performance of the construction projects. The study used a cross sectional design and targeted 412 completed and ongoing projects which had a workforce of 870 from which 30% was selected to form a sample size of 261 respondents. Stratified random sampling was used. Through drop and pick method, structured questionnaire was used to collect the data. Statistical Package for Social Science was used to analyse the data. The descriptive statistics indicated that the study variables were very important as indicated by high values of the mean and the low variations on the respondents opinion was shown a by low values of the standard deviation. There was a positive and significant correlation between clients, consultants, contractors management and the performance of the construction projects (r=0.872, p=0.005; r = 0.570, p=0.001; r=0.921, p=0.000 respectively). The study also found that project contractors have biggest role in determining project performance and client least influence with his/ her involvement being at planning stage only and little involvement during project implementation. The paper concludes that the importance of stakeholder management on the performance of projects cannot be underestimated. Construction projects need to consider various stakeholders interest while planning and implementing the projects and ensure they are engaged at all project stages. The relevant policies need to consider the stakeholders involvement as key in ensuring improved construction project performance.

**Key Words**: Stakeholder management, construction projects, project performance, informal settlement, client, consultant, contractors, Informal settlement.

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**Strategic Human Resource Management Practices and Employee Retention In Commercial Banks In Nairobi City County, Kenya.**

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**Purpose**: The purpose of this study was to establish the influence of strategic human resource management practices on employee retention among commercial banks in Nairobi City County, Kenya.

**Methodology**: This study adopted a descriptive survey design. The target population was all the 42 commercial banks licensed and regulated by the Central Bank of Kenya with head offices in Nairobi City County. It consisted of staff members working in the human resources department who include 42 top level managers one from each bank, 84 middle level managers two from each bank and 210 low level managers totalling to 336 respondents. The sample size was 100. Data was collected using semi-structured questionnaires. The data was analyzed using both descriptive and inferential statistics and presented using graphs, pie-charts and tables. **Results**: The banks were found to select the best employees but do not retain them due to poor reward structure, irrelevant job design with most employees not comfortable with their job and some not understanding their roles. The banks however were thorough in implementation of performance management and appraisal among their staff all aimed at ensuring their performance. This however neglected the welfare of the employees. **Unique contribution to theory, practice and policy**: It was recommended that in order to for the commercial banks to improve employee retention there is need to improve their reward criteria to be in tandem with employee performance, skills and qualifications. The banks should ensure that employees are rewarded for good performance and grow in scale or job group. The study recommends that the banks should involve their staff in performance management strategies to improve their acceptability and convenience among them. The study recommends that further studies be done on the influence of reward criteria on employee performance, the analysis of the effect of
performance management on employee output in Kenya and a comparative study on employee retention determinants among firms in Kenya.

**Key Words:** Strategic, Human, Resource, Management, Practices, Employee, Retention

**Technology Innovation and Sustainability Of Community Based Development Projects In Kajiado County**

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Project sustainability is a critical component in the project lifecycle. Sustainability in development projects is a dominant concern affecting decisions and actions that may shape donor policies for years to come, other authors define sustainability in relation to the development of poor regions. Sustainability has remained a major challenge to many development projects globally. Donors put in billions of dollars to development projects only for them to fail immediately the funding stops. This study looked at the effect of both financial innovations in technology and technological process innovation on improving the management of Community Based Development Projects. The study was conducted in in Kajiado County. The study was precisely delimited to employees working with the aforementioned Community Based Development Projects. In the study, it was noted that technological innovations increase firm performance by considerably reducing administrative and transaction costs, reducing costs of service and improving labor productivity in Community Based Development Projects. Descriptive Research Design was utilized in this study. The target populations of this study were project managers, finance officers, project officers, county leaders, community leaders and beneficiaries in community development projects in in Kajiado County, who made a total of forty-nine (49) respondents out of which the 40 respondents managed to return the questionnaire for the analysis. The study revealed that Technological Innovation among the members of the Community Based Development Projects have a positive and significant effect on the sustainability of Community Based Development Projects in Kajiado County. The study also concluded that Technological Innovation Process has positive relationship with the sustainability of Community Based Development Projects. Based on the above conclusions, study recommended that another study be done with an aim to investigate the effects of technological innovations on the financial performance of Community Based Development Projects in Kenya.

**Key Words:** Project Sustainability, Community based Development Projects, Technological innovations

**The effect of physical evidence strategy on performance of Alcohol Manufacturing and Distributing Firms in Kenya**

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**Background:** The centrality of adopting an effective physical evidence strategy has long been recognised as a strategic priority for both researchers and business practitioners. **Purpose:** The purpose of this study was to establish the effect of physical evidence strategy on performance of Alcohol Manufacturing and Distributing Firms in Kenya. **Method:** Primary data methodology was adopted, which involved use of structured questionnaires administered to a sample of 64 respondents selected from 32 companies that have concrete company structures with marketing and sales departments. A purposeful sampling
technique was used to select participants. The unit of observation was 2 respondents per firm thus a population of 64 employees participated in the study. Data collected was coded and entered into SPSS version 21 software and analysed quantitatively to generate descriptive and inferential statistics. **Results:** Findings from the study revealed a strong correlation between physical evidence strategies and performance of alcohol manufacturing and distributing firms in Kenya ($r=0.814$). Additionally, physical evidence strategy have a positive and significant relationship with the performance of Alcohol Manufacturing and Distributing Firms ($r=0.880; p=0.00, p<0.05$). **Conclusions:** The study concluded that physical evidence strategy significantly affects the performance of Alcohol Manufacturing and Distributing Firms. **Recommendation:** The study recommends that alcohol manufacturing and distributing firms need to create physical evidence that makes them identifiable by the customers.

**Key Words:** physical evidence, marketing, strategy, Alcohol Manufacturing and Distributing Firms in Kenya.

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**The Influence of Marketing Strategies on Performance Of Kenya Airways.**

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The aim of this study was to investigate the influence of marketing strategies on the performance of Kenya Airways. A primary research methodology was adopted using questionnaires as instruments of data collection. The case structured questionnaires were distributed to employees, managers and directors of Kenya Airways in Nairobi Headquarters. Using a simple random sampling technique, a sample of 100 respondents were selected to participate in the study. Data collected was coded and entered into Statistical Package for Social Sciences (SPSS). Quantitative results were generated in form of descriptive statistics (frequencies, proportions, and standard deviations) and inferential statistics (regressions). A multiple regression model was used to test the relationship between independent and dependent variables. Further, the regression results included ANOVA and coefficient of variables respectively at 95% confidence level. Results obtained showed that marketing strategies have a positive and significant influence on performance in an organization. It was recommended that that the Kenya Airways management should implement suitable marketing strategies that can attract and maintain customers in order to improve company performance. Future studies should focus on a wider scope and in order to validate the findings from this study.

**Key Words:** marketing strategies, performance, Kenya Airways, management.

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**Effect of Competitor Threats on the Competitive Advantage among Commercial Banks in Kenya**

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Globalization and technological advancement have in a big way altered the business landscape, making it difficult for banks to sustain competitive advantage. The need to enhance competitiveness has forced firms to consider competitive intelligence not only as a tool to guard against competitor threats but also as a mechanism for discovering new opportunities and trends. Competitive intelligence contributes to continuous improvement of the quality of products, services and solutions offered by companies to their clients as well as increasing a firm’s innovative capability. Competitor threats have been identified as one of the competitive intelligence domains that a firm needs to focus on in order to gain and sustain competitive advantage. This paper sought to examine the effect of competitor threats on the competitive advantage among commercial banks in Kenya. The target population for the study were directors or managers in-charge of planning or strategy in each of the forty banks in the country. Primary data was
collected using a semi structured questionnaire. The questionnaire was tested for both validity and reliability and was found to meet the required threshold. A response rate of 77.5% was achieved in the study and this was adequate for analysis. The study found that competitor threats had significant effect on the ability of banks to sustain competitive advantage. The study therefore concluded that competitors’ threats are real and could inhibit a company’s strategy from succeeding in the marketplace and therefore should be detected early. The study therefore recommends that banks should raise the level of use of competitive intelligence in monitoring the competitive landscape to enable early identification of competitors’ threats. The study further recommends that banks should develop strategies to neutralize, eliminate or ameliorate the threats.

**Key Words:** competitor threats; competitive intelligence; competitive advantage

**Determinants of Public Funds Internal Control Systems and Service Delivery in Nairobi City Water and Sewerage Company Kenya.**

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With water being an essential element for sustenance of life its scarcity is one aspect that should not feature, if a must then at the most minimal levels. The constitution of Kenya (article 43 (1)), places provision of water and sanitation services as a basic right that should be attained. Yet most parts of the country both arid, semi-arid, highlands and urban areas suffer the same fate. Management of public funds is the biggest obstacle to achieving the millennium development goals in developing countries if not handled with extreme caution, discipline and integrity. The general objective of this study to determine how internal control systems of public funds management affected service delivery at Nairobi city water and Sewerage Company. Specifically; the study focused on; examining how internal control systems, resource mobilization, budgeting, existing regulatory framework and auditing affected service delivered by the Nairobi city water and Sewerage Company employees. On theoretical review, the resource based theory, systems theory management plus 7 gap service quality delivery theories were focused. Studies were conducted on internal control systems, revenue mobilization, budgeting practices, and auditing featured in empirical review. The conceptual framework highlighted on the objectives. This research project adopted survey descriptive research design. The researcher targeted 180 workers organized in strata’s to achieve the researcher’s goal. The study adopted stratified probability-sampling procedure whereby out of the total number of the targeted population units, the study identified 30% of the target population to have a total sample of 54 staff respondents. The study used primary data that obtained by use of a self-made questionnaire. The validity and reliability tested in the study. Statistical package for social sciences (SPSS version 22) used to draw inferences from the coded data. These included descriptive, relational and inferential statistics. The descriptive statistics included frequency distribution tables; pie charts and percentages relational statistics that encompassed the regression analysis while the inferential statistics included the chi square test. The research indicated that water shortage in Nairobi is a resultant of inadequate internal controls of public funds due to poor planning, lack of infrastructure, and inadequate water harvesting techniques in catchment areas, illegal connections and limited technological innovations. The research concluded that an ineffective internal control system affects public funds in terms of service delivery at Nairobi city water and Sewerage Company significantly. Thereby the institution should work towards enhancing the policies that exist. The research recommended that the organization should invest in technology to reduce loopholes for funds pilferages. Funds raised should be geared more towards infrastructural developments and expansion plans while recurrent expenditure be reduced. The organization is encouraged to venture into other business areas that generate income like
water bottling. The study suggested further research to be done on how system automations on public funds affect service delivery in the organization.

**Key Words:** Internal control systems and Millennium development goals.

*Effects of Entrepreneurship Training on Financial Performance of Small Scale and Medium Enterprises In Nairobi City, Kenya Charles Omwanza Odongo*

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Performance of SMEs in Kenya is currently wanting despite the national and county governments’ campaign to educate their young entrepreneurs and women on entrepreneurship skills. Most SMEs still lack the crucial entrepreneurship skills on savings and borrowing, investment, financial analysis skills, and innovation. The study therefore seeks to examine effects of entrepreneurship training on financial performance of small scale and medium enterprises in Nairobi City County of Kenya. The specific objectives will be to determine effects of saving and borrowing, investment, financial analysis skills, and innovation on financial performance of SMEs in Nairobi City County. The study will use a descriptive research design. Primary data on entrepreneurship training will be collected from SMEs managers and owners while secondary data on performance will be collected from their financial statements or records. A stratified sampling technique will be used to select 70 SMEs from the CBD of Nairobi area. Statistical package for social scientist (SPSS) will be used in data analysis to establish the relationship between study variables.


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The Small and Medium Enterprises(SMEs) sector has an important role to play in Kenya’s drive towards industrialization as well as its quest for poverty eradication. To the extent that this is true, SMEs need to grow. The limited access of SMEs to credit and financial services is often presented as one of the most important supply constraints confronting the SME sector and research findings indicate that financial problems are one of the main reasons why relatively few SMEs graduate into larger enterprises. This paper sought to analyse constraints faced by women entrepreneurs after loan that impeded growth of their enterprises. The study findings showed that a majority of the sampled enterprises have not expanded despite getting MFI loans. Major policy interventions recommended relate to an evaluation of the credit methodologies of MFIs in line with the business needs of the entrepreneurs. The paper offers some background on Micro and Small Enterprises(MSEs) growth, conceptual framework, empirical review of literature on MSEs growth.

**Key Words:** MSEs, Women-run enterprises, growth, microfinance, microenterprise, small enterprise

*The Mediating Role of Human Resource Capabilities on The Relationship Between Training And Performance Of Parastatals In Kenya*

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Worldwide, the public sector plays a central role in any country’s socio-economic development. The sector has however been affected by globalization, public sector reforms, regional and international partnerships, climate change, information, communication and technology and human resource development, among other factors. In an increasingly changing global environment, the mandate, structure and operations of public sector must be reshaped and productivity enhanced to make it more focused, efficient and responsive to the needs of those it serves. This research sought to examine the extent to which human resource capabilities mediate on the relationship between training as a strategic human resource management practice and the performance of parastatals in Kenya.

**Keywords:** Human resource capabilities, training, Strategic Human Resource Management (SHRM), parastatals and organizational performance.

**Linking Human Resource Management Practices with Implementation of Quality Management Programs in Manufacturing Firms in Nairobi County**

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For organizations to achieve the objectives of quality management there has to be synergy and congruence between human resource management practices and implementation of quality management programs. The objective of this study, therefore, was to investigate the human resource management practices influencing the implementation of quality management programs in manufacturing firms in Nairobi County. A sample of 100 firms was selected through a stratified random sampling method. Primary data was obtained through self-administered questionnaires from human resource managers from each firm. The study adopted a descriptive and cross-sectional research design. A pilot study was conducted to enhance the validity of the instrument and a Crobanch’s alpha coefficient of > 0.8 was achieved for the internal consistency. Data was analysed using regression analysis and correlation analysis. Human resource practices of employee training, employee involvement and teamwork were found to have positive significant correlation with implementation of quality management programs at significance level P < 0.01. The study established that there was need to align the human resource practices to the implementation of quality management programs.

**Key Words:** Human resource management practices, quality management programs, total quality management, manufacturing firms.

**Administration of Legal Issues In African Development For Global Sustainability**¹Moi Edna, Iravo Mike,PhD², Minja David,PhD³, Felistus Makhamara, PhD⁴

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Despite the evolution of legal systems in Africa, its development cannot be realized without the adaptation of global practices relevant to the 21st century complexities. Using data from Kenya, the
objective of this paper is to determine people’s awareness on legal issues, innovative tools in harnessing research and innovations for sustainability development. This paper also gives a brief history of government systems in various African countries which existed before as traditional carry progressive research and recommend ways of promoting legal rights. The paper highlights the administration of legal rights in Kenya citing new innovative tools for development. It submits ways that could be embraced for development; the technology system, the rule of law, constitutionalism, democracy and different stakeholders support for development. The conclusion shows that the most of the Kenyan citizens need legal awareness, the possible outcome of the process remains uncertain and open to estimation of stakeholders’ inputs. It recommended the role of every stakeholder as there are hopes and expectations for Africa’s development in global sustainability.

**Key Words:** Innovation, legal systems, Africa, participation, Development, Sustainability

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**Staff Development Interventions and Firm-Level Performance Of Humanitarian Organizations**

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The study was conducted to investigate the effects of staff development interventions on firm level performance of humanitarian organizations in Nairobi, Kenya. Changes in the business landscape have resulted in organizations adopting different strategies to improve their performance. The humanitarian sector is experiencing increased numbers of people requiring humanitarian assistance, increased accountability requirements and competition for scarce funding resources. These have resulted in pressure for each business unit to demonstrate accountability, for expenditures, and investments, and contribution to firm-level performance. Staff development is viewed as one of the drivers of competitive advantage and firm-level performance. Huge investments in staff development are being made but organizations do not go to great lengths to demonstrate the value and contribution to firm-level performance. The need to implement a firm-level performance measurement approach becomes imperative to substantiate the relationship and demonstrate significance between firm-level performance and human capital investment decisions. The study was an exploratory research using the Phillips Evaluation Framework. Staff (N=15) enrolled in the humanitarian skills development programme, in 2017, and their supervisors (N=7) were the target population. Samples were selected using a stratified random sampling approach. Data was collected by administering questionnaires (α=.84) Independent t-tests conducted showed no significant differences between the two groups of respondents. The satisfaction levels were high, the levels of learning application were high, the benefits of learning application were high and these benefits were higher than the cost incurred (Cost benefit ratio 1.71 and 2.40). There was positive correlation (r=.31, r=.35 and r=.22) between satisfaction levels, learning application, benefits of learning application and firm-level performance. The staff development initiative was effective in enhancing staff capacity, it represented value for money for the organization and it influenced the quality of humanitarian assistance by the organization.

**Key Words:** Firm-level performance, staff development, cost, benefit, humanitarian response, accountability, value for money

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**The Role of Counselling Services on Organizational Performance: A Case Of Administration Police Service In Nairobi City County, Kenya**

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The study examined the role of counselling services on the performance of Administration Police Service in Nairobi City County, Kenya. The propositions of theory of efficiency were used to provide the conceptual underpinnings of the study variables. The study adopted descriptive research design as a basis for the research strategy. Semi-structured questionnaires with closed-ended and open ended questions were utilized to collect data because they are convenient and time saving. A sample of 100 participants was selected from the target population of 2400 administration police officers working in Nairobi County through the use of stratified sampling. The results of bivariate correlation analysis indicated a statistical significant moderate positive linear correlation between counselling services and performance at ninety five percent level of confidence. Further statistical analysis seeking to reveal the actual parameters in the cause-effect relationship involved performance of simple linear regression analysis which showed that counselling services had a positive contribution to performance with an explanatory power of approximately forty two percent. This kind of empirical insight is crucial and useful to management of administration police service because it can be used to inform policy. It also contributes to the falsification of the postulates of the theory of efficiency. In essence, the findings provide a springboard for future researcher who may wish to unearth other factors that may be responsible for performance within organizations.

