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CORPORATE GOVERNANCE AND PERFORMANCE OF MISSION HOSPITALS IN NAIROBI CITY COUNTY, KENYA

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Abstract

The study focused on corporate governance among Mission hospitals in Kenya. Four components of corporate governance were selected; board size, board independence, accountability systems and board responsiveness. The conceptualization of the study was anchored on Agency theory and Balance score card model. The unit of analysis was the hospital while observations were made at the various functional areas at the hospital across the levels of hierarchy from where respondents were drawn comprising of the top level and middle level employees. The total number sampled was 306. The research design adopted was descriptive research design, Primary data was obtained using a 5 point likert scale questionnaire through drop and pick later method. The study recorded a response rate of 78.4%. The respondents' opinions towards how corporate governance is practiced varied, two components of governance wee rated at the level of disagree while two components were rated at the level of indifference. The level of practice of corporate governance among the hospital has a positive correlation with performance. Corporate governance was found to explain 51.4% of the variation in performance of mission hospitals. Two components of corporate governance are not significant even though have a positive effect, namely board responsiveness and accountability systems. Board size and board independence on the other hand have a significant positive effect on performance. The study concluded that corporate governance practices are relevant in the management of hospitals. Future research is called upon to investigate the contribution of corporate governance on performance using a larger sample size of hospitals.

Keywords: Corporate governance practices, Mission Hospital, Nairobi City County, Performance

INTRODUCTION

The strategic management process puts emphasis on the implementation phase to deliver expected results. As part of the strategic control mechanism, the concept of governance has been considered as critical in contributing to the successful implementation of strategies and ultimate realization of desired organisational results. Corporate governance makes guarantee that management operates more effectively while making strategic choices that are more aligned with the firm's business goals and shareholders' expectations. In the event of poor governance, organizations tend to experience managerial scandals and mismanagement of financial resources. Kamonjo (2012) defined good corporate governance as one that addresses the collective problems in an organisation that arises from the distribution, allocation and management of resources. Corporate failures and increased incidents of fraud arising from poor governance has led to increased need for directors' accountability, introduction of legislation by lawmakers in an attempt to protect the right of an organizations' stakeholders. Kamonjo (2012) went further and recognized that in order to enhance how countries and organisations are performing economically, corporate governance practices need to be improved.

According to Aguilera (2005), the financial chaos that existed in Asia in the late 1990s, as well as prominent problems at Enron, WorldCom, and other connected businesses, has prompted policymakers, investors, academics, and other stakeholders to become more interested in advocating for good corporate governance in both the public and commercial sectors. These events were faced by challenges and this led to the rise of certain measures in Mission Hospitals across the globe including taking control of the Mission Hospital system so as to ensure that it adheres to the principles of good corporate governance.

In the history of the development of corporate governance, there have been varied experiences in different sectors in most economies, for example in Great Britain, the conservative British government established the first committee, the Cadbury committee, which focused on financial corporate governance issues. According to Omilly (2010), corporate governance in the United Kingdom had problems, for example, they used creative accounting in the calculation of shareholder value, which was causing concern at the time. Secondly, failures in corporate leadership were seen and this was followed up by top management concealing financial difficulties in the organizations they were heading and finally, the public was not contented with the rapid growth in the top management remuneration.

In the case of Mission Hospitals as highlighted by Wiley *et al* (2005) this can happen when high performance does not lead to increase in top management remuneration and the problem of leadership result to the need of an Ad Hoc Hospital committee on governance. Recommendations from the said leadership and management committee revolves around ways to increase the executives' transparency and accountability. A good corporate governance system is one that allows the board some freedom to managerial power and to drive the Hospital forward as long as they are accountable in their actions. This has brought up the need to come up with ways to improve transparency on how the top management remuneration is arrived at in mission hospitals.

In Kenya in an attempt to stimulate economic growth and development in all public, private, and mission hospitals, the Kenyan government implemented a number of economic reforms and put in place the Economic and Financial Crime Commission. This was mainly meant to keep a close eye to the economy and also intervene in the public, private and Mission Hospitals in the event of financial misconduct. As a result, Kairima (2010) establishes that Many Mission Hospitals have been seen to embrace corporate governance; this is due to the rise in the cases of financial scandals, increase in the employees' turnover, the level of competition among the hospitals and the effort that both the domestic and international investors are putting to enter into the market. A good corporate governance leads to healthy competition between Hospitals and ease access of capital markets. These two factors lead to development in financial markets and an increased growth in the economy. As a result, grew a greater need in Mission Hospitals to develop better corporate governance processes and procedures.

