

**INFLUENCE OF ADOPTION OF GOVERNANCE PRINCIPLES ON PERFORMANCE OF  
COMMERCIAL STATE CORPORATIONS IN KENYA**

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**CITATION:** Laimaru, S., Waiganjo, E., Nteere K., K. (2017). Influence of Adoption of Governance Principles on Performance of Commercial State Corporations in Kenya. *International Journal of Arts and Social Sciences*. Vol. 6 (6) pp 76 – 95.

## Abstract

The purpose of the study was to establish the influence of adoption of governance principles on the performance of commercial state corporations in Kenya. The study was guided with specific objectives which are; to examine the influence of transparency on performance of commercial state corporations in Kenya, to determine the influence of fairness on performance of commercial state corporations in Kenya and to evaluate how integrity influence performance of commercial state corporations in Kenya. The study used descriptive research survey design. The study sample size was 55 commercial State Corporation, the sample use censused since the sample was small. Inferential statistics was used to determine the relationships and significance between independent and dependent variable. The data was presented using tables, graphs and charts. The number of questionnaires that were administered to all the respondents were 55 questionnaires. A total of 38 questionnaires were properly filled and returned from the Commercial State Corporation. This represented an overall successful response rate of 69%. The study found that majority of the respondent agreed that adoption of governance principles influences on the performance of commercial state corporations in Kenya. The study also found that principle of accountability, transparency and fairness had a high influence on the performance of commercial state corporations in Kenya. Further the study established that principle of integrity was very low on influencing the performance of commercial state corporations in Kenya. The study recommended on the adoption of governance principles on the performance of commercial state corporations in Kenya. The study concludes that principle of transparency and faireness influence on the performance of commercial state corporations in Kenya to a great extent. The study recommended that principle of transparency and faireness influences

### **on the performance**

of commercial state corporations in Kenya to a great extent and therefore it should be adopted in state corporates. Also the study established that principle of integrity is negatively applied in the commercial state corporations in Kenya. The study established that annual report publication in state-corporate, report auditing by internal and external auditors and members providing feedback on their roles highly influences on the performance of commercial state corporations in Kenya. The study recommended further research to be conducted on influence of adoption of governance principles on the performance on government ministries, Non-governmental institutions and private sector.

**Key Word:** Transparency Principle, Fairness Principle, Integrity Principle, Corporate Regulation

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