Key Words: Welfare Strategies, Counselling Services, Organizational Performance, Influence

Motivational Practices and Teacher Performance among Public Primary Schools In Kiambu County
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This study aims at establishing the motivational practices that influence teacher performance among public primary schools in Kiambu County. The main objective of this study was to analyze motivational practices and teacher performance in Kiambu County. This study was guided by four specific objectives: To determine the effect of compensation on performance of public primary schools in Kiambu County, to establish how working conditions affect performance of public primary schools, to investigate the relationship between promotion and performance of public primary schools in Kiambu County and to examine the effect of the leadership on performance of public primary schools in Kiambu County. The theories that guided the study include the balanced scorecard theory, Maslow’s Hierarchy of Needs Theory, Herzberg’s Motivation-Hygiene Theory and Vroom’s Expectancy Theory. The research problem was studied through the use of a descriptive research design. The target population comprised of five teachers in each school in Thika, Juja and Gatundu North Sub-counties. The five teachers include the head teacher, one head of department and three teachers. One questionnaire was used for all since they are all teachers. The researcher used stratified random sampling using a ratio of 0.2 of 20 percent. The sample size was 112 employees. Semi-structured questionnaires were used to obtain primary data. The supervisor established the validity of the instrument through face validity. To evaluate reliability the researcher used test-retest method and Cronbach’s Alpha. Data was analyzed using descriptive and inferential statistics. The Statistical Package for Social Sciences (SPSS) also helped in analyzing the data. Tables were used to present responses and facilitate comparison. To analyze the relationship between the dependent and independent variables regression analysis was used. The study revealed that, compensation, working conditions, promotion and leadership significantly influenced teacher’s performance. The study concludes that compensation, working conditions, promotion and leadership are positively related to teacher’s performance. The study recommends that the school management should adopt compensation strategies such as incentives, monetary and non-monetary rewards, teachers ‘should be provided with conducive working environment, school leaders together with the government should work together to ensure that teachers are promoted and that school leadership should be participatory, so that ideas can be shared on how operations can be run in school.
Factors Contributing To Fraud Incidences in the Banking Industry In Kenya

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There are various frauds experienced in the Kenyan banking industry. These are fraud typologies; and actual losses. This has contributed to the upsurge in frauds as banks would be able to learn from others on the *modus operandi* used in the perpetration of frauds. The main objective of the study was to analyse factors contributing to fraud incidences in the banking industry in Kenya. Specifically, the study sought: to establish the technological advancement that contributes to incidences of fraud in the banking industry; to establish the control issues that contributes to incidences of fraud; to establish whether policies and procedures contribute to incidences of fraud; to establish whether information sharing by the banks contribute to incidences of fraud. The study adopted a descriptive research design intended to analyse the factors influencing increased fraud by bank employees in the banking industry which were of interest to the researcher. The target population was the management staff from the banks’ Operations and Technical department in various banks’ headquarter in Nairobi. A representative of 42 respondents was interviewed and the study used both primary and secondary data from the year 2006 to 2009. In conclusion, the study shed adequate light to draw pertinent conclusions about the factors contributing to fraud incidences in the banking industry. Despite the fraud incidences being moderate in occurrence and the rating good, the banking management have to train their staff aside from proper recruitment and vetting when carried out. There should also be frequent update of policies and procedures used in the industry by the concerned bodies.

Key Words: Fraud incidences, Fraud typologies, Banking Industry, Policies and Procedures, Technological advancement.

STI in Adolescents in Kenya

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In the past years, the government of Kenya through National AIDS and STI Control program (NASCOP) has made known of HIV prevention, treatment and care to everyone. There have been massive efforts and strategies/ innovations like introduction of PrEP and PEP which is helping in minimizing HIV transmission. Despite these efforts, it is noted that the rate of STIs in adolescent is on the rise. I therefore, sought to know what can be done urgently to help the public especially the adolescent from this alarming situation. The researcher looked into the ongoing Prevention Options for Women Evaluation Research (POWER) study; PrEP implementation Science to AGYW 16 to 25 year’s females conducted in Kisimu in JOOTRH and KMET from September 2018 to date. The prevalence who go tested positive of gonorrhea between September 2018 to January 2019 was 23(6%), 33(9%). Those who got tested positive of Chlamydia were 58(16%), 77(20%) and gonorrhea and Chlamydia were 72(19%) and 96(25%) for Kisumu JOOTRH and Kisumu medical and education Trust (KMET) respectively. When left untreated, syphilis not only kills and gonorrhea/chlamydia causes infertility but also facilitate HIV transmission and thus impedes the Nations progress towards elimination of HIV in Kenya. These calls for urgent/rapid education on STI prevention, treatment and care even as loud as HIV. Testing of STI should be up scaled.
Adoption of Strategic Investment Drivers To The Growth Of Listed Firms At The Nairobi Securities Exchange, Kenya

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Over the past 7 years the number of companies listed on the NSE has stagnated at 64 companies as others lacks motivation to be listed. Currently, investors have a limited number of investments drivers in NSE to invest in. The current investments traded at the NSE are shares and bonds. The products limitation is forcing think tanks to look for unique products for NSE vibrancy and provision of the opportunity to diversify their portfolio. The study centered around four main strategic investment drivers that will be seen to be the most suitable in growth the NSE and these are: Real Estate Investment Trusts, Exchange Traded Funds, Shariah Compliant Products and Agro-Commodity Exchange. The theories anchored in the research included; Capital market theory, arbitrage pricing theory and modern portfolio theory. The research design was a descriptive study. The population comprised of listed companies who held securities in the NSE as at 31st December 2014. A census of the 64 listed firms in the NSE was conducted. The study used both primary and secondary data. The primary data was collected by use of a questionnaire. The secondary data was collected from finance journals, textbooks, and NSE sources. Data collected was analysed using descriptive statistics and inferential statistics. The study used chi square test because it was easy to compute and made no assumptions about the distribution of the population. The statistical package for the social sciences was used in the analysis as it is more user friendly. The study established that real estate investment trusts and sharia compliant products were highly preferred as strategic investment drivers to the growth of listed firms at the Nairobi securities exchange. Exchange traded funds and agro commodities came third and fourth respectively as preferred strategic investment drivers to the growth of the Nairobi securities exchange. The study concluded that adoption of strategic investment vehicles such as real estate investment trusts, sharia compliant products, exchange traded funds and agro commodities will increase the number of listed firms at the Nairobi securities exchange. The study recommends; establishment of an agro-commodity exchange at the Nairobi securities exchange to provide a platform where agricultural products can be traded, introduction of a Real estate investment trusts to enable small investors to participate in the lucrative real estate sector and to encourage participation of various investors Sharia compliant products should be introduced to cater for the Muslim faithful’s. Further research should be done on suitability of strategic investment drivers to institutional investors and how regional integration of exchanges would deepen the securities market activities.

Agency banking transactions on financial performance of primary business of small scale enterprises in Kiambu Town, Kenya

Judith Thogori Nyambura¹, Jagongo Ambrose (PhD) ² & Fredrick Ndede (PhD) ³

Over the last eight years, agency banking has progressively gained importance in Kenya. Agency banking has enabled banks to save on costs associated with opening bank branches and has offered convenience to bank customers who before the introduction of agency banking involuntarily had to travel long distances and incur hefty amounts on transportation in order to access a bank branch. Studies on agency banking within the country and world over have concentrated on the how agency banking has affected the performance of banks while other studies have concentrated on the customers of the agency and how agency banking has impacted on their livelihoods with little attention being focused on the effect of agency banking on the financial performance of banking agents. Driven by this knowledge gap, this study sought to determine the effect of agency banking transactions on the financial performance of the primary businesses of Small scale enterprises in Kiambu Town, Kenya. Objectives of his research examined the effect of agency financial transactions; common costs of agency and primary business and agency
liquidity on the financial performance of primary business of small scale enterprises in Kiambu Town, Kenya. The study indicated that entrepreneurs not only boost their income from the commissions received from the banks but they also gain additional business from the customers who often purchase goods and services from their primary business. The businesses engaging in agency business also save on operational costs since the same resources are used to derive additional income. The study recommended an awareness campaign on all the financial services offered by agents as most customers seem only to engage on few of the permissible activities of agency banking.

**Key Words:** Agency banking, small scale enterprises, agency liquidity, common costs, financial performance.

**Board Characteristics, Firm Size and Financial Leverage of Manufacturing and Allied Firms Listed At Nairobi Security Exchange, Kenya**

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Kenyan manufacturing firms’ structural inefficiencies with huge uncontrollable debts levels coupled with poor performance poses a great threat to Kenyan economy. The sector is financed through debts and equity (Akoto, et al, 2013) to avoid dire negative impact such as collapse (Ahmed, 2017) arising from firm’s illiquidity (Koech, 2013). Kenyan manufacturing firms are crippled by poor corporate governance and huge unsustainable debts leading to stakeholders losing their investment and unsettled suppliers claims associated with poor financial management decisions (KPMG report, 2015). Kenyan manufacturing sector growth depicts a worrying declining trend (KNBS 2018 and 2016 economic survey. The government efforts in setting up sector’s improvement policies, have not yielded fruits (World Bank, 2014. The financial leverage and the board of director’s characteristics have been identified as a root cause. The problem is catalyzed by numerous court cases against manufacturing firms’ former directors on mismanagement and embezzlement of funds. This independent study paper offers a back ground and theorizes on financial leverage and board of directors characteristics. It provides literature and theoretical overview on the relationship that exists between financial leverage decisions and Board of director’s characteristics in manufacturing sector. This paper concludes that Board of directors characteristics affect financial leverage decisions and that firm size influences how much external borrowing a firm may secure. This paper indicate a need to an empirical research to ascertain the exert relationship between the board of directors characteristics, firm size and financial leverage of manufacturing firms.

**Key Words:** Financial leverage, Manufacturing Firm, Board of Directors Characteristics

**Corporate Governance, Financial Characteristics, Macroeconomic Factors and Performance of Manufacturing Firms Listed at the Nairobi Securities Exchange**

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Performance of manufacturing firms listed at the Nairobi securities exchange has been varied since the introduction of the corporate governance policies and practices in the year 2002. This has been blamed to a number of factors including financial characteristics and macroeconomic factors. The specific objectives were to establish the effect of corporate governance on performance of manufacturing firms listed at the Nairobi securities exchange; to determine the intervening effect of financial characteristics on corporate governance and performance of manufacturing firms; to establish the moderating effect of corporate governance and performance of listed manufacturing firms listed at the Nairobi securities exchange. This study was anchored on, agency theory, stewardship theory, stakeholders’ theory and positivism philosophy. The study used census approach and a target population of 10 manufacturing firms listed at the Nairobi Securities Exchange between 2002 and 2016 was incorporated. The study used panel data, corporate governance, financial characteristics and performance of firms’ data were extracted from annual reports of the individuals firms from Capital Markets Authority of Kenya and macroeconomic factors data were extracted from Central Bank of Kenya and Kenya National Bureau of Statistics economic reports. This study employed longitudinal descriptive research design to determine relationships amongst independent, intervening, moderating and dependent variables. A panel data regression analysis was conducted using random effects model which allowed the companies to have a common mean value of the intercept to determine whether corporate governance influence performance of manufacturing firms. The study findings revealed that only leverage significantly affected returns on assets of listed manufacturing firms in Kenya. The results showed that corporate governance, investments, liquidity, growth domestic product rate, interest rate and inflation rate insignificantly affect returns on assets and Tobin’s Q of listed manufacturing firms in Kenya. The study concluded that listed firms in Kenya strengthened their corporate governance due to poor performance, further the study concluded that corporate governance practices used by listed firms failed to impact on performance or had negative impact on performance.

**Key Words:** Firm performance, corporate governance, financial characteristics, macroeconomic factors, manufacturing firms.

**Derivatives Hedging and Performance of Non-Financial Firms Listed in the Nairobi Securities Exchange, Kenya.**

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Kenyan listed non-financial firms use derivatives for hedging purposes while financial firms use derivatives for speculation and hedging purposes. Non-financial firms have made huge losses due to derivatives hedging. In 2015, Kenya Airways reported a net loss of Kes. 25.7 billion, out of which Kes. 7.5 billion was attributed to derivatives usage, representing 29.18% of the total loss. The firm’s value dropped from 0.08 in 2014 to 0.04 in 2015. Kenol Kobil reported a net loss of Kes. 6.28 billion for the 2012 financial year, compared to a profit of Kes. 3.2 billion in 2011, out of which Kes. 4.6 billion was attributed to derivatives hedging, representing a 73.25% of the total loss. In 2013, a Tobin’s ratio of 0.53 was witnessed, a drop from 0.63 in 2012 despite cancelling some derivative contracts. The specific objectives of the study were, to determine the effect of currency derivatives hedging, commodity derivatives hedging and interest rate derivatives hedging on the performance of non-financial firms listed in the Nairobi Securities Exchange. All the 34 listed non-financial firms were targeted. Ten firms were purposively sampled and studied for years 2012 – 2017. Descriptive survey research design and a positivism study philosophy were utilised in the study. Primary data was collected through a questionnaire while secondary data was obtained from the published financial statements. Fixed effects regression was used to determine the derivatives hedging effect on the performance of non-financial firms. A negative relationship was found between derivatives hedging and the performance of non-financial firms. Currency derivatives hedging was positively related to the performance of non-financial firms. Interest rate derivatives hedging and commodity derivatives hedging were negatively related to the
performance of non-financial firms. Exchange rates were found not to have a moderating effect on the relationship between derivatives hedging and the performance of non-financial firms.

**Key Words:** Commodity Derivatives, Currency Derivatives, Interest Rate Derivatives, Exchange Rates and Firm’s Performance.

**Determinants of Residential Housing Moves: A Review of Literature**

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The paper documents various key determinants of housing moves amongst home owners as well as renters. Empirical and theoretical literature attributes housing moves to a myriad of factors which include: search for improved housing utility, changes in demographic characteristics, changes in neighbourhood and housing environment (housing stress), psychological biases (mainly heuristics and anchoring), changes in jobs, forced moves by government among others. The paper further documents information asymmetry issues that arise in the course of housing moves. However, as households initiate moves, they often invest in extensive search (in terms of search effort and search cost) in order to alleviate information asymmetry and optimize utility arising from their moves. The paper reviews extensive related empirical literature (mainly from the West as well as Kenya).

**Key Words:** Housing moves, Housing Utility, Mobility, Search, Asymmetric Information, Homeowners and Renters.

**Digital Business and Global Trends for Industrialization: African Vs Asian Economies Kezia H. Mkwizu(PhD)**

African Gifts

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Industrialization is crucial in the development of many economies around the world. The Asian economies had a share in global Manufacturing Value Added (MVA) of 35.06% while African economies had 22.26%. Due to the industrial potential in African and Asian economies, this paper is motivated to examine digital business and global trends for industrialization. Specifically, this paper examines digital technologies in business and industrial output by comparing African and Asian economies. Documentary research approach which is supplemented by literature review analysis is the methodology adopted in this paper. The analysis shows that the main sectors for industrialization which are agriculture, industry, manufacturing and services indicate differences in output between the African and Asian economies. In addition, the paper reveals that the Asian economies have comparative advantages in technological spill-over and ability to sustain the growth of manufacturing production compared to African economies in terms of industrialization. On the other hand, the African economies had a comparative advantage on total output for agriculture in 2015 compared to the Asian economies. Therefore, the implication is that although digital technologies in business exist in both African and Asian economies, the trend to success in industrialization in relation to digital business is mainly through technological spill-over and sustaining manufacturing production.
Digital Credit and Personal Finance Management In Kenya: A Desk Review Of The Related Literature In The Recent Time.

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There has been a lot of innovations in the financial sector in Kenya. Financial innovation is the act of creating and popularizing new financial instruments and new financial technologies, institutions and markets. Stiff competition in the Kenyan Financial sector has fueled creativity and innovation making the Kenyan economy a financial hub. Organizations in the financial sector in Kenya have worked towards financial inclusion by ensuring easy access to financial products and services to all individuals which helps in reduction of income inequality, poverty reduction, consistent and sustainable development and hence economic growth. A 2017 World Bank Global Findex database revealed that 82% of Kenyan adults have a financial account at a bank or other financial institution such as a credit union, a microfinance institution or cooperative or have used a mobile money account to pay bills or send or receive money within the past twelve months. Since the introduction of M-Pesa a mobile money platform in 2007 by Safaricom, it was the beginning of the journey of transformation of the Kenyan financial system. It then led to an introduction of M-Shwari an innovation by CBA and Safaricom that enables M-Pesa users to save and access loan products that are convenient and cheap. Five years after Kenya launched the world’s first digital credit solution, the market for digital credit has expanded rapidly in Kenya and many low-income countries. World Bank has outlined five key characteristics of financial products that are from the financial inclusion definition.

The financial products should be accessible, useful, affordable, and able to meet the needs of its users and delivered in a responsible and sustainable way. Personal finance management is managing your money, saving and investing; it is about meeting personal financial goals whether short term or long term financial needs. The research seeks to find a correlation between digital credit and personal finance management among Kenyan users. It also seeks to establish whether the financial institutions are working for the interests of its users or their own interests. That brings the question whether the digital lending products are affordable or its users get into more debt to pay back the loan. These questions will enable the financial sector to plan for the future for the digital lending platforms to suit and to offer full benefits to the consumers.