Statement of Problem

A good number of Mission Hospitals in Kenya started way back in 1920s and since then, they have offered services to patients across the country although dissatisfaction has been expressed through high turnover of employees, frequent change of management and go slow and boycotts by workers (Tomdi*et al*, 2020). According to Christian Health Association of Kenya (Chak) report (2011), there are 15 mission hospitals in Nairobi City County and a good number of them were not all doing well in terms of services offered.

Grundmann (2019) argued that Many workshops and exchange programs have been conducted by the churches concerned in conjunction with the Ministry of Health but this has not alleviated the problem of employee turnover, frequent change in management, lack of employee autonomy, boycotts, increased lead time in procurement and tendering, low number of employee innovations and increased resistance to change. Corporate governance has been attracting worldwide attention due to the large number of big corporations collapsing as a result of their inability to smoothly sustain their operations and make payments to their suppliers on time.

Mission Hospitals have been seen to deliver credible services since inception and most citizens have been clamoring for employment and other services in mission hospitals but as time goes by, many of these mission hospitals are experiencing many challenges. A report by CHAK (2015) points out that 68% of the mission hospitals have experienced strikes and their human resource turnover is very high, while 26% have had moderate challenges and 6% have very few of these corporate challenges. Mission Hospitals in Nairobi city county have posted 72% of these strikes, go slows and human resource high turnover which is quite high compared to other Mission hospitals.

The quality of Health care service is one of the elements that are considered when measuring the hospitals efficiency. A report by Muhoro (2017) brought out how several mission hospitals are having law suits with regard to negligence and others delayed payments to suppliers. In addition, he opined how efficiency is achieved when firms are making use of minimum inputs to achieve a given quality and quantity output and this is not the case in mission hospitals

Mission Hospitals operate under the influence of the mother church where the management is represented in the hospital board through the office of hospital director who is referred to as the Chief Executive Officer (CEO). Every church has it national health board that works in conjunction with the hospital board. Actually, the chairperson of every board is normally interviewed by the national health board (MHHB,2013).

According to CHAK, this high turnover is connected to the weaknesses of the Hospital Board, the Hospital Management and influence of the mother church. When these challenges arise, a lot of man hours are wasted in resolving indiscipline cases among employees and this leads to more financial loss to the hospitals. CHAK (2018) points out that a number of meetings and workshops have been held to try to alleviate this problem of strikes, high personnel turnover and go slows in mission hospitals but have not borne fruits. Exchange programs have also been put in place to compare with the better performing mission hospitals in the nation but still the challenges at Nairobi city county mission hospitals have remained a nightmare.

Several researches have been done on the subject of corporate governance with studies mainly focusing on profitability of organizations. Mutuota (2011) conducted a study that clearly demonstrated the link between corporate governance and strategic success, concluding that financial monitoring improves Sacco's performance. In her investigation into the effects of corporate governance rules on financial performance, Omilly (2010) discovered that businesses that apply effective corporate governance procedures earn higher profits.

As mentioned above, research has been done on the impact of corporate governance on an organization's profitability and strategic performance but none highlighted on how corporate governance can impact the day-to-day operations in the Mission hospitals such as lead time, resource utilization, autonomy in decision making and so on that accumulatively result to the success or failure a hospital. Hence, the need for this study to explore corporate governance practices and its effect on the performance of Mission Hospitals in Nairobi City County. The study was guided by four objectives namely: To assess the effect of board size on the performance of Mission Hospitals in Nairobi City County, to examine the effect of board independence on the performance of Mission Hospitals in Nairobi City County, to determine the impact of accountability system enforced on the performance of Mission Hospitals in Nairobi City County. and finally to assess the effect of board responsiveness on the performance of Mission Hospitals in Nairobi City County.