Key Words: Digital Credit, Personal Finance Management, World Bank Global Findex, database

Emerging Issues in Banks Preference to Lending Government At The Expense Of Private Sector Credit Rationalization

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With the emerging trends in banks preferring to lend government institutions at the expense of private sector, access to credit services has become a nightmare to private led institutions not only limiting them to sustainable growth but also crowding them out of the market. Financial institutions play an integral role in bridging the gap in the provision of financial services and fostering economic growth. In Kenya, changes in the interest rate capping, hard economic conditions, high public debt and changes in the global market policies have led credit rationing and mopping out private investments. It is widely acknowledged that private sector significantly contributes to employment and economic growth that accounts to over 60%. Nevertheless, the sector faces greater financing obstacles and credit constrained despite the presence of fully developed financial sector. In addition, the nexus of domestic bank lending to the government is
gaining momentum with treasury recording Ksh.625 billion from banks in the financial year of 2017 – 2018 as recorded by Kenya Bankers Association. This is mainly triggered by the government debt appetite, lucrative offer and risk free pricing. Evidently, banks are the primary source of credit to private sector and domestic government debt in Kenya. The goal to have a balance in the provision of credit to private sector and government is very important in promoting sustainability and achieving vision 2030. Crowding out private sector credit by public economic activity becomes a multidimensional concept that has little been presented. The study findings indicated that there is a positive correlation between lending government and growth, there is negative association between growth and loan repayment offer.

**Key Words:** Banks preference to lending government, private sector credit rationalization, government debt appetite, lucrative offer and risk free pricing.

**End-User Involvement and Performance In Government-Sponsored Housing Projects In Langata Constituency, Nairobi County, Kenya.**

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The role of governments in any country is provision of adequate housing for its citizens. However, there are challenges for governments to fulfill this role and this may include, inadequate resources, large number of low income citizens, poor housing plans, unsatisfactory performance of housing developed, lack of enduser satisfaction and involvement. Although in most government housing projects, over 80% developments are considered successful by the same government measured through variables of time, scope and budget. Globally, housing projects to be considered successful, they require end-user’s involvement throughout the project process. End-users are the most important component for successful housing projects. The absence of end-user in different project stages may lead to the project not addressing necessary requirements resulting to project failure. This paper identifies and assesses the role of endusers involvement and performance of government sponsored housing projects in Langata constituency, Nairobi County, Kenya. This paper will look at the dependent performance variables of quality houses, end-user satisfaction and fully functional units and Independent variable end-user involvement particularly in project initiation, planning, project execution and project monitoring and control. The research methodology will be descriptive survey research design with the target population being 413 end-users who are residents in the Langata, Madaraka, Nairobi West, Highrise and Kibera projects and a sample of 144 endusers of the population will be used. The results indicate the residents residing in the housing projects are generally dissatisfied with the building housing functionalities, lack of amenities, poorly developed housing units that were not sustainable to the end-users. The study recommends that end-users are an important key component in government projects. The role of endusers is critical through participation in housing activities, sensitization of communities, identifying corrective actions, during project closing and handover.

**Key Words:** End-users, performance, government sponsored housing projects, Langata Constituency, end-user Satisfaction

**Financial Planning Practices and Performance of Private Security Firms in Nairobi City County, Kenya**

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Security companies have been operating in a dynamic business environment due to the security threats and rapid increase of new entrants in the market. Failures of these companies have been attributed to poor or ineffective financial practices. The aim of the study was to determine the impact of financial planning practices on the financial output of private security companies in Nairobi city county Kenya. This study
was based on the Modigliani-Miller dividend irrelevance theory, agency theory and portfolio theory. A
descriptive survey methodology was applied for this study and it targeted 41 staffs of private security
firms in Nairobi City County. The study collected both secondary and primary data. A questionnaire was
utilized for primary data gathering while secondary data was retrieved from the annual financial reports of
the security firms. The study found that there was a significant and positive effect of dividend policy,
investment practices and risk management on financial performance of the private security companies in
Nairobi City County. Based on the findings that dividend policies have a significant influence on ROA it
can be concluded that organizations should always ensure that the dividend policies are sound and
facilitate participation of the employees as well as contribute to greater returns. Investment practices have
a significant influence on ROA it can be concluded that firms should always ensure that the investment
practices are sound and facilitate participation of the employees as well as contribute to greater returns. On
risk management, the findings indicated that risk management have a significant influence on ROA it
can be concluded that firms should always ensure that the proper risk measures are put into place to
facilitate greater returns hence earning profits. It is thus recommended that private security firms should
always develop appropriate dividend policy and should implement appropriate investment practices
which are informed by the changes in the environment and that accommodate environmental dynamism
and should both locally and internationally. The firms should develop appropriate dividend policy which
are informed by the changes in the environment and that accommodate environmental dynamism. They
should always develop and implement appropriate risk management measures which can protect the firms
from rapid environmental changes to allow them thrive in the competitive world.

**Key Words:** financial planning practices, performance, private security firms

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**Financial Risks and Financial Performance of Commercial Banks In Kenya**

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This study sought to investigate the effect of financial risks on Kenya’s commercial banks financial
performance. Specific objectives for the study were to examine the effect of liquidity risk and foreign
exchange rate risk on performance of commercial banks in Kenya. A causal research design was adopted
in this study in which the population targeted included 42 commercial banks that had been in operation in
Kenya from the year 2013 to 2017. The study used secondary panel data that was analyzed through
descriptive and inferential statistics within the framework of panel regression model with the aid of
STATA (vs14). From the analysis of the data, liquidity risk and foreign exchange risk, jointly explain
43.86 percent of the variations in commercial banks’ financial performance (ROE) in Kenya. From the
study findings it can be substantively concluded that, foreign exchange risk have a negative and
significant effect on financial performance of commercial banks in Kenya. Liquidity risk on the other
hand indicated an insignificant positive effect on financial performance of commercial banks in Kenya.
Based on the study findings, commercial banks can be able to improve their financial performance (ROE)
through efficient and effective management of exchange rate risk which poses the greater effect on the
commercial banks financial performance. The study would recommend the use of swaps, options, spot
markets and forward markets when dealing with operations abroad so as to minimize the exchange rate
risk.

**Key Words:** Financial Risks, Liquidity Risk, Foreign Exchange rate Risk, Financial Performance, and
Commercial Banks.
Multigenerational Employee Work life balance and Retention in Safaricom Limited, Kenya
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This paper advocates for a multigenerational employee driven strategic approach to retention in modern organizations, as a means of coping with one of the modern trends in human resource management as a discipline –multigenerational employee phenomenon. The modern workforce is made up of multigenerational work force with different cultural backgrounds, work styles and work expectations. The multigenerational employees are said to be typically uneasy and unsettled breed of workers. Retention of this employees is becoming a real challenge in today’s operating environment as employers begin to realize the value of people that make up organizations. The need for organizations to be strategic at motivating and retaining this unique breed of employees has therefore become critical. The paper presents the results of a study on multigenerational employee expectations and retention in safaricom limited, Kenya. It focuses on the effect of work-life balance interventions on retention of employees. The study used a descriptive research design. The unit of analysis was Safaricom Limited head office based at the Nairobi. A semi structured questionnaire was used to collect primary data from a sample population of 120 out of 1,186 members of staff. The study found that there was a significant relationship between work life balance and retention of multigenerational employees. The study concluded that work life balance expectation influenced retention at Safaricom, and is likely to do so in any other organization. The study therefore recommended that Safaricom and other organizations in Kenya must be alive to the modern multigenerational employee expectations, and must strategically address them as part of their overall Human Resource Management plans.

Key Words: Multigenerational Employees, work life balance, Retention.

Global warming on Capital Growth through Retained Earnings in the Manufacturing Industry Benard Ouma Ogutu
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Corporate managers in the manufacturing industry often have capital growth as one of their goals. These leaders explore various means of attaining this motive and retained earnings being an avenue among others. Such a source of financing takes one to offer quality products to the market and convert the potential buyers to customers that eventually sustain the company’s operations. Moreover, the firms have to keep the expenses at minimal levels to guarantee profits. Trained and experienced business managers have no problem handling these tasks except for the eminent challenges like seasonal sales. Notably, organizations also put focus on controlling or avoiding the factors that hinder profitability and eventually capital growth. However, most of them fail to take cognition of global warming that has in the recent past become an ecological talk by environmentalists. This phenomenon is described as the gradual increase in the earth’s temperature. Today, the environmental technocrats have ventured into investigating the immediate effects of this phenomenon, but with minimal focus to capital growth through profitability. This research explores the existing literature to illustrate the impact of global warming on capital growth through retained earnings.

Key Words: Global warming, environment, business, capital, retained earnings, and finance
Rewarding good performance is a challenging task. Yet it is one which is necessary to support improvements in performance sought through the strategic management initiative. Rewards are intended to align employees with organizational strategy by providing incentives for employees to act in the firm’s interest and perform well over time. Basing on the arguments of expectancy theory that employees expect a certain reward for their input in the organization and the influence this has on employee performance, employee performance heavily rely on the kind of reward management systems used by their organizations. Reward system is intended to recognize performance or influence behavior that contributes to growth of organizations. This has led these institutions to adopt different types of rewards systems. The reward management practices thus have a direct relationship with employee performance. It is for this reason that this study sought to establish the effects of reward systems and performance of administrative staff in Kenyatta University. To achieve this, the study employed the following objectives; to assess the effect of financial rewards on the performance of administrative staff in Kenyatta University, to establish the effect of non-financial rewards on the performance of administrative staff in Kenyatta University and examine how health benefits influence on administrative staff performance in Kenyatta University. This consisted of the employees of Kenyatta University who were be based at the main campus. The population of interest was 294. The researcher used stratified sampling because of ease of classifying the population into strata. The sample comprised of 30% from each strata of the target population hence sample to 90. The collected data was edited and cleaned for completeness in preparation for coding. Once coded, the data was entered into the Statistical Package for Social Sciences (SPSS) for analysis. Descriptive statistics such as mean and standard deviation was used to analyze the data. Regression analysis was used to test the relationship between the variables under study in relation to the objectives of the study. Analysis of variance (ANOVA) was also be used to confirm the findings of regression. Data was presented using tables, graphs and pie charts. Descriptive statistics such as mean and standard deviation were used to analyze the data. Regression analysis was used to test the relationship between the variables under study in relation to the objectives of the study. ANOVA was used to confirm the findings of regression. The study concluded that both financial and no-financial rewards have a positive effect on the performance of employees at Kenyatta University. However, no-financial rewards had a greater influence since they involve rewards such as recognizing high achievers and excellent performers of the university and giving them promotion on merit, providing employees with a good working environment, offering employees training programs to its employees as well as giving them opportunities for career advancement and rewarding responsibilities. All this either equips the employee with the skills and motivation needed for excellent performance or creates a conducive environment for them to work. The study recommended that the management of Kenyatta University should carry out a benchmarking activity against the best players in the world as a way of improving their employee performance. The study also suggested that a similar research should be done in future but all the universities in Kenya should be included so as to enable the researcher to draw adequate conclusions.

Key Words: Reward Systems and Performance of Administrative Staff In Kenyatta University


Tharaka Nithi County.
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Kenya has devolved funds up to grass root level with the aim of bringing services and development close to its citizens in view of vision 2030. However a report by the controller and Auditor General in Kenya gazette 2010 uncovered massive misappropriation of Constituency Development Funds in 16 Constituencies. In spite of this, other constituencies were reported as posting remarkable performance. Presence of devolved funds at community level seems to spark little concern among community-members, yet the funds are meant to bring improvement in their socio economic welfare. The purpose of this study is to investigate how government structural changes influence economic welfare of communities among Counties in Kenya. The study explores the influence of devolved funds and human resource practices on economic welfare of communities in Tharaka Nithi County. The study used a descriptive survey design with a target population of 100 respondents. Purposive sampling was the main sampling techniques used. The study used questionnaire and interview schedule to collect data. Data was analyzed using both descriptive and inferential techniques of which frequencies, cross tabulations, and chi-square elements for measuring association were used. The study established that budgets allocated, amounts provided, funding channels in the county, accessibility of funds, county administrators meeting requirements before being appointed, automated systems significantly influenced performance of the counties offices hence increased economic welfare of the community I the study area. The study recommended that there should be enforcement of the policies which enhance full accountability of the county resources and Counties need to be embraced training on financial management and system operation to enhance improved usage of the resources hence greater positive impact to the intended beneficiaries.

**Key Words:** Government structural change, devolved funds, human resource practices, Economic welfare, Tharaka Nithi.

**Investigating the Transmission of Shocks and Volatility between the Stock and Foreign Exchange Markets in Kenya**

**Gabriel Laiboni¹, Eddie Simiyu(PhD)² and. Julius Korir (PhD)³**

This paper utilizes a bivariate GARCH model and weekly returns data for the 6th January 2006 to 28th December 2018 period to investigate the transmission linkages of shocks and volatility that exist between Kenya’s stock and foreign currency markets. The study was necessitated by the fact that awareness on the extant intra-market patterns for transmission of shocks and volatility plays a key role in enhancing portfolio selection processes, hedging strategies, and regulatory action. Results of model fitting indicate that strong own transmission effects of both shocks and volatility are present in the two markets. Additionally, there is evidence of bidirectional shock transmission effects and unidirectional spillover of volatility – from the stock market to the foreign exchange market. In general, shocks are seen to have a relatively higher influence on the stock market’s volatility as compared to the foreign exchange market’s volatility whereas persistence of past volatility has a larger influence on volatility in the foreign exchange market in relation with the stock market. The study recommends that investors in Kenya’s stock and foreign exchange markets should utilize the findings to enrich their portfolio allocation decisions and strategies, in line with their respective investment objectives.

**Key Words:** Shocks, Volatility, Transmission, Stock Market, Forex Market, BEKK GARCH Model
**Lending Interest, Inflation And Foreign Exchange Rates Relationship With Loan Delinquency In The Tea Subsector In Kenya.**

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Delinquent loans are in the rise both globally and locally leading to closures, receiverships and even collapse of institutions receiving and offering agricultural loans. The agricultural sector plays a very critical role in economic development, employment and wealth creation and as a source of revenue. The state of tea sector in Kenya currently is a combination of a number of factors; colonial history, socio-economic environment, regional economic relations, resource endowments and the general policy environment. This study therefore sought to determine the relationship between three macroeconomic variables namely, lending interest, inflation and foreign exchange rates; and delinquency of loans in the tea manufacturing companies managed by Kenya Tea Growers Association for the period Quarter 1, 2008 to Quarter 4, 2017. The study adopted explanatory research design approach and the population of study was 16 tea manufacturing companies. Secondary data on the macro-economic variables and delinquency of loans was collected and analyzed using E-Views software. The study findings reveal that at 95% level of confidence, the independent variables have no significant relationships (p=0.38). In the short-run, Error Correction Model depicts a significant relation between loan delinquency and the three macroeconomic for the period under study. Regression analyses depict negative relationships between lending interest rate, foreign exchange rate; and loan delinquency. Inflation rate reflected a positive relationship. The results of Autoregressive Distributed Lag Model revealed sufficient evidence of insignificant relationships between loan delinquency and the selected macroeconomic variables in the long run. This study notes that macro-economic environment should therefore, be monitored by the regulators and should take fiscal and monetary measures to ensure management of loan delinquency in the tea sector, and the economy as a whole.

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**Strategic Reward And Compensation On Performance Of Level Five Public Hospitals In County Governments In Kenya**

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The Health Sector in Kenya is ranked as one of the major basic needs and as one of the pillars of vision 2030 as well as the constitution, high priority is placed on the provision of health services and service delivery. The determination of priorities in public hospitals systems, include resource allocations, expenditure and human resource in areas of recruitment, selection, training and development, retention, welfare, participation and reward systems. The main objective of the study was to investigate the influence of strategic reward and compensation on employee performance in the health sector in Kenya. Two theories guided the study; Human Capital theory, Contingency theory. The study used descriptive research survey and adopted cross-sectional survey research design. The study targeted all permanent employees of ranks of senior management, middle management, lower management and general staff in the health sector (hospitals). A target population of 1428 from which a sample of 146 was taken was used. A simple random sampling
was used in selecting the public hospitals for the study. Proportionate sampling was used in selecting the permanent employees from the hospitals which ensured that the hospital with higher population had more members in the sample which also represented 10% of the accessible population. Purposive sampling was used in selecting the hospitals for pilot study where employees from two hospitals outside the ones selected for the study were used. A pilot study was conducted for the data collection instrument which was pretested before data collection for validity and reliability. Both primary and secondary data methods were used. Data was collected using questionnaires and interview schedules. Data was analyzed using The Statistical Package for Social Sciences (SPSS) version 22 and presented in tables. The study also adopted correlation and multiple regression analysis at 0.05% level of significance that determined the strength and direction of the relationship of the variables. Findings of the study indicated that the five strategic employee voice influenced employee performance in the health sector in Kenya. In conclusion the study revealed that the said variable highly, averagely or lowly influenced employee performance. From the study findings, the researcher recommends the use, implementation and sensitization of strategic reward and compensation contingent to the health sector that will steer up employee performance.

**Key Words:** Strategic reward and compensation, health sector, devolved county governments, Level Five Public hospitals, Employee Performance

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**Loan Interest Cost and the Financial Growth of Small and Medium Enterprises in Nyandarua County, Kenya**

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Credit plays an important role in economic development and it is therefore believed that the expansion of credit programs will have a positive effect on income increase among small businesses of any economy. It helps in the diversification of livelihood, elimination of poverty and increases the skills of entrepreneurs. In Kenya, many small businesses source their credit from the informal sector and therefore their access to formal credit remains low. The focus of this study was to analyze the preference and perception of small scale business owners on the access to credit facilities so that their accessibility can be improved and that their needs for credit can be met adequately. The specific objective of this study was to determine the effect of loan interest costs on the financial growth of small and medium enterprises in Nyandarua County. The target population for the study was all the SMEs in Nyandarua County in the sectors of manufacturing, trade and service provisions which are 456 in number. The study applied stratified sampling design in coming up with a sample size of 137 respondents for the study which was a probabilistic sample of 30% among the three strata of manufacturing, trade, and service provision. Questionnaires were used as instruments for the study to collect data from financial managers and owners of these enterprises. Data collected was analyzed through descriptive analysis, content analysis, and regression analysis and emerging results presented in tables. The study found that there is a negative and significant relationship between loan interest costs and financial growth. The study recommends for the financial institutions to charge low-interest rates on their credit facilities so that many small businesses take up loans. Also, the businesses can take up other alternatives of financing that have low costs charged on loans such as SACCOs therefore increasing their ability to access credit.

**Key Words:** Small And Medium Enterprises, Credit Facility, Interest charge, Financial Growth
Mortgage Interest Rates and Financial Performance Of Commercial Banks Listed In The Nairobi Security Exchange, Kenya

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Abstract
There has been decline in the financial performance of banks dealing with mortgage financing which is mainly brought by mortgage defaults by customers. Mortgage financing has been viewed as an important aspect in the banking sector, though it has not been adopted fully by the financial institutions. Those that have adopted the scheme have a lot of challenges of mortgage defaults which affects the financial performance of commercial banks. The sector has been pointed out as an alarm factor that possesses challenges to housing segment repayment. The study is guided by the following objective: To assess the effect of mortgage interest rates on financial performance of commercial banks listed in the Nairobi Security Exchange. The study research hypothesis was that mortgage interest rates has no effect of on financial performance of commercial banks listed in the Nairobi Security Exchange, Kenya. The study was grounded on the theoretical premise of mortgage financing theory framework. For this study the most appropriate design used was a descriptive research design. The study drew samples from the population of 11 commercial banks quoted in the NSE and that deal with mortgage financing. The research used census.sampling method. Secondary data was collected for this study. The data on mortgage interest rate was available on financial reports. The data was entered into SPSS version 21 for analysis. Ordinary least squares were used to model a regression function that explains how the independent variables influence the dependent variables. The study revealed that higher level of market interest rates improves mortgage firm’s profitability.

Key Words: mortgage financing, performance, commercial banks and interest rates

Oil Retail Pricing and Price Controls: A Case of Oil Marketing Sector in Kenya

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The study sought to determine the effect of international crude oil prices and the US dollar-Kenya shilling exchange rate on the average monthly retail prices of four oil products (Super, Diesel, Kerosene and Regular) in Kenya from year 2009 to 2012; the relationship between average monthly oil retail prices for the four products in the period before (2009-2010) and the period after introduction of price controls (year 2011-2012). Using multiple regression analysis and Pearson’s correlation analysis, the study found that monthly international crude oil prices and monthly exchange rates had a significant effect on average monthly retail prices for all the four products. The two predictor variables had a lesser explanatory power on average monthly oil retail prices in the period after introduction of price controls compared to the period before such controls suggesting that price controls had caused some effect on average monthly retail oil prices of all the four oil products. In the period before introduction of price controls, monthly international crude oil prices and exchange rates explained much of Super prices and very little of Kerosene prices whereas after the introduction of price controls, the two predictor variables explained more of Diesel prices but very little of Regular prices. A positive correlation between average monthly retail prices of Super and Diesel products in the period before and after introduction of the controls was documented unlike Kerosene and Regular average monthly retail prices which exhibited a negative correlation. The study recommends the need for ERC to closely monitor international crude oil prices and the manage dynamics of the US dollar-Kenya shilling exchange rate with a view of stabilizing the latter.
Key Words: price controls, price ceiling, price floor and price asymmetry.

JEL Classification: E640 (Pricing Policy), H42 (Publicly provide private goods), E3 (prices, business fluctuations and cycles), F31 (Foreign Exchange), L1 (Market Structure, firm strategy and market performance).

Perceived Risk of Use of Mobile Banking Technology and Access to Financial Credit In Wote Sub County, Kenya

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Mobile phone innovations have led to development of modern financial innovation such as Mobile Banking by the financial providers. Although the financial system is a vital component of the socio-economic development of any nation, most Kenyans lack access to formal financial credit services. The purpose of this study was to establish the effect of Mobile banking adoption and access to financial credit by residents in Wote sub-county. The study was guided by the following specific objective: to examine the relationship between perceived risk of use of mobile banking technology and access to financial credit. Descriptive research design was employed in which the study population comprised the residents of Wote sub-county. The target population of the study consisted of 137,944 mobile phone users of Wote sub-county and the sample size comprised of 138 participants selected using simple random sampling technique. Data was collected using a questionnaire whose reliability was established by use of Cronbach’s Alpha. All items in the questionnaire had a score of above 0.7 which was deemed to be the acceptable threshold. The data collected was processed and analysed using SPSS. Descriptive statistics such as percentages, frequencies, standard deviation and mean scores were used. The research findings were presented using frequency tables, pie charts and bar graphs. Multiple regression analysis was used to analyse and draw inferences from the research data. The results indicated that Perceived risk of using mobile banking technology was statistically significant in accessing of financial credit. The intervening variable- customers’ attitude- was found to be non-significant. This study recommended that both the banks and MNO’s invest in improvement of mobile banking systems to ensure the uptake and security of mobile credit is enhanced and increase extra security features in their systems to increase trust in accessing mobile credit.

Key Words: Mobile banking, Adoption, technology, Perceived Risk and Accessibility

Real Estate Market In Kenya: Investor Education And Policy Interventions Job Omagwa, PhD
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The paper presents a review of theoretical and empirical literature on selected issues pertaining to the real estate market in Kenya. In particular, the paper mainly focuses on the market for informal settlements, issues of land, low income housing and government housing (for renters and owners) in both commercial and residential housing. A substantial review of investor education literature is documented as well as literature on key determinants of quality of real estate. A highlight of key stakeholders in the market (such as financiers, government, market intermediaries) is captured as well as their contributions to the market. The paper equally reviews various policy interventions by government as part of regulatory prescriptions. Empirical evidence on factors affecting quality of housing and causes of residential housing mobility is similarly reviewed.

Key Words: Housing moves, Mobility, Search, Asymmetric Information, Informal settlement, Homeowners and Renters.
Securitization and the Subprime Mortgage Crisis of 2007-2008

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The paper reviews literature on securitization process in real estate markets and an analysis of the subprime mortgage market crisis of 2007-2008. In particular, it presents a highlight of the various market participants in the securitization process and an overview of securitized transactions in the US secondary mortgage market. The paper further presents a highlight of financial malpractices precipitating the subprime mortgage crisis and the associated financial implications of the same. In addition, the paper identifies the institutions and participants in the subprime mortgage crisis securitized transactions leading to the housing market debacle. The paper further explores the creation of ABS and CDOs as an outcome of securitization and a review of empirical literature on financial implications associated with the abuse of securitized transactions in the US mortgage market.

Key Words: Securitization, Asset-Backed Securities, Special-Purpose Vehicles/Entities, Credit enhancement and Conduit Lending.


Divinah Machuka

A company can raise capital to finances new and existing projects by using a perfect blend of equity and external finance. Therefore the company’s finance director is tasked to outline the most efficient capital structure and debt composition. The capital composition is the combination of equity and debt that a company applies to finance its operations. On the other hand, debt structure is the optimal mix of short term and long term liabilities used by a company to finance its operations. Long term liabilities are financial obligations whose payback period is more than one year for example bonds. Unlike long-term debt, short term debts are financial obligations with a payback period of less than a year and can be found in the current liability section of the statement of financial position (Diamond & He, 2014).

Corporate finance theory has developed a couple of hypotheses such as the irrelevancy theory published by Modigliani and Miller (1958) which alluded that a firm’s structure of capital does not determine its profitability or value. However, over the years scholars have concentrated on the option between equity finance and debt finance considering the costs and benefits that come with each financing method. In-depth analysis of debt finance reveals that firms with high leverage showcase poor financial performance brought about by disagreements between shareholders and debtholders (Myers, 1977). During economic depressions, highly leveraged companies suffer more financially as well as market share losses compared to low leveraged firms (Opler & Titman, 1994).

Debt financing forms the largest component of external finance sources for companies seeking to expand their operations or new companies starting their operations. However, debt financing has its pros and cons
on the performance of a company. Advantages of external debt financing include; interest charged on the long term loans is a tax-deductible expense and it frees the company from cash flow problems. Its disadvantages which form part of the costs of debt finance are; during economic downturns the company may face liquidity problems resulting into bankruptcy and the existence of an agency problem between shareholders and debt holders (Fama & French, 2002). Therefore, when making decisions on debt financing the benefits and costs must be weighed in order to make an informed decision.

Debt in a company can be quantified by financial ratios such as total debt ratio which expresses an entity’s total debt to its total assets. If the quotient is small it indicates that the firm is lowly leveraged hence its activities are not highly dependent on debt. The less dependent on debt a firm is, the higher the number of shares issued in the market. In this study, we have measured debt ratio in ways such as total debt to total assets, current debt to total assets and lastly non-current debt to total assets. Total assets are used as the base in all these ratios because debt is mainly used to finance the acquisition of assets. Financial performance can be defined as the exercise of quantifying the outcome of a firm’s financial activities in an attempt to meet laid down targets and objectives. Financial performance is used to gauge the financial health of a firm compared to its competitors in that industry. Additionally, it is used to compare growth among industries or sectors in the aggregate economy.

The financial performance reveals the position of a company at a particular time period as illustrated by its statement of financial position. Moreover, it shows a set of operations in a given time frame as indicated in its comprehensive income statement. Analysis of a firm’s performance seeks to establish a relationship among items of financial statement and arranging them for purposes of interpreting and drawing conclusions. Financial ratios are majorly used to analyze the financial data of a firm and make appropriate conclusions on the effective operation of a firm. Tharmila and Arulvel (2013) alluded that a company’s financial health can be quantified using its return on equity (ROE) and return on assets (ROA). However, ROA is the commonly used metric of financial performance in companies traded in the securities exchange.

The influence of debt financing on the profits of a firm has been a subject of research by many scholars such as Modigliani and Miller (1958). Over the years scholars have tried to ascertain the existence of a perfect or optimum debt ratio. A perfect debt ration seeks to boost the value of a company by using the minimum cost of capital. In a study by Sheel (1994), he concluded that the cost of capital associated with debt have an impact on a firm’s profitability and eventually its share prices. Based on several scholars, the decision on how leveraged a firm should be is based on the payoffs between the tax shield benefit and the cost of capital.

Generally, firms listed in the NSE have been heavily borrowing in an attempt to inject capital into their operations. Anyanzwa (2015) states that the resolve whether to finance projects via equity or debt were previously at the discretion of the board of a company. Nonetheless, in the recent past shareholders have
welcomed the use of debt finance if it is used for the desired manner and if the rates of borrowing are favorable.


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The development of any country cannot be complete without the contributions of the SMEs. They provide significant contribution in all sectors of the economy. They serve as the hub for employment, innovation and improving the standard of the people in the country. The SMEs sector is impeded by factors beyond their control among them are tax policies that are injurious to their growth and development at all stages of their development such as resource maturity, take-off, success, survival and existence. Twelve (12) variables such as tax laws should be simplified enough for SMEs, tax burden should be lighter to SMEs, tax rate should be rational and appropriate to SMEs, tax policies should favour SMEs to grow, double taxation and other factors are militating against the growth of SMEs and poorly executed tax are disincentives to the taxpayer among others were selected to assess its effect on the various stages of development of SMEs. The study employed descriptive design. Primary data was collected on valuables contributing to tax influence and their effect of the growth of SMEs. A sample of 114 respondents representing 53% of target population of 215 SMEs in the New Juabeng Municipality of Ghana was selected through stratified sampling techniques. Data was collected through questionnaires, interviews and observations were analyzed through SPSS to evaluate the effect of these variables on stages of growth of SMEs. The study found that there was a significant correlation between taxation and SMEs sector growth. The study recommends that tax laws should be simplified enough in order to make compliance easier for SMEs. Again, most SMEs are liquidated at early stages as a result of multiple tax system. The Government can therefore lower the tax rate of SMEs at early stage to ensure their survival and growth.

Key Words: Tax Policy, Take-off, Survival, Resource Maturity, Growth.

The Intervening Influence of Selected Macroeconomic Factors on Fiscal Policy Stance and Public Expenditure in Kenya

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This paper investigates the intervening influence of selected macroeconomic factors on the relationship between fiscal policy stance and public expenditure in Kenya using VAR and VECM models. This paper is underpinned by the theory of fiscal policy, Wagner’s Law of increasing state activities and Peacock-Wiseman hypothesis. The population period was 1964 to 2015. Secondary data was used and it was collected from KNBS reports. The findings indicate that foreign aid and grants have an intervening influence on the relationship between fiscal policy stance and public expenditure in Kenya. Nevertheless, fiscal stance has a statistically insignificant effect on public expenditure. The results show that fiscal stance, foreign aid and grants and public expenditure are cointegrated using the Johansen cointegration
test but there is no short run causality between the variables as indicated by the Wald test statistics. The conclusion is that foreign aid and grants explain the extent to which fiscal policy stance affects the level of public expenditure in Kenya even though fiscal policy stance has a negative relationship with public expenditure.

**Key Words:** Fiscal policy stance, public expenditure, macroeconomic factors, inflation, unemployment, foreign aid and grants.

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**Bank Size and Financial Risk Exposure on Financial Performance Of Commercial Banks In Kenya**

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In Kenya, the banking industry has experienced major transformations over the past decades of deregulation and the globalization of financial markets. The performance of banks has become a major concern for economics and policy makers due to the fact that the role of banks remains central in financing economic activities. The study sought to establish the effect of bank size and financial risk exposure on financial performance of commercial banks in Kenya. The descriptive research design and a positivist approach were adopted. The Berger and Hannan approach was used establish the relationship between bank size, financial risk exposure and the moderating effect of macroeconomic variable on the financial performance of commercial banks in Kenya. All the 43 commercial banks were used during the study. Various diagnostic tests were carried out to and the study data structure was panel hence Stata was employed to determine the relationship between the variables. In conclusion, banks need to grow bank sizes where they enjoy both economies of scale and scope. Treasury should design policies that will increase the capital size, liquidity requirements and deposit insurance premiums; this may assist in enlarging the size of banks to a level where they are fairly equal with none having relative market power to drive the market. Areas of further research may include and not limited to considering other variables besides the financial risk exposure and bank size in determining their effect on the financial performance of commercial banks in Kenya. The research may as well be done in the East African or African context. The further studies should seek to leverage on mixed research approaches that utilize both quantitative and qualitative research.

**Key Words:** Bank Size, Financial Risk Exposure, Financial Performance, Commercial Banks, Berger and Hannan Approach.

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**Micro Savings for Entrepreneurial Financing (An Empirical Review of Impediments Experienced By Women Entrepreneurs in Kenya).**

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This study examined factors that affect savings mobilization for growth of women – owned MSEs. It was based on the socio - economic cognitive entrepreneurial predisposition, aimed at discerning the complexities between the women entrepreneurship potentials and environmental constraints to savings for growth of the MSEs. Savings mobilization is an apparent phenomenon in this study having been a proven alternative to MSEs financing methodology today. Many women – owned MSEs have received financial and other assistance from various donors to start their business, but their inability to reduce reliance on external sources to grow had remained unexplained. The study hypothesized that the main constraints to savings mobilization for growth of women owned MSEs arose from internal and external factors to the firm, the utilization of derived profits, and the characteristics of the woman entrepreneurs. The target population consisted of women entrepreneurs who had received assistance from the WEDCO project.
(3030), in Kisumu and Kakamega districts in Kenya region. The sample size was determined through a multistage sampling process which culminated into 300. Questionnaires, interviews and observations were used to collect primary data. Data analysis was done by use of Pearson coefficient of correlation, chi-square tests of independence, analysis of variance. The major findings of the study were that the number of dependants; education level; cultural and religious attachments; endowed management skills; age and marital status had a significant relationship with the savings propensity amongst the women entrepreneurs. It was also revealed that environmental factors such as level of market competition; number and quality of employees, pricing of supplies; proximity to banking facilities; accessibility to information; economic inflation and physical infrastructures bore significant weight on the women’s ability to save for the growth of their enterprises. The legal and regulatory framework significantly impeded savings ability for growth of women entrepreneurial ventures. It was concluded that the aforementioned factors should be addressed. Business development services should be enhanced and the women entrepreneurial competencies be improved to inculcate a culture of business savings for financing the operations and growth of women enterprises.

Key Words: Micro savings, entrepreneurial ventures, entrepreneurship competencies, Women - Entrepreneurial -behavior, Savings mobilization, women entrepreneurs.

Influence Of Strategic Information Systems On Performance Of Commercial Banks In Eldoret Town, Kenya.