Value of the Study

The study's conclusions have both theoretical and practical ramifications for Mission Hospitals in Nairobi City County's future: The study led to a better understanding of corporate governance practices and their impact on Mission Hospital's performance. The study's practical significance is that it attempts to pinpoint a solution to weak corporate governance in order to improve the mission hospitals' performance. The findings of this study also provide information on the effects of corporate governance procedures on Mission Hospitals to the Ministry of Health and policymakers. The study also benefits the top management team of Mission Hospitals in identifying the weaknesses of their respective hospitals. Finally, the findings made from the study will be added to a body of knowledge that health administrators can use to strategize and anticipate the future direction of their hospitals.

LITERATURE REVIEW

Theoretical Review and Conceptualization

In this study, Agency Theory and Balance Score Card Model were used to underpin the study variables. Corporate governance propels every resource in the organization towards achievement of returns on their investment. The authors selected Agency Theory to explain the operation of corporate governance in Mission Hospitals due to its arguments that make relevance to the management of private hospitals. The main argument of this theory is that when a company is first established, its founders remain actively involved in its management because the business is still in its early phases and does not require the hiring of people. But as the time goes and the firm expands its operations then a management team is hired to work on behalf of the owners. Now this is the agency relationship; the owners are the principal whereas the management team the agents. The theory is attributed to Jensen and Meckling (1976).

In the case of Mission Hospitals, the owners, who are the mother church, have appointed a management team headed by Hospital C.E.O to carry out duties on their behalf. The management is entrusted by the sponsors that they keep their interests ahead in every situation but this is not always the case. Sometimes, the top management becomes blinded by their individual interests and this brings about the principal agent problem. For instance, agency problem can arise when; the top managers pay themselves high incentives which do not match up with the work done. Also, the top managers may choose to involve themselves in situations that will only add up something to their reputations at the expense of the hospital performance.

This situation can be minimized when the owners together with the management team puts in place very strong management policies that will be used in the running of the Mission Hospital. They can also carry out audits frequently to curb mismanagement of funds and misuse of office. By so doing, this will ensure that both parties interests are safe guarded. This study, made use of Agency theory to identify the indicators of corporate governance that are applicable in a private healthcare situation. From the postulates of the theory the study obtained four indicators that were investigated as the independent variables. These were Board Size, Board Independence, Accountability Systems and Board Responsiveness.

The Balance Score card model is a methodology that acts as a link between the organizations vision and its strategic objectives, measures, goals and initiatives. It helps businesses maintain a balance between their four areas of the entity's financial and non-financial objectives. These four areas include: Financial, Customer, Internal Processes and Organizational Capacity. The methodology also makes it possible for organizations to avoid coming up with expensive projects that have no positive impact on strategies by creating ways to measure objectives and consequently identify projects in line with the objectives.

In the case of Mission Hospitals, the financial perspective covers elements such as return on assets and growth in revenue, the customer Perspective entails elements such as customer satisfaction, on-time service delivery and the value customers place on the firms' products, the learning and growth perspective revolves around elements such as the employees' performance in the delivery of services, their skills, the hospitals culture and the type of leadership style practiced by the hospital and finally the internal operations perspective elements such as how well the business is operating and the degree to which the mission hospitals services conform to what is required by the customer.

The Balance Score Card Model was used in this study to inform the choice of indicators for the dependent variable in the study. The study adopted Financial Indicators and Operational Efficiency as the indicators of performance of Mission Hospitals.

Concept and nature of Corporate Governance

O'Donovan (2004) highlighted that it is through corporate governance that the top-level managers ensure that the employees are accountable for their actions, resources are used prudently and fairness and transparency is upheld in the running of the organisation without forgetting to ensure that there is a balance between the interest of the organisations and the many stakeholders. He went further and stated that proper management of resources ensures programs do not stall before completion, ensures accountability, promotes innovation and ensures all plans are implemented. Omilly (2010) argued that corporate governance ensures performance is monitored and it also puts in place a structure for setting company's objectives. The author went ahead and stated that corporate governance includes concepts such as Board Size, Board Independence, Accountability Systems and Board Responsiveness. This study adopted this perspective and used the four concepts as the independent variable of the study.

The sum of individuals that constitute the board of directors is referred to as the board's size. Omilly (2010) established that Profitability of a firm is directly influenced by the size of board. This is so as, organisations with a small board size are seen to make decisions in an effective manner and all members of the board will get a chance to air their opinions and participate fully during meetings. She went further and pointed out those organisations with larger board size show less corporate governance responsibility compared with their counterparts.