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With increased competition, changing consumer needs, influence of globalization and employees’ diversity, commercial banks are driven to adopt strategic information systems to enhance their competitiveness in the changing business environment. The main objective of this study was to establish the influence of strategic information system on performance of commercial banks in Eldoret town, Kenya. The study was guided by the following objectives; determine the influence of internet banking on performance, to establish the influence of mobile banking and to establish the influence of automated teller machines on performance. The technology acceptance theory underpins the study through describing how Commercial Banks adopt strategic Information Systems to influence their performance. The tendency of customers accepting or rejecting an innovation launched is high or low if the innovation is perceived to be complex and difficult to be used. The study was carried out in Eldoret town, Kenya and targeted 10 commercial banks of which 1000 employees were the target population. This study adopted explanatory research design. The study used stratified random sampling methods of research. From the use of Yamane formula the study obtained 287 respondents for the study. The study tested validity of the instruments by carrying out pilot study in the neighboring Kapsabet Town. The findings were further investigated to find out the Cronbach alpha internal consistency coefficient to test reliability. Data was collected using a questionnaire which adopted both open- ended and closed-ended questions and further analyzed using both descriptive and inferential statistics; it was done with the aid of Statistical Package for Social Sciences (SPSS). The analyzed data was presented in Tables and figures. A multiple regression model was used to explore the relationship between Strategic information systems (internet banking, mobile banking and automated teller machine) on performance. From the model, (R2 = .747) showing that strategic information system account for 74.7% variation in performance. The study findings established that commercial banks determines positively internet banking (β=0.166, p value ≤0.05), mobile banking to improve their performance in terms of profits, customer satisfaction, minimize costs of production and compensate on return on investments. The study revealed that mobile banking services (β=0.411, p value ≤0.05) were adopted by consumers on a larger extent due to convenience of accessing financial information ranging from electronic financial statement and accessibility of banking services. The study also established that automated teller machine (β=0.750, p value ≤0.05) also had a large impact on the performance of commercial banks as it saves time and enhanced security. The study concluded that there was a positive relationship statistical relationship between independent variables and dependent variables of the study. Therefore, this study recommends that Commercial Banks should allocate adequate
financial resources to create maximum awareness of their e-banking services and train their staff to enhance their performance in the changing business environment. The study will benefit directors, managers, policy makers and scholars to understand how strategic information system influences performance.

**Key Words:** Influence of strategic information systems on performance of commercial banks in Eldoret town, Kenya.

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**Impact of CBK Prudential Guidelines on MFI Operations in Kenya**

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Microfinance institutions in Kenya are currently registered under eight different Acts of Parliament; The Non Governmental Organizations (NGO) Co-ordination Act, the Building Societies Act, the Trustee Act, the Societies Act, the Co-operative Societies Act, The Companies Act, the Banking Act and the Kenya Post Office Savings Bank (KPOSB) Act. Some of these forms or registrations do not address issues regarding ownership, governance, and accountability. They have also contributed to a large extent to the poor performance and eventual demise of many MFIs because of a lack of appropriate regulatory oversight. This paper aims to identify whether the absence of a regulatory framework has had any effect on the outreach and sustainability of microfinance in Kenya. This paper concludes that the major challenge hindering outreach and sustainability of micro finance institutions in Kenya is lack of specific legislation and set of regulation to guide the operation of microfinance subsector. Also, the paper creates a platform where further insight can be provided through empirical research.

**Key Words:** MFI, MFI Regulations, Prudential guidelines, CBK, Guidelines, Microfinance.

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**Innovative Technological Services and Financial Performance Of Deposit Taking Savings And Credit Cooperatives In Nairobi City County, Kenya**

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Innovative technological services are crucial to sustain organizations’ financial performance and raise their competitive strengths. Savings and credit cooperative society are the main drivers of economic and social development in rural areas of developing countries. In Kenya 81% of the population rely on the Savings and credit cooperative society to access financial services. However, the use of Savings and credit cooperative society by Kenyans as a financial service provider has been declining. The Savings and credit cooperative societies are faced with challenges of survival due to decline of members. The decline is attributed to the competition from banks which have embraced financial innovations. The study therefore sought to investigate the effect of innovative technological services on financial performance of Savings and credit cooperative society in Nairobi City County, Kenya. The specific objectives include; evaluating the influence of use of mobile banking, internet banking, credit/debit cards and Electronic funds transfer. The study employed descriptive survey research design and had a population of 410 of management employees that are directly involved in management of the Savings and credit cooperative societies registered and regulated by Sacco Societies Regulatory Authority in Nairobi City County. The respondents were purposively selected; top level management, middle level management and lower level management. To get the sample size 30% of the target population which is termed as a good demonstration was used for analysis. The sample was selected through stratified random sampling.
Therefore, the sample size was 123 respondents. The researcher used questionnaires to collect primary data from the sample population and secondary data was collected from the Savings and credit cooperative societies’ reports and other related studies. There was a pilot test for questionnaire before carrying out the data collection to determine instrument reliability. After collection, the data was edited, coded and classified and analysed using descriptive statistics and inferential statistics using Statistical Package for Social Sciences software. The results show that a positive relationship between financial performance and innovative technological services was established. From the findings on the multiple regression analysis, the value of R square is 0.916. This indicates that 91.6% of variance in dependent variable (financial performance) is explained by variance in the independent variables (innovative technological services). This shows that 91.6% changes in the savings and credit cooperative society financial performance could be accounted for by mobile banking services, internet banking, credit cards and electronic fund transfer at 95% confidence interval. The regression equation established, taking all factors (mobile banking services, internet banking, credit cards and electronic funds transfer) constant at zero, the financial performance of deposit taking saccos will be 4.456. Further, taking all other independent variables at zero, a unit increase in mobile banking services will lead to a 0.545 increase in financial performance. A unit increase in internet banking will lead to a 0.318 increase in financial performance; a unit increase in credit cards will lead to a 0.356 increase in financial performance while a unit increase in electronic funds transfer will lead to a 0.303 increase in financial performance. The study recommended that the government should create policies that enables conducive environment for diffusion of innovations whereas academic institutions should intensify and encourage more research on innovation capabilities and financial performance of savings and credit cooperatives. Also, deposit taking savings and credit cooperatives should intensify development of technology in fund transfer since they have a considerable positive influence of financial performance.

\textit{Empirical test of shareholder monitoring hypothesis at Nairobi Securities Exchange}

\textit{Anthony M. Mugambi.}

This study wishes to contribute to theory of finance by examining the applicability of large shareholder monitoring hypothesis at Nairobi securities exchanges. It is widely noted that most of finance theory and literature is based on empirical studies in developed countries, but the business context in developing and developed countries is disparagingly different and this paper presents an opportune moment for examining the applicability of one of the emerging topics in the literature of finance, the theory of ownership concentration. This study begins by exploring the theoretical framework on shareholder monitoring beginning with the landmark paper by Jensen and Meckling (1976) and Shliefer and Vishny (1986), Ownership concentration and firm value relationships have been subject of ongoing research. Lopez and Rodriguez (2012) have observed that previous studies examining ownership concentration and firm value have emphasized the significance of shareholder concentration, capital structure and dividend policy as corporate control mechanisms that influence value creation in a firm. This study is supported by Agency theory (Jensen & Meckling, 1976); large shareholder monitoring hypothesis (Shleifer & Vishny, 1986; 1997; Morck, Shliefer &Vishny, 1988; Demsetz & Lehn 1985 ); Pecking order hypothesis (Myers, 1984); Signalling hypothesis (Ross, 1977; Linter, 1956). the underlying theoretical literature in this field contend that value is created or destroyed through agency costs (Jensen & Meckling, 1976). This study used longitudinal research design and data for the study was for the period (2008-2017) the target population is sixty six companies trading securities at NSE for the period ended in 2017. Empirical results reveal that at NSE large shareholder at Nairobi Securities Exchange could be entrenched and may not monitor the firm for the benefit of all shareholders more, but jointly with dividend payment, debt financing and firm size the results are significantly different. The findings of this study have significant policy implication to regulators and investors to policy makers, large shareholders in listed firms may not protect the interest of minority shareholders and over 40% of listed firms have not provided shareholder information in their financial statements as required by regulation, investors at NSE should understand the identity of major shareholders before making investments.
Federations distribute expenditure responsibility and public service delivery to sub-national levels of government, but each country’s approach is influenced by historical, cultural, institutional factors, and legal-judicial interpretations. These are usually anchored in the country’s Constitution. The new Constitution of Kenya adopted in August 2010, although does not mention the word federal, established two orders of government; a national government and 47 counties which are guaranteed by the constitution. This paper intends to establish the constitutional guide in the revenue allocation formula in Kenya. The study adopted a cross sectional survey research design. A survey was considered most appropriate in establishing characteristics and relationships between key variables and in facilitating collection of relevant information whose results can be generalised to a defined larger population. The population of this study consisted of the 47 counties established by the Kenya constitution 2010. A sample size of nine (9) counties representing 19.15% of the total population was used. The study used cluster random sampling technique to provide a fair representation of the county governments. The data was analysed using Descriptive statistics, Principle Component Analysis, Analysis of variance and Communality Analysis. This study established the adequacy of each of the parameters used by the CRA in their formula.

**Key Words:** Federations, Constitution, Revenue Allocation, Devolution, Fiscal Responsibility, Regimes.

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Health projects have been found to play a critical role in enhancing the well-being of society. Although the amounts of funding from donors in Kenya have been rising over the years, most donor funded projects in Kenya are not performing well. This study sought to find out the effect of the social cultural environment; language barrier, local community literacy levels, lack of community support and corruption on the performance of donor funded health projects in Kenya. The study was anchored on the theory of constraints. The study adopted explanatory and descriptive research designs. A census of all the sixty nine donor funded health projects initiated between 2010 and 2018, and are ongoing was conducted. A semi-structured questionnaire was administered to managers of the donor funded health projects and the heads of donor funded projects at the ministry of health. Both descriptive and inferential statistics were applied in the analysis and presentation of data. Quantitative data was analyzed using the Statistical Package for Social Sciences (SPSS), while qualitative data was analyzed by content analysis based on patterns and themes. A multiple regression model was used to explain the effect of the social cultural environment on the performance of donor funded health projects in Kenya. The study found out that social cultural factors had a significant effect on the performance of donor funded health projects. The study recommends that all decision makers and other donor funded health project stakeholders devise policies and strategies for controlling the effect of the social cultural environment on the donor funded health projects.

**Key Words:** Social-cultural, Environment, Performance, Donor, Funded, Projects
Private Public Partnerships and Project Performance Of Commercial State Corporations In Kenya
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In Kenya, the need for public facilities and services is growing and public sector capital is in short supply to cover this demand causing an unmanageable investment gaps. With the help of the public private partnerships (PPPs), Kenya as a state is capable of minimizing the financing gap in state corporations and the public sector. However, there are challenges in putting the PPPs in place which may include; identification, selection, evaluation, due diligence, management of performance and management of their relationships. The purpose of this research was to study the effect of public private partnerships and project performance in commercial state owned corporations in Nairobi County. The study adopted a descriptive research design. The target population was the 34 commercial state corporations operating in Nairobi County. The researcher adopted a census and purposively sampled 3 management staff from every commercial state corporation totaling 102 participants. Primary data was collected using questionnaires. Data was analyzed by way of descriptive and inferential statistics. Tables, charts and figures were used in the presentation of the analyzed data. Correlation results indicate that the association between project performance and financial contribution, risk mitigation and accountability was strong and positive and was statistically significant. Regression results also show that there is a positive relationship between project performance and financial contribution, risk mitigation and accountability. It can be concluded that commercial state corporations in Kenya had put in place financial contribution, risk mitigation and accountability measures and such measures were important in determining project performance in the institutions. On technical skills, the researcher recommends that the management of PPPs should ensure they source for the most economical technical expertise in fields where required in carrying out corporation’s projects so as to achieve high output level.

Key Words: Public Private Partnerships, Technical Skills, Financial Contribution, Risk Mitigation, Accountability, Project Performance.

The Influence of Monitoring and Evaluation on the Performance of Non-Governmental Organization’s Projects in Busia County, Kenya
Khaemba Nasimiyu Jackline

The aim of the study was to establish the influence of monitoring and evaluation on performance of Non-Governmental Organizations (NGOs) projects in Busia County Kenya, and use the results to come up with recommendations to improve the performance of NGOs projects. The objectives of the study were to assess the extent of involvement of stakeholders in M&E process influences performance of NGOs projects, to establish the extent to which budgetary allocation in M&E influences performance of NGOs projects, to investigate how use of M&E findings influence the performance of NGOs projects and to determine the influence of M&E plan on the performance of NGOs projects. The study adopted a descriptive research design. The target population for the study was 22 NGOs. The study used stratified random sampling to select 40% of the target population. The sample size of the study was 85 respondents, fifty one (51) project committee members and eighteen (18) project leaders, seven (7) NGOs M&E and nine (9) community leaders. A structured questionnaire was used to collect primary data. Qualitative data was analyzed by use of content analysis and presented in a prose form while quantitative data was analyzed by use of Statistical Package for Social Sciences (SPSS) version 21 and presented in tables, graphs and charts. The study found that M &E contributes to project performance with all the independent variables(stakeholders involvement, budgetary allocation, M & E findings, and M & E plan) recording a high average rating. Spearman correlation showed a positive relationship between M&E parameters (stakeholder’s involvement, budgetary allocation, M & E findings, and M & E plan) and project performance. Based on the findings, it can be concluded that the monitoring and evaluation have positive impact on projects performance in NGOs and should be institutionalized in NGOs.
Technical Capacity in Project Implementation and Sustainability of Water and Sanitation Projects In Nyeri County, Kenya

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The perceived success in project implementation is more adequately defined as meeting the project’s technical specification or mission while at the same time attaining a high level of satisfaction on the part of the community, clients, users and the project team. The end product must perform satisfactorily in service. This means that parties associated with and affected by a project should be satisfied at the same time that the good cost and schedule performances are realized. This study intended to establish effect of technical capacity in project implementation on sustainability of water and sanitation projects in Nyeri County. Water and sanitation provision coverage has remained low even with continued investment by the Government and donor agencies in the sector through various projects. Water Services Regulatory Board (WASREB) through its annual reports on water and sanitation provision status has queried the disparity between the amount of investment towards water and sanitation projects and the corresponding rate of growth in the service coverage. The study sought to determine effect of technical capacity in the implementation of water and sanitation projects in Nyeri County on the sustainability of such projects. The target population consisted of 94 members of the community made up of managers of water service providers (WSPs), administrative and community leaders. A sample size of 40% of the target population was drawn. Stratified random sampling design was adopted to select the respondents. The study used a cross sectional descriptive survey research design using quantitative approach to data collection, analysis and reporting through some elements of qualitative approach to data.

Data was collected using questionnaires and analyzed quantitatively with the aid of the Statistical Package for Social Science (SPSS). Analysis of results indicated below standard levels of sustainability of water and sanitation projects as indicated by water quality and operations and maintenance cost coverage. However, the hours of water supply as a dimension of sustainability was found to be within the benchmark standards set by regulators. R squared, the Coefficient of Determination stood at 60.80, indicating that 60.80% of variation in sustainability of water and sanitation projects was explained by Technical Capacity project implementation variable in a model. One Way Analysis of Variance and Regression analysis results indicated that technical capacity have a positive and statistically significant effect on sustainability of water and sanitation projects in Nyeri County, Kenya. The study recommends that project management teams device ways to upscale the quality of water supplied and operations and costs coverage which was poor.

Key Words: Technical Capacity, Project Management Competency, Water and Sanitation Projects

Determinants of E-Commerce Adoption In The Tourism Sector in Nairobi County: A Case Study Of Tours And Safaris Firms.

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The use of Information technology has grown tremendously in the businesses. The use of Information Technology by businesses is vital in determining their performance. Various methods of operating businesses have been used in the past year, but above all, E-commerce is the newest and rapidly evolving way of doing business .Tour firms in Kenya have adopted E-commerce but they are yet to utilize it fully.
Studies have been carried out concerning the adoption of e-commerce by the Small and Medium Sized firms. The study hence tried to find out the factors affecting electronic commerce in the tourism industry with the main focus being on the Tour and Safaris firms in Nairobi town. The objectives of the study were; to find out the technological, organizational and environmental factors that affected the adoption of electronic commerce in the Tours and safaris firms. In addition, the study also tried to establish the level of electronic commerce adoption by the Tour and Safari firms. The study population was 292 tours and Safaris firms. Descriptive research was utilized in the study where it was established that the Tour and the safaris firms had already adopted the electronic commerce. Additionally, majority of the firms had few employees and hence were termed to be Small and Medium Sized firms. It was also established the firms’ managers were young and learned. The size of the firm, age and gender greatly influenced the adoption of electronic commerce. The study also found out that the firms had already adopted the e-commerce and it was mainly applied in the marketing of their products, customer care services and electronic payment systems.

**Key Words:** E-commerce adoption, E-tourism, E- hospitality, E- tour operators, E -destination,E-tour agencies,tours and safaris firms.

**Digital Innovation and Customer Responsiveness In The Telecommunication Sector In Kenya**  
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In the modern business world, organizations operate in an environment characterized by uncertainty and instability due to dynamism of business activities that call for innovation. Although the Kenya’s Information and Communication Technology sector is among the key economic pillars, it posted 6.1 percent contribution in regard to GDP in 2016 which was the lowest contribution. The dismal performance of the ICT sector implied that the telecommunications firms are not responding to their customers as expected in the set standards of the Vision 2030. Further, the quality of service report indicated that all the firms have been fined by their regulator for failing to achieve the 80 percent minimum threshold set for compliance thus failing to meet the quality of service standards for the last five years. In the recent years, the telecommunications services have undergone a radical change due to the rapid evolution of ICT. Unlike other sectors, the innovation models in the telecommunication service providers are still inconsistent hence it calls for further investigation in the entire industry. This study seeks to develop a model that links three main variables, namely digital innovation, ICT capability, and customer responsiveness. The model will provide a solution to a gap that had received little attention by the prior research in the telecommunication industry.

**Key Words:** Digital innovation, ICT Capability, customer responsiveness, User Experience, Value proposition, Internet of Things.

**ICT Usage in Panelist Sessions to Enhance Completion of PhD Studies in Public Universities: Study of Uganda and Tanzania**  
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In PhD Studies, majority of PhD programs in Universities are for a period of 3 to 4 years for a PhD student to graduate. However, attaining a Doctor of Philosophy (PhD) has challenges which hamper the normal progress. For example, only 41% of students during their PhD studies are able to overcome the challenges they encounter. Academic institutions have rules governing them in all academic aspects which should be followed by staff and students. At PhD level, students present their work to the panelist comprising of a group of professors, doctors and a secretary whose role is to record comments raised by the panelist. Unfortunately, this traditional means of notes taking by the secretary using pen and paper and the panicking student anguished by examination fever, renders some vital information to be omitted and causes delays in receiving the official comments. This not only minimizes the quality of the PhD work presented, but also delays the PhD student(s) from completing the program on time thus increasing financial costs among others. Past scholars have averred that for a PhD student to finish her or his PhD program in time depends on factors like inadequate money to meet the tuition fees, travel expenses, social issues, health issues and lack of commitment. However, there is scant literature on trends addressing the issue of ICT usage during the panelist sessions hence the need for research on the use of ICT like video cameras during presentations to curb mismatches of comments and other related snags. Therefore, this paper examines ICT usage in panelist sessions to enhance completion of PhD studies in public Universities in Uganda and Tanzania. Quantitative data was analyzed using descriptive statistics and PLS-SEM with results showing a significant relationship between ICT usage in panelist sessions and success in completion of PhD studies in Tanzania and Uganda. The outcome of this study can assist Universities to improve panelist sessions during PhD presentations.

**Key Words:** ICT Usage, Panelist sessions, PhD Students, Public Universities

**Information and Communication Technology Capabilities And Performance Of The Parliamentary Service Commission Of Kenya**

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Parliaments operate in an environment that has transformed significantly with the arrival of technological innovations. It is on the basis of lack of understanding the impact of ICT capabilities on performance at the Parliamentary Service Commission of Kenya that the researcher intends to carry out this study. The purpose of this study is to evaluate the effect of information and communication technology capabilities on performance at the Parliamentary Service Commission of Kenya. The specific objectives will be communication services, digital capturing, and automation of processes. This study will adopt a descriptive research design. The target population of this study is 1018 employees of the Parliamentary Service Commission of Kenya. A sample size of 305 employees which is a representation of 30 percent of the population will be used. Stratified random sampling will be employed in selecting the sample of the study. Primary data for the study will be collected by use of a semi-structured questionnaire whereas secondary data will be collected through reviews of empirical books, journals, magazines and the internet. The study will use Cronbach’s alpha methodology to check for reliability based on internal consistency of the research instrument. The data will be analyzed using descriptive and inferential statistics. The key beneficiaries of the outcome will be the PSC, Academia and policy makers.

**Key Words:** Communication services, digital capturing, automation of processes, performance
Organizational Attributes and Utilization of Financial Management Information Systems in Small and Micro Enterprises in Nyeri County, Kenya

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The Government of Kenya identified public financial management reforms which necessitated the adoption of FMIS as the key driver to efficient public service delivery. However, small scale business organizations, such as SMEs, continue to experience challenges in the utilization of FMIS. The purpose of the study was to evaluate the factors influencing the utilization of FMIS in the SMEs in Kenya. The study sought to examine the influence of technical characteristics of information systems, staff competencies and firm’s ICT infrastructure capacity, on the utilization of FMIS in SMEs in Kenya. The study was underpinned in the Diffusion of Innovations Theory, Task Technology Fit (TTF) Theory and Technology Acceptance Model. The study adopted a descriptive research design and its target population was all the 4430 SMEs from which a sample of 98 SMEs was selected by simple random sampling. Primary data was gathered using questionnaires. The data collected was edited, coded, tabulated and then analyzed using descriptive and inferential statistics. Regression analysis indicated that 89.1 percent of the variability in level of utilization of FMIS is explained by the three predictor variables: staff competence, technical characteristics of FMIS and ICT infrastructure of the SME. Based on the findings, the following recommendations are made. First, SMEs and other organizations develop their in-house management systems in order to be able to incorporate all their unique system needs. Secondly, SMEs should invest in building and enhancing the capacity of their employees on the use of FMIS. Finally, SMEs develop their ICT infrastructure by acquiring more up to date hardware and software. The findings of the study may benefit the managers and administrators of SMEs in addressing the organizational challenges that affect utilization of FMIS.

Key Words: Financial Management Information Systems, Small and Micro Enterprises, staff competencies, technical characteristics, ICT infrastructure, utilization of FMIS.

Public Laundromat Services: Technological Revolution and operational Performance. General Review

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An expanded paradigm is required to explain how public Laundromat services are implemented. Technological revolution influences countries economic growth, employment levels and wage rates. Kenya as a country is enjoying faster growth when it comes to industrialization. Public Laundromat service in Kenya is one of the concepts that have not been implemented. This paper presents a review of the extant theoretical on two constructs linked to technological revolution in the phenomenon leading to operational performance. Conceptualization and examination of the knowledge gap concept and
techniques for implementation of public Laundromat services by the county government are critically discussed, in order to be on the bigger picture of vision 2030 agenda in Kenya. The paper will also discuss the techniques used to operationalize this concept and make it understandable for research participants and beneficiary of the study who are the county government for the proper implementation of the idea. The relevant theories constructs are reviewed, their operational indicators identified and emergent knowledge gaps identified. The theories underpinning the study include dynamic capability theory, the relationship marketing theory, evolutionary economic theory and innovation diffusion theory. This paper proposes the implementation of mixed research method, simple random sampling technique and use of questionnaire for data collection. The paper finally proposes a multidisciplinary based to advance knowledge gap by county government on implementation of public Laundromat services in this area together with the accompanying implications for future research.

**Key Words:** Technological revolution, Operational performance, Public Laundromat services

**Relationship between Point-of-Sale Adoption and Predictability of Revenue Collection in Busia County, Kenya**

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Revenue collection in Busia County continued to depict unpredictable trends since 2013 despite the County’s investment to reverse the trend by acquiring a significant number of Point-of-Sale (POS) devices. The aim of this study was to establish the relationship between POS adoption and predictability of revenue collection. The study used document analysis on 89 documents and a survey using 33 key informants. Inferential statistics was used to study the relationships, in which F ratio was bigger than one (1.9618>1). Therefore, null hypothesis H0: σ1² = σ2² was rejected and Ha: σ1² ≠ σ2² adopted. An r of 0.9215 indicated strong positive relationship between POS adoption and predictability of revenue collection. The r² obtained indicated that 84.924 percent of predictability of revenue emanated from POS adoption. The scatterplot showed a liner, non-deterministic trend with a few scatters portending other variables not studied. Descriptive statistics showed actual collections were below predicted collections and collections after POS adoption were lower compared to the previous ones. The findings implied that POS adoption resulted in lower revenue hence the technology had a negative impact on revenue. From the findings, Busia County is advised to reconsider POS adoption with view to adopting a cashless system.

**Key Words:** revenue collection, predictability of revenue, Point-of-Sale, cashless system, adoption

**Reliability of Information Communication System and Impact on The Quality Of Service Delivery At Embu Huduma Centre, Embu County, Kenya**

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Governments strive to provide quality services by innovating new ways of delivery; to address current and future challenges. Despite innovations in service delivery, there are challenges in terms of efficiency;
effectiveness; customer satisfaction and expectation. Studies have reported complaints such as poor coverage of Information, Communication Technology infrastructure; high cost; long waiting time; poor record keeping; inadequate human resources; technical ineptitude; digital divide; lack of public awareness and bribery. The objective of the study was to determine reliability of Information, Communication Technology systems and its impact on the provision of quality services. The study was guided by Resource Based View and Systems Theory and demonstrated using Service Quality and New Public Management models. The study employed cross-sectional descriptive design. The unit of observation and analysis were Embu Huduma centre and frontline employees respectively. A census of 56 frontline employees was taken while 9 employees were piloted. Frontline employees gave the primary data by filling in and returning the semi structured questionnaires administered with 100% response rate. Raw data was coded, captured, cleaned and analysed using the Statistical Package for Social Sciences software and presented using tables and graphs. Quantitative data was analysed and presented using the median and percentages. Stepwise regression was used for inferential analysis. The study found that reliability of Information, Communication Technology systems had impacted the delivery of quality service at Embu Huduma centre with a factor of 17.9% but was vitiated by network failures, waiting area congestion and poor electricity backup. The study recommended that reliability should be sustained by internal system audits including vetting to detect systems fraud.

**Key Words:** Information and Communication Technology (ICT) system, Reliability, Service quality, Huduma centre, Front Line Employees.

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**Risk Mitigation for Mini-Grids by using the PUMA concept as an appropriate business model-**

**Regional service centers enhancing decentralized electrification to ensure successful replication and scaling-up of Mini-Grids by reducing risks.**

For the time being, only few applications of mini-grids have fulfilled the expectations from an economic perspective. Main reasons for these failures can be traced back to improper or incomplete business models not necessarily in the technology used. In other words, most of the mini-grids do not work properly. At a first glance the most two important reasons for that are: Inadequate tariff design, Lack of appropriate productive use to generate long-term incomes and Conflict of interests due to overlapping targets of the stakeholders. For this reason, an extended scope on the business models could provide additional value and help to achieve long term success, in the areas of finance and sustainability. Empirical evidence tells us that mini-grids may be designed perfectly with regard to technical features and functionality, but this does not at all ensure financial viability and a mid-term or even long-term economic sustainability. Of course, technical efficiency and functionality is absolutely necessary but it is not the sufficient condition for the success of a mini-grid. The article on hand concentrates therefore on the question: how an appropriate tariff design can be achieved, how the necessary qualification development can be ensured and how stakeholders can be integrated successfully with the target that finally these mini-grids fulfill more of the expectations being connected to them.

**Key Words:** Risk Mitigation, Mini-Grids, Regional service centers, decentralized electrification

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**Individual Factors and E-Learning Implementation in Higher Education Institutions: A Case Of Kenyan Universities**

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Individual factors have been known to influence e-learning implementation in institutions of Higher Education. Although studies have been done on factors which influence e-learning implementation in Higher Education intuitions, little has been done in our Kenyan universities to investigate how individual factors could influence e-learning implementation. This study was done to determine how individual
factors influence e-learning implementation in Kenyan universities. The research study adopted the cross-sectional descriptive survey design approach. Purposive sampling was used to select 31 universities in Kenya. A self-completion questionnaire was prepared and administered to 165 respondents. These staff included the e-learning administrators and Technicians. Ninety-five (95) filled responses were received from the respondents. The data was analyzed using descriptive and inferential statistics while a multiple regression model was used to predict the effects of the influence of the individual factors. Unified Theory of Acceptance and Use of Technology was utilized in this study to determine the influence under study. The results of the analysis showed that individual adoption factors was an important determinant (p=0.014) of e-learning implementation. The study revealed that individual factors, namely (basic training on e-learning, motivation of the staff and hiring of competent and trained staff) are key components in the e-learning implementation. The findings of this study, apart from being a source of literature for future studies can be used to guide university managers and other stakeholders on what and where to lay the necessary emphasis to make e-learning a success in their institutions.

Key Words: Individual factors, e-learning, implementation, adoption

Bank Supervision and Performance of Commercial Banks In Kenya Mungai John Njangiru (Ph.D)
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Financial liberalization has great importance on the performance of commercial banks. Financial supervision is one of the aspects of financial liberalization that is crucial without which make the banking institution ineffective. In the last few years, 2013 - 2016 have shown, a number of banks placed under receivership and others have ceased from operations. The gross non-performing loans (NPLs) increased by KSh 63.8 billion (27.2 percent) from KSh 234.6 billion in June 2017 to KSh 298.4 billion in June 2018. This study assessed how bank supervision affected part of this bank performance. This study was anchored in Endogenous Growth theory and adopted a descriptive survey research design. The study targeted bank managers and heads of finance and credit from selected commercial banks in Nairobi County. Stratified random sampling was used to sample 15 banks from a total population of 44, while purposive sampling was used to draw a sample of 44 from a target population of 132 respondents. The study involved both primary and secondary data. Primary data was collected using structured questionnaires while secondary data was sourced from participating bank’s financial reports. A cross-sectional data on performance of commercial banks in Kenya from the year 2011 to 2015 was examined. Data was analyzed by SPSS software version 20, multiple regression analysis was conducted to establish relationship of different variables which were presented using tables and figures. The study found that stricter regulation and supervision reduces banking risk. Respondents recommended the need of strengthening supervisory capacities and institutional frameworks which had a positive effect on bank profitability.

Key Words: Financial performance, Bank supervision, financial liberalization

Internal Controls and Credit Risk among Commercial Banks Listed In Nairobi Securities Exchange

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Internal control systems play a very important role in the governance of banks and other financial institutions in any country. Internal control systems are intended to avoid misuse of bank assets, ensure that there is safe custody of all bank assets, and to detect, prevent errors or risks. While banks have instituted internal controls in their operations, several cases of credit risks have been reported. Hence this study aimed to find out the link between credit risks and internal controls as measured by non-performing loans among the listed banks. The distinctive goals of this study included to establish the influence of internal control, risk assessment, activities in control and credit risk monitoring among banking firms
listed in Nairobi Securities Exchange. The research reviewed Finance distress theory, Dynamic Risk Management Theory as well as Enterprise Risk Management Theory as the basis of its theoretical foundation. The study also reviewed empirical literature related to the topic guided by the specific objectives. The study employed cross-sectional research design because the design provides a clear ‘snapshot’ of the results and the characteristics associated with it at a specific point in time. The target population of the study was the eleven banks listed in Nairobi Securities Exchange. Data was collected using structured questionnaires containing mainly closed-ended questions which the researcher distributed and then collected them after they were completed. Data was analyzed using both descriptive and correlation statistics using SPSS, and the results displayed in various formats which include graphical presentation, pie-charts, and diagrams for visualization. The study recommends that banks should implement proper risk assessment to guide their operations. The study also recommends that commercial banks should implement efficient control activities to guide their operations. Further, the study recommends that banks’ monitoring strategies should be geared towards effective operations and achievement of the organizational goals. In regard to suggestions for further studies, this research could be further developed by looking at other independent variables which have an effect on credit risk management among banks in Kenya. Further, a similar study should be carried out on both public and private institutions in Kenya.

Saving and Credit Cooperative (Sacco) Strategic investment expansion decisions and financial performance for a better Kitui central sub-county
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A Sacco is a financial avenue for majority of Kenyans who are keen on savings for socio-economic empowerment. Individuals who are formally and informally employed will join a Sacco which will, in line with Section 4 of Sacco Societies Act, promote their welfare and economic interest. Sacco receives savings from members, invests the funds and yields an annual dividend for its members in the short-term while raising the value of member shares in the long-term. Sacco also lends money to individual members at an interest rate as a source of annual return for members. To manage Sacco strategically and ensure growth of member savings fund, it is important that strategic investment expansion decisions, which affect the present and future earning capacity, solvency and liquidity status of the member funds, are undertaken to achieve Sacco goals and objectives. Expansion investment decisions are in line with increasing Sacco product lines, geographical coverage and customer base as anchored in product life cycle theory. Kitui central sub-county being in an Arid and Semi-arid lands (ASAL) region requires strategic financial management of her Sacco’s to enhance their sustainability. The study found out that expansion decisions have negative contribution to Sacco financial performance as measured by dividend payout and a positive contribution to Sacco financial performance as measured by surplus. The study recommends that expansion decision should strategically position Sacco to gain a competitive advantage in the short-term with pro-rata dividend payout based on member joining time as they also endeavour to sustain this advantage in the long-term through improving value of member share by building sound customer networks and prudent increase in surplus.

Key Words: Sacco, Investment expansion decision, Financial performance, Kitui central

Factors Influencing the Adoption Of Information Communication Technology In Projects Managed By Community Based Organizations In Kenya: A Case Of Thika District
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In the era we live in today, it is virtually impossible to find an individual who does not have access to a cell phone, an email account or interacts with the internet in one way or another. Some of the internet usage includes communication, information search on goods and services, access to news online and e-commerce such as internet banking. The International Telecommunication Union (ITU) -an International Telecommunication regulatory body – states that in 2010, a quarter of the world’s population or 1.9 billion people had access to computers in their home. Intuitively, this suggests that in order for organizations to effectively reach and serve their customers in this day and age, they must also adopt and use the same medium that their customers are using. Information Communication Technology (ICT) is the term given for this medium; it includes information and communications technologies such as computers, land-line telecommunications, mobile phones, other wireless communications devices, internet, other networks, broadband and various specialized devices ranging from barcode scanners to global positioning systems (Ministry of Economic Development, 2004). According to Sorsa and Underwood (2004) from a study they conducted on ICT adoption amongst Small to Medium Enterprises (SMEs) in Indonesia, pressure to adopt often came from the customer.

Strategic Human Resource Management Practices On Performance In Selected Public Universities In Kenya

By Doris Naitore

Strategic Human Resource Management (SHRM) is one of the aspects that is attributed to organizational competitiveness both from developed to developing countries. Despite the fact that SHRM influences organizational performance, it is revealed from human resource literature that public organizations and more specifically Public Universities in Kenya are experiencing deteriorating performance due issues associated to failure to adopt SHRM policies. High turnovers, periodical strikes and boycotts, service inconsistencies among Public Universities are issues associated to poor human resource management strategies. Based on this premise, this study sought to investigate the effect of Strategic Human Resource Management on performance of selected Public Universities in Kenya. The objectives of the study were: to establish that influence of human resource planning, staffing and retention, training and development on performance of selected Public Universities in Kenya. The study adopted descriptive research design. The target population of the study comprised of 13 Public Universities in Kenya where 914 employees were selected from teaching and non-teaching staff members. Simple random sampling technique was used to select the respondents of the. To determine the sample size, the scientific formula proposed by Israel was used to arrive at a sample size of 278 employees. Pilot study was conducted on 5 respondents to determine validity of the instrument by using views of scholars, university lecturers and industry experts while reliability of the instrument was determined by using Cronbach Alpha coefficients of 0.7. Primary data was collected using a structured questionnaire consisting of close-ended and open-ended questions. In addition, secondary data was collected from published sources such as Labour Acts, reports by Commission for University Education (CUE) and performance appraisal reports. Qualitative data was analyzed using content analysis method where key themes of public and spoken word was critically analyzed and conclusions were made. Quantitative data was analyzed using descriptively and inferential statistics such as regression with the help of Statistical Packages for Social Sciences (Version 24) software. Regression analysis was conducted at 95% confidence level and 5% significance level. Descriptive data was presented in form of tables and figures. The study revealed that there exists a positive significant relationship between human resource planning (r = 774, p < 0.000), staffing and retention (r = 376, p < 0.000), training and development (r = 576, p < 0.000) on performance of selected Public Universities in Kenya. The study concludes that despite the fact that strategic human resource practices had a significant positive relationship on performance of selected Public Universities in Kenya, issues of understaffing, motivation and capacity development were of great concern. Therefore, this study recommends that for effective performance of Public Universities in Kenya, the government should increase financial budgets to facilitate adoption of appropriate technology, employment of staff and investment in infrastructural facilities.
Chief Executive Officer Attributes and Financial Distress in Commercial Banks in Kenya
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The failure of commercial banks in an economy can lead to loss of confidence among depositors and stakeholders in the banking sector. This research focused on the assessment that CEO attributes have on financial distress in commercial banks in Kenya. The objectives included the tier based assessment of financial distress in Kenyan commercial banks and the assessment of the effect of CEO attributes on financial distress in Kenyan commercial. A causal research design was employed to 42 commercial banks in Kenya which also formed the population and sample. Multi-discriminant analysis technique (MDA) was employed and the findings revealed that 18% of the commercial banks in tier II and III were financially distressed. The findings also indicated that CEO tenure has a significant and negative relationship with financial distress in Kenyan commercial banks. The findings implied that close monitoring of commercial banks should be done to mitigate the risk of financial distress and that the commercial banks should consider hiring young managers to avoid the risk of financial distress.

Key Words: Chef Executive officer, Attributes, Commercial Banks, Financial Distress.

Effects of Marketing Strategies on the Performance of Telecommunication Companies in Kenya
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There has been an increasing growth in telecommunication industry in the recent years. In order to build a strong business which is profitable and that has a wider market base, it is necessary to develop a well-structured plan that gives a company a competitive edge over the rivals. This study aimed at establishing the effects of marketing plans on the performance of telecommunication companies in Kenya. The data was collected from twenty-four telecommunication companies in Kenya that are currently members of Telecommunication Service Providers Association of Kenya. The study employed a stratified random sampling to select the twenty-four firms out of a target population of forty-seven companies. The main device for collecting data was questionnaire as a primary source. Data was gathered together using questionnaires and tested in detail through descriptive statistics on quantitative data and content analysis on qualitative data. The study recognized and generally accepted that telecommunication companies choose to take up different strategies such as segmentation, targeting, placement and pricing plans to increase their financial performance. The study concluded that the pricing strategy was commonly practiced in the organizations and they kept on reviewing this strategy from time to time when it was no longer delivering the desired results. The study recommends that the companies should continue investing in unique products so that they can set themselves apart and at the same time continue innovating products which will compete with other companies’ products. They should also drive aggressive
marketing campaigns in order to change the concept created in the minds of both their existing and potential customers regarding the pricing of their products. It further recommends that although the organizations have managed to segment their markets, improve on target, placement, and pricing, these alone without aggressive creation of awareness of the products will not attract sufficient customers and it is recommended therefore that the company markets their products so that they can increase their market share and growth in revenue and income. This study will go a long way in helping the telecoms to put in place better plans and patterns that shall spur performance.

**Demographic and Business Factors And The Success Level Of Entrepreneurial Ventures In Kenya**

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This study set to determine the extent to which demographic and business variables could determine entrepreneurial success in entrepreneurial ventures in Kenya. Many small businesses seek financial assistance to start and grow their business but most of these businesses fail within the first few years of start-up. This study used archival data from the records of two venture capital firms operating in Nairobi, Kenya. The target population consisted of 435 small and medium sized businesses in Nairobi’s light manufacturing sector. The total sample consisted of 569 small business owner-managers who met the criteria of business ownership and, venture capitalist funding. Data were collected by use of a document review guide that captured fourteen biographical and sixteen business variables (Independent variables), and measures of success levels as the dependent variable. One-way Analyses of variance and Chi square tests were used to test for success differences in groups of participants (successful Vs. unsuccessful businesses). Bonferroni’s ranges test was used to determine whether a relationship existed between success level and the relevant demographic and business variables. Stepwise Discriminant Analyses were carried out to determine how accurately subjects could be classified into the different levels of success categories. The results of the analyses show that personal and business factors such as amounts and number of loans taken, ethnicity/culture, economic sectors, entrepreneurial contribution, and education levels were more likely to determine success of the business. The study concludes that biographical and business variables hold some degree of success in predicting success or failure of a small business. Funding of small and medium-sized businesses should put into consideration variables that relate to the infrastructure of the entrepreneur’s environment, specifically, system variables such as education and national economic factors, culture and policy.

**Key Words:** Personal variables, business variables, Small businesses success varaibles

**Regulatory Framework and Competitiiveness Of Medium Scale Manufacturing Enterprises In Kenya**

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The development of the Small and Medium Enterprise sector is critical in the promotion of sustainable balanced development of national economies due to their ability to distribute incomes in both rural and urban areas. In Kenya, the SMEs are recognised as an important agent of economic development through the generation of employment for poverty reduction. Despite the role of SMEs towards Kenya’s industrial and economic take-off, a review of literature reveals that most of the studies on firm performance examine large scale enterprises in relation to macro-economics and governmental-industrial policies. On the other hand, the MSE Act of 2012 in Kenya seeks to provide an institutional framework for the micro and small enterprises. This means that there is a missing middle with inadequate literature and absence of specific legal framework for medium scale enterprises that could take into account the unique nature of activities and challenges experienced by these types of firms. A major objective of this study was therefore to investigate the regulatory framework and its effect on the performance of medium scale
enterprises in the manufacturing sector in Nairobi City County, Kenya. Questionnaires and interview schedules were used to collect data from a group of 56 Chief Executive Officers, General Managers or equivalent senior management staff of sampled enterprises with an employment level of between fifty one and two hundred persons (200). The chosen manufacturing enterprises had to be registered with the Kenya Association of Manufacturers and licensed by the Nairobi City County government. The study established that the medium scale manufacturing enterprises face challenges brought about by a complicated regulatory regime, unfriendly customs and trade regulations, tight monetary and credit policies, corruption and excessive tax regimes, workforce and labour regulations, thus impacting negatively on their performance. The study concluded that governmental policies are important in providing an environment that is conducive to business development. Policy initiatives should therefore be directed at removing bottlenecks, lowering and reforming the tax systems, creation of flexible customs and port regulations, embraced information technology to reduce bureaucracy and increase transparency while maintaining transparency and accountability among public officials in charge of SMEs regulation. The government should also support infrastructure development to facilitate raw material sourcing, bulking, collection and cold storage, timely transport, upgrading access roads etc. This will help establish a level playing field to enable MSME competitiveness and support the realization of Kenya’s vision 2030.

**Key Words:** Manufacturing, Medium scale, SMEs, Regulatory Framework, Competitiveness.

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**Foreign Exchange and Performance of Stock Market in Kenya**

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This paper investigates the relationship between the foreign exchange rate and the performance of Stock market in Kenya. The stock market prices in Kenya have been experiencing drastic volatility in the recent past. In the year 2015 alone, the value of the listed companies shrunk by about Ksh 250 billion representing about 25% of the national government annual budget. Performance of stock market is an important proxy of a country’s economic environment. Globally, economists, financial analysts and investors are interested in comprehending the factors that affect the fluctuations of stock markets. An excessive fluctuation of stock prices (in the financial markets) affects the smooth operation of financial markets and consequently adversely affects the performance of an economy. Rational investors are keen in maximizing their returns given a level of risks. Foreign Exchange represent a systematic risk that investors cannot diversify within the Kenyan market yet it affects their returns. Investors therefore need to understand the relationship between foreign exchange and stock performance so that they can know how to react to predicted changes in foreign exchange. The study was underpinned by the Efficient Market Hypothesis, Capital Asset pricing Model, Arbitrage Pricing theories. The study adopted a positivism philosophy and uses a cointegration analysis, used Johansen test of cointegration to determine the level analysis. The study period was 10 years from 2007 to 2017 and used NSE 20 share index as the proxy for Nairobi stock exchange performance. The causality results indicates a significant short run relationship running from foreign exchange to Nairobi stock performance. However there is no causality running form NSE 20 share index to USD exchange rate. Investors should therefore evaluate short run changes in foreign exchange as they have an influence on stock performance.

**Key Words:** Volatility, foreign exchange, systematic risk, stock performance

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Small and Medium Enterprises are recognized as important drivers of economic growth, productivity, innovation and employment and are widely accepted as key aspect of economic growth. Despite the considerable attention paid on SMEs growth, to date no theories have been able to adequately explain why some SMEs grow while others fail. Research has suggested that entrepreneurial decision making styles could be a contributing factor but this line of thought has not been investigated empirically. This study investigated the effect of entrepreneurial decision making style and the growth of small medium-sized manufacturing enterprises in Nairobi, Kenya. The objective was to determine the associations between intuitive and analytical decision styles and growth of manufacturing SMEs in Nairobi County. The study adopted descriptive research design and it targeted 34 manufacturing SMEs in Ruaraka Sub County. The participants were owner managers and assistant managers. Population census was used to get the study participants. Questionnaires were used to collect data. Data were analyzed using descriptive statistics, and correlation analysis with the aid of SPSS. Regression analysis was done with the help of basic regression model. The results showed that there was a strong positive relationship between the intuitive decision making style and the growth of SMEs. That there was a weak relationship between the analytical decision making style and the growth of SMEs. The study concluded that entrepreneurial the intuitive decision making style has a positive effect on the growth of manufacturing SMEs in Nairobi. The study recommended that providers of business development services (BDS) should include decision making style in their training programs to assist entrepreneurs in focusing on critical decision making styles. The entrepreneurs should be made aware of their own decision making styles’ strengths and weakness, this can assist in the growth of SMEs.

Key Words: Decision Making Style, SMEs, Growth of businesses

Capital Structure, Economic Growth And Firm Value Of Selected Firms Listed At Nairobi Securities Exchange, Kenya

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The declining and highly volatile firm’ value observed in the NSE over the last decade has raised concern among scholars and financial practitioners. A declining and turbulent company’s value implies lost and unstable shareholders wealth which in turn increases risk to the stock holders. It is therefore important to ensure that the firm value is enhanced to ensure growth and stable wealth of the shareholders. The Kenyan market has undergone periods of decline in company’s value as shown by reduction in market capitalization from a high of 6161 points in 2007 to a low of 2789.64 points in 2016. Company’s financial management decisions have long been linked with firm’s value; however, there has not been a consensus amongst empirical studies on the effect of financial management decision variables and in particular capital structure affect firm value. The study intended to determine the effect of capital structure on firm value of non-financial companies listed at NSE. The key theories anchoring the study were: pecking order theory and shareholders value maximisation. The target population was the 46 non-financial companies listed in the NSE. The sampling design was census where all non-financial companies listed in the Nairobi Securities Exchange were selected. The study utilized secondary data from financial reports as
published in the NSE handbook and Kenya National Bureau of Statistics for the period between 2008 and 2016. Panel regressions analysis and Pearson’s product moment correlation analysis were used for inferential analysis while means and standard deviations were used for purposes of descriptive analysis. Feasible Generalized Least Square (FGLS) regression results revealed that capital structure had a statistically significant positive relationship with firm value. The regression results indicated that capital structure was statistically significant at 5 percent level. The results further revealed that economic growth had significant positive moderation effect on the relationship between capital structure and the firm value. The paper concludes that, companies that more leverage and has high economic growth has higher firm value. The study therefore recommends that corporate managers should include more leverage Further, the study suggests a precautionary incentive of managers in response to economic shocks.

**Key Words:** Capital Structure, Economic Growth, Firm Value

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**Selected Macro-Economic Variables And Residential House Prices In Nairobi County, Kenya**

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House prices are not only a major point of economic and social debate in Kenya, but also in the whole world. They have been increasing in the country over the past decade and this is likely to continue in future. There are different factors that affect house prices, and their effect change over time. This study sought to determine the effect of selected macroeconomic variables on residential house prices in Nairobi City County, Kenya. The study was anchored on economic theory of demand and supply of houses. The study adopted an explanatory research design and covered the period 2004Q1 to 2016Q4. The House Price Index was obtained from the Hass Property Consult limited while those of the other variables were obtained from the Kenya National Bureau of Statistics. The results revealed that the short run effect of exchange rate and inflation rate on house prices were negative and significant. However, the previous quarter mortgage rates and housing prices had a positive and significant effect on house prices in the current quarter in Kenya in the short run. The speed of adjustment from short to long-run equilibrium is quick with 11.96 per cent of the disequilibrium corrected each quarter. The long run results showed that, mortgage rate and new houses had a negative and highly significant effect on house prices while exchange rate had a positive and significant effect on the house prices in Kenya. The study recommends that the government should put in place measures to curb inflation, maintain a stable exchange rate policy and increase budgetary allocation to housing to increase supply of houses hence check price of new houses.

**Key Words:** House Price Index, House Prices, New Houses

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**Project Complexity And Performance In Road Construction Projects In Kenya**

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Road transport is the dominant mode of transport in Kenya with Kenya Roads Board (KRB), estimating that 90% of all cargo and passenger traffic relying on this mode of transport. Prior to 2002, road construction projects in Kenya performed poorly due to inefficiencies among contractors, contracting and regulatory government agencies. The current study sought to establish the influence of project complexity on the performance of road construction projects in Nairobi City County (NCC). The objective of the study was to determine the effects of project complexity on the performance of road construction projects in NCC. The study adopted the descriptive research design in collecting data from respondents. The target
population was drawn from the ninety-four National Construction Authority (NCA) contractors licensed to do business within NCC and twelve engineers drawn from Kenya Rural Roads Authority (KeRRA), Kenya Urban Roads Authority (KURA) and Kenya National Highways Authority (KenHA). Questionnaires were the primary tool of data collection. Data was analyzed using descriptive and inferential (correlation and regression) statistics with the aid of the SPSS software and presented using tables, graphs and charts as appropriate. The findings revealed that the dimensions of project complexity under investigation have a significant effect on the performance of road construction projects in NCC. Political interference, financial factors, fragmented nature of government oversight and the involvement of subcontractors affect the cost, quality, timeframe and functionality of road construction projects undertaken. According to the regression model used, it was established that only financial factors had a statistically significant relationship to the performance of road construction projects. The study concludes that road contractors and paying organization need to come up with mechanisms of detecting and controlling project complexity. The study recommends that NCA, contractors and paying organizations should abolish milestone-based contracts and deploy skilled, experienced and technically competent personnel in the implementation of road construction projects.

**Key Words:** Project performance, Project complexity, Financial factors, Political interference, Fragmented government oversight, Subcontractor role

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**Influence of ICT Weather Forecasting On Agricultural Productivity in Kenya: A Literature Based Review**

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This study aims at establishing the influence of ICT weather forecasting on agricultural productivity in Kenya. The paper will use a desk study review methodology where relevant empirical literature will be reviewed to identify main themes and conclusion drawn based on the reviewed literatures. The study will be guided by the following specific objectives; to establish the ICT weather forecasting practices used on agricultural production in Kenya, to establish the extent of use of ICT on weather forecasting in Kenya and to determine the challenges hindering ICT weather forecasting on agricultural productivity in Kenya. Agriculture in Kenya is an important fundamental in economic development; it contributes 35% of the gross domestic product (GDP) and constitutes 40% of the export earnings. Thus, weather forecast helps farmers on many fronts such as helping them make informed decisions. Weather affects the entire agriculture chain, whether it is determining which seeds are most effective in certain soil conditions, helping farmers decide how much water to use for crops, or deciding how many crops to raise based on weather conditions at various level. Precision agriculture based upon weather analytics is becoming even more important. Information and communication technology in agriculture (ICT in agriculture), has been developing and applying innovative ways to use ICTs in the rural domain, with a primary focus on agriculture on weather forecasting. The study concluded that climate uncertainty also has a negative impact on the providers of credit and markets for productive inputs and can make it difficult for smallholder farmers to benefit from agricultural markets. Climate information reduces uncertainty and can help farmers make better use of new seeds and technologies. The study recommended that meteorologists should consider linkages with end users of forecast information to develop user-oriented products, communicate the information in the user’s local languages (particularly the pastoral communities), and develop techniques for raising the awareness of the user communities on the benefits of using weather information in agricultural practices decision-making. The study recommends that weather forecasts be devolved to the counties in developing informed agricultural decisions. It further recommends that language and communication of the weather information be improved in temporal and spatial scales with the use of new and emerging technology. KMS should enhance its efforts in awareness creation and public understanding of weather services.

**Key words:** ICT, Weather Forecasting, Agricultural Productivity & Kenya.
Governance and Financial Disclosure Quality of Firms Listed at the Nairobi Securities Exchange, Kenya

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Financial reporting is no longer seen as a mere recording of transactions or an ordinary bookkeeping activity. It is now perceived as an important tool in managing a company with best corporate governance practices. Financial reporting reflects a firm’s transparency and if it could not explain the changes in the value of shareholders in a timely manner; shareholders require additional monitoring mechanism. The study, therefore, investigates the effect of corporate governance on financial reporting Quality of listed banks at the Nairobi Securities Exchange (NSE) in Kenya. The data for the analysis is gathered from annual reports of listed banks at the NSE for six financial years from 2013 to 2017. The study used Board Composition, Board Size, Board Independence and Board Meeting Frequency as proxies for corporate governance. This study uses Disclosure Index as a proxy of financial disclosure quality. The data is analyzed using descriptive statistics, correlation matrix and panel data regression statistics. The findings indicate that corporate governance has a significant effect on financial disclosure quality. The findings of the research will help policy makers and practitioners in Kenya in formulating corporate governance policies. The value of the study lies in that the results provide evidence on the effect of corporate governance on financial disclosure quality.

Key Words: Board Composition, Board Independence, Board Size, and Board Meeting Frequency, Corporate Governance, Financial Reporting Quality

Transformational Leadership and Growth of Women-Owned Micro and Small Enterprises in Kasarani Division, Nairobi County - Kenya

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The growth of women-owned enterprises is currently attracting much policy and literal attention. There is debate that transformational leadership is essential to the growth of micro and small enterprises (MSEs). However, empirical evidence of the role of transformational leadership on the growth of women-owned enterprises in Kenya is scarce. The purpose of this study was to examine the effects of transformational leadership on the growth of women-owned enterprises in Kasarani Division in Nairobi County. A random sample of 400 women-owned and managed MSEs was surveyed using a structured questionnaire. The Multifactor Leadership Questionnaire (MLQ) was used to measure transformational leadership. Regression models were used to examine the effects of transformational leadership on enterprise growth. Having parents in business and obtaining business advice were negatively associated with growth. Further, the age of the business and obtaining credit for business operations were positively associated with enterprise growth. The results of this study suggest that enhancing transformational leadership in women-owned enterprises is a viable policy option. The need to enhance business heritage is recommended.

Key Words: Transformational Leadership, Growth, Women-owned SMEs,

Green human resource management: a strategy towards achieving sustainable development goals in Kenya

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Environmental consciousness has become a cliché in today’s world. Our lifestyles have greatly impacted on the environment and more so negatively, and therefore the need to preserve the environment for better livelihood. This study sought to explore the role of HR in the realization of sustainable development goals by employing Green Human Resource management as a HR strategy in organizations in Kenya. The provision of good health, clean water and sanitation, eradication of poverty, are among the sustainable development goals that can be realized through Green Human Resource management, courtesy of environmental protection. Green Human Resource management consists of HR policies and initiatives that facilitate the integration of environmental management in organizations through Human Resource management. Such include the use of policies and practices that enable employees to go ‘green’ for their own benefit, the organization’s, the societies, and nature. Such policies under study included green policies, green recruitment, green training and development, green performance management, green rewards and green health and safety. Green human resource management is a relatively new concept in many organizations in Kenya, thus, not much has been researched on it. Emergent discussions show the few researched organizations in Kenya did not have or make use of Green Human Resource policies and practices. A majority had policies on environmental management but was not embedded on HRM. The study used a descriptive research design. The study population was 64 HR officers employees from Nairobi County Government from which the entire population was chosen as the sample. Findings show that Green HRM was not practiced as a HR policy at the Nairobi County Government, despite the fact that there were policies on environmental management. The researcher recommends that Green HRM be adopted as a HR strategy to boost the environmental management policies that exist. In addition, similar studies should be carried in other County Governments in Kenya.

**Key words:** Green HRM, Green initiatives, HR policies, HRM strategy, Sustainable Development Goals.

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**Knowledge Management And Performance: A Conceptual Review**

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Knowledge management, is managing information flow, and getting the right information to the people who need it so that they can act on it quickly. It starts with business objectives and processes and a recognition of the need to share information. The purpose of this review is to explore knowledge management drivers and performance. This paper seeks to review empirical literature and provide a conceptual overview of knowledge management and its unique contribution to performance. It seeks to identify critical characteristics that will create competencies that can reorganize an institution towards improved performance. Application of the knowledge management process can hasten the deployment of new knowledge and innovations in a sector and transform performance this has a positive impact on individuals and the economy.

**Key Words:** Knowledge, Knowledge management, Knowledge management process

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**Moderating Effect of High Performance Work Practices on the Relationship Between Trade Unions and Productivity in TVET Institutions In Kenya**

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The study looked at the influence of trade unions functions as a practice of employee relations in Human Resource Management. Specifically, it examined the moderating effect of high performance work practices on the relationship between the influence of trade unions functions and productivity in TVET Institutions in Kenya. The study anchored on following theories Ability, Motivation and Opportunity and Universalistic. This research adopted cross sectional survey research design. The target population was TVET Institutions with 5718 individuals that included Principals, Deputy Principals, heads of departments, teaching staff, non-teaching staff, a ministry of science and technology education official, Secretary Generals of KNUT, KUPPET, COTU, TUC and representative from the TVET Institutions. The sample size was 361 of which 315 responded. Purposive sampling was used to select 10% of sample size of institutions for pilot testing. Normal approximation to the binomial distribution and stratified sampling were used to arrive at the sample size. A structured questionnaire and an interview schedule were used to collect primary data. The questionnaire was pretested before data collection for validation and reliability. Secondary data was collected through evaluation of journals, reports, and publications. Both descriptive and inferential analysis methods were used to analyze statistical data. The study used a statistical measurement model with a moderating variable. Inferential statistics was used to test hypotheses. The Statistical Package for Social Sciences (SPSS) version 22 was used for the statistical analyses, while qualitative data was analyzed thematically along the objectives of the study. The study revealed a positive linear relationship between moderating influence of high performance work practices and productivity. This shows that the variable under study has a statistically significant influence on productivity. The study recommends that TVET institutional heads and Ministry of Science and Technology officers should always seek to work harmoniously with trade unions instead of competing in order to enhance productivity. TVET institutional heads and the ministry officials should tap into the influence of trade unions to achieve organizational goals thereby enhancing productivity. The study is beneficial to lecturers, non-teaching staff, students, parents, and members of Board of management, officials of Ministry of Education, trade union officials and the Government at large.

Key words: Moderating effect of high performance work practices, trade unions, productivity, TVET institutions in Kenya

Strategic Orientation and Firms Growth: A conceptual Review

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Having a working strategy helps organizations to find solutions to their problems and challenges, by creating new capabilities and improve the existing ones as they endeavor to improve performance and growth. Strategic decisions are the decision and the choices that organizations make to have an outstanding performance. In the constantly changing business environment today the old traditional, hierarchical top bottom management approaches are not effective any more. This has resulted to firms employing and relying more on culture, simple rules and regulations and strategic direction that guide the actions and practices of the individual actors. These guiding actions and practices are the ones referred to as the strategic orientations. Strategic orientation in itself does not necessarily give an organization a competitive advantage in the market or an outstanding performance as a standalone, but the interrelationship of the different strategic orientations. This study will focus on the four key strategic orientations, Entrepreneurial, customer, market and technological orientations. The study will endeavor to establish the impact of this strategic orientations on the growth of the firm. The many studies that have been done have indicated the strategy orientation has a positive impact on the firms growth. However, little studies have focused on all the four strategic orientation together in an organization and assess the impact on growth, which is the purpose of this study. In the empirical study will seek to answer the
question, if the interrelationship of the strategic orientations have an impact on firm’s growth? The findings of the study will help the top management team of the organization with the understanding of the impact of the strategic orientations on the firm. This study will enhance the decisions they will have to make on the interrelationship of the strategic orientation with the endeavor to grow the organization they lead.

Performance Management Practices and Employee Performance in Selected Public Schools in Kiambu County, Kenya

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Inappropriate performance practices in organizations have impacted negatively on employees’ performance which in turn has a negative effect on the output. The challenges that are experienced include inappropriate channel of feedback, improper competency evaluation and career planning. The purpose of this study was to assess the link between performance practices and employees performance in selected public schools in Kiambu County, Kenya. The study specifically focused on the effect of goal setting on employee performance in selected public schools; the effect of continuous feedback on employee performance; the effect of competency-based evaluation on employee performance in Kiambu County, Kenya; and establishing the effect of career planning on employee performance in selected public schools in Kiambu County, Kenya. The study was based on Goal Setting Theory; Performance Feedback Theory; Competency-Based Theory; and Career Planning theory. The study adopted a descriptive research design on a target population of 90 public schools within Kiambu County registered by the county education statistics. The sample size therefore was 234 public school staff; this consisted of 50 principals, 67 school accountants, 70 senior teachers and 47 subordinate staff of the schools. Validity and reliability tests were conducted to ensure that the questionnaires are reliable and valid. Collected data was analysed using means, frequencies, standard deviation and percentages. Analysed data was presented using tables and figures. The study was important to the top management team of public schools in Kiambu County, regulatory bodies like KNEC, Ministry of education and future scholars. The study established that goal setting, continuous feedback, competency-based evaluation and career planning significantly and positively influenced the performance of employees among public schools in Kiambu County. The study concluded that the schools were keen on setting goals for employees but were not consultative and sufficiently compliant. The study further concludes that feedback was significantly embraced among the schools however; it was not timely, precise, procedural and open. The study concluded that competency-based evaluation was employed to a little extent as a performance management practice among public schools in Kiambu County but it had a positive effect on the performance of employees. It was also concluded that career planning was not sufficiently employed among public schools in Kiambu County but it had a positive relationship with performance. The study recommends that other factors that may influence employee performance not included in the study be investigated.

Key Words: Performance Management, Employees, Employee Performance, Competency, Evaluation

Determinants of International Tourism Demand for Kenya

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Tourism sector in Kenya plays an important role in the national economy and has been identified as one of the six priority sectors in vision 2030 meant to drive the economy to attain 10 percent economic growth. International tourism demand for Kenya lags behind other African countries like Egypt, Morocco, Tunisia and South Africa. Furthermore, the number of tourists’ arrivals to Kenya from different world
regions does not increase constantly but have experienced cyclical fluctuations over the years. Moreover, the Kenya tourism product offered is becoming increasingly non-competitive. There is need therefore, for Kenya to offer demand driven tourism products that ensure visitors come to Kenya and stays longer. GOK, tourism planners and marketers therefore need to clearly understand which important factors influence international tourists’ decision to visit Kenya as their destination. Motivated by this need, the study sought to investigate the determinants of international tourism demand for Kenya. Specifically the study established the effect of tourist socio-demographic characteristics, political factors and destination characteristics on international tourism demand for Kenya. The study used descriptive research design. Data were collected from individual tourists leaving the country through Jomo Kenyatta International Airport using questionnaires. The study used a count data regression model to determine the effect of socio-demographic characteristics, political factors and destination characteristics on international tourism demand. The study results indicated that the tourist’s socio-demographic characteristics such as annual household income, age and occupational status were found to significantly influence international tourism demand. The political factors composite index and destination characteristics composite index were also important determinants of international tourism demand. Taking into consideration of all these factors affecting tourism demand, the government and all the tourism stakeholders should work towards making Kenya tourism product competitive by ensuring that the prices remain competitive, diversifying tourism by creating tourism products which meets the needs of specific groups. The existing tourism products should also be improved in order to remain competitive, the tourism infrastructure and services should be well established and of good quality. Therefore, all the tourism stakeholders should work towards making Kenya a destination of choice.

Key Words: International tourism demand, socio-demographic characteristics, political factors, destination characteristics

Competitive Intelligence and Firm’s Performance: A Conceptual Review

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The business environment has become very dynamic resulting in need for businesses to change their way of doing business. These changes include; the changes in product offering, changes in customer preference, changes in technological requirements amongst others. These changes have placed businesses under great pressure to react to them in order to improve on their competitive advantages. Competitive intelligence is one of the strategic moves that have been identified by a firm to identify their competitor and be able to predict their next move. This has had an importance of mainly gaining foreknowledge of a firm’s competitor, their plans and planning business strategy to counter all their plans. This paper will seek to explore the empirical literature and as a result give conceptual overview to contribute in the exploring of the concept of competitive intelligence. The purpose of this paper will be to look at the impact of the practice of competitive intelligence on a firm’s performance. This paper will be answering to the following questions: Do competitive intelligence activities have an impact on the market performance of firms? If so, what are the macro and micro environmental drivers of competitive intelligence for firms? How is competitive intelligence activities organized within firms? This study will aim at assisting managers and by extension firms in having a more informed understanding of competitive intelligence activities in a marketplace. In additions, firms through managers will be able to identify the untapped opportunities and potential that competitive intelligence can offer in a highly volatile and rapidly changing market.
In Kenya, one of the major electricity connection projects being undertaken is the last mile project. The last mile project is set to enable the connection of electricity to 314,200 households to the very rural areas in the country. Despite its efforts towards its mandate, the power Project has faced diverse challenges across the Nation. Among the challenges are erection of the electricity connectivity of semi-permanent dwelling structures that poses a risk of falling off and causing damage or fire, connectivity fees being paid installments, inability of some beneficiaries to pay the monthly electricity bills and most connected meters failing to vend. This study sought to examine the influence of monitoring and evaluation, risk management, project leadership skills, stakeholder participation, and their influence on the last mile power project sustainability in Nakuru County, Kenya. The study utilized descriptive research design with the target population of 14 managers in five departments and 47 contractors and sub-contractors in Nakuru region. This study used census sampling to contain 61 respondents for this study. Structured questionnaires were used in collecting data with content validity to ascertain the validity of test items. The adopted reliability value of research instruments of 0.6 Cronbach alpha coefficients. The data was then be coded and entered into SPSS version 22 for analysis. This study used both descriptive and inferential analysis where descriptive includes frequencies, means and standard deviation whereas inferential analysis was based on multiple regression. Monitoring gives information on where a policy, program or project is at any given time (or over time) relative to respective targets and outcomes. Monitoring focuses in particular on efficiency, and the use of resources, identifying risks is by far the most crucial phase of the risk management process, The success and sustainability of any project relies on the ability of the manager ability to successfully lead different teams and help them buy-in into a common goal of completing the objectives of the project and that stake holder participation program enables those who are interested in, or affected by a decision, have an opportunity to influence the outcome on sustainability of the Last Mile power Project in Nakuru County. The study concludes that there exists a positive significant effect between study variable (monitoring and evaluation, risk management, project leadership skills and stakeholder participation) and sustainability of Last Mile power Project in Nakuru County. The study recommends that Project managers should continually strengthen their monitoring and evaluation strategies. Project managers a should continually adopt strong risk management strategies, managers should possess strong project leadership skills and that oversight committee should have a good stakeholder participation program as this will enable those who are interested in, or affected by a decision, have an opportunity to influence the outcome.

Key Words: project management practices, sustainability, Last mile power project

Financial Risks and Financial Performance of Commercial Banks in Kenya

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This study sought to investigate the effect of financial risks on Kenya’s commercial banks financial performance. Specific objectives for the study were to establish the effect of liquidity risk and foreign exchange risk on performance of commercial banks in Kenya. The study used secondary panel data that was analyzed through descriptive and inferential statistics with the aid of STATA (vs14). From the
analysis of the data, liquidity risk and foreign exchange risk, jointly explain 43.86 percent of the variations in commercial banks’ financial performance in Kenya. From the study findings it can be substantively concluded that, foreign exchange risk have a negative and significant effect on financial performance of commercial banks in Kenya. Liquidity risk on the other hand indicated an insignificant positive effect on financial performance of commercial banks in Kenya. Based on the study findings, commercial banks can be able to improve their financial performance through efficient and effective management of exchange rate risk which poses the greater effect on the banks’ performance. The study would recommend the use of swaps, options, spot markets and forward markets when dealing with operations abroad so as to minimize the exchange rate risk.

**Key Words:** Financial Risks, Liquidity Risk, Foreign Exchange rate Risk, Financial Performance, and Commercial Banks.

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**Asset Quality and Efficiency of Deposit Taking Savings and Credit Cooperative Societies in Kenya**

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The deposits taking Savings and Credit Cooperative Societies have continued to play a critical role in Kenya’s financial sector in terms of access, savings mobilization and wealth creation. According to the Kenya’s economic blueprint Vision 2030, the sector under study is a key player to achieving the 10% annual economic growth target. Given the importance of the sector in economic growth, there has been considerable interest in their efficiency. In Kenya, DTS have been reported to have low efficiency, with the average efficiency being less than one. There is limited empirical literature to explain the inefficiency of Deposit Taking Savings and credit Cooperative Societies in Kenya. In view of this, the study sought to establish the effect of asset quality on efficiency. The study was anchored on Asymmetric Information Theory. The study adopted positivist philosophy and explanatory research design. The target population comprised 110 Deposit Taking Savings and credit Cooperative Societies as per Savings and Credit Cooperative Societies Regulatory Authority report for the year 2017. The study used secondary data that was collected from the audited financial statements for the period 2012-2016. Data was collected using a document review guide. Data Envelopment Analysis methodology was used to generate efficiency scores. Both descriptive analysis which included mean and standard deviation and inferential statistics which included panel Tobit regression was done and was aided by stata version 11. Descriptive analysis indicates that the mean of asset quality is above the required maximum by the regulator. In addition, asset quality had a statistically significant effect on efficiency. The study concluded that: increase in asset quality reduces efficiency. The study recommends that Deposit Taking Savings and credit Cooperative Societies should develop credit administration strategies that reduce the amount of non-performing loans; a policy for credit information sharing to make it compulsory for Deposit Taking Savings and credit Cooperative Societies to share credit information.

**Key Words:** Efficiency, Asset quality, Financial Innovations, Efficiency, non-performing loans