Board independence measures how free of influence board members are. Vo and Pan (2013) analyzed board independence as an element that affect corporate governance and they found that it has a positive influence on a firm's profitability. According to Kairima (2010), the board of directors' mission is to advance the interests of the shareholders. It consists of both executive and non-executive members. For the non-executive directors to perform their duties effectively they need to be independent from management and also provide unbiased judgment in the running of the organization. Leaders who are conversant with the legal frame work to run an organization appropriately are useful in promoting board independence in the procurement process and also reducing the procurement lead time. Kamonjo (2012) discovered a link between board accountability and a company's financial performance. A board that comes up with ways of reducing wastes and curbing corruption tend to perform better compared to their counterparts.

Keay (2015) defined Board Accountability as the degree to which board of directors are liable for their actions given that they are given significant power to make pertinent decisions. Hurt (2013) argued that existence of accountability systems in organizations acts as incentive to proper policymaking that will in turn lead to improved corporate governance. In addition to that, accountability encourages directors to pause and think before taking an action therefore it can be used as tool to induce reflection and learning. In agreement with Hurt (2013), Moore (2013) observed that situations where decision makers like the board of governors have to explain or justify their actions are likely to operate efficiently compared to where checks are absent.

Stepheng and Stubben (2010) defined board responsiveness as the ability of the board to readily and quickly react to suggestions, appeals and influences brought before them. Moore (2013) asserts a connection between a board's responsiveness and an organization's performance. This is because, time is a precious element in business therefore when the board responds to matters arising quickly, the operations in the firm will run effectively as the board oversees all functions in the firm.

These indicators of corporate governance have been investigated in a number of empirical studies to determine how they explain organisational outcomes in diverse sectors. For example, Keay (2015) in one study sought to establish the effect of accountability on a firm's performance in the UK. The researcher reported that the components of the accountability system used in the study positively affected performance of the sampled firms. In another study by Moore (2013) seeking out the relationship between board responsiveness and organisational financial performance, it was concluded that Board responsiveness and organisational performance have a positive correlation. In addition, Kamonjo (2012), in his study on establishing the relationship between board accountability and a company's financial performance, through the use of multiple regression found out that Board accountability positively affected a firm's performance. Similarly, Stephen and Olatunji (2011) found out that non-executive members are have a negative effect with profitability of a firm in their research that sought to determine how non-executive directors affect profitability of banks.

Corporate governance and performance

Spenser and McClelland (1994) argued that Performance is said to exist when knowledge, skills and abilities are applied towards the completion of a particular task. They linked competency to performance where they went ahead to define competency as a situation whereby an organisation combines their motives, human resource traits and attitude with the available knowledge and skills towards the achievement of the organisational goals. This means that organisational performance revolves around the narrative that a firms needs to have a pool of assets which include both human capital and financial resources and combine the two towards a common goal. In the case of Mission Hospitals, their financial resources are the monies that they collect from their patients, insurance firms and donors. The human capital are the employees and the capital resources includes all the physical equipment that they use in carrying out their duties.

Organisational performance as indicated by McGahan (2004), is measured when the actual output/ results is compared against the intended outcome/ goals. Although, organisational performance measurement maybe seen as an overall thing, it is usually done at different levels of the organisation and it is at this point, the top-level managers get to pin the departments of weakness, works on them and uses the chance to make sure that the organization strengths are aligned with the trends in the industry

In this study therefore, Customer Key Performance Indicators, Operational Key Performance Indicators and Financial Key Performance Indicators, were used as indicators of Mission Hospitals Performance. Performance measurement will be built around both the concept of results and determinants as this study sought to evaluate the general performance of mission hospitals not just the Growth in cash inflows. Measuring performance of Mission Hospitals in Nairobi City County embraced Growth in Revenue, accounts receivables, inventory turnover, Order fulfillment time, time take in the tendering process, employee satisfaction rating and employee churn rate. Additionally, KPIs that focus on the hospital's consumers were employed, such as average support resolution time, the amount of retained customers as a percentage of market share, and the total of all customers retained.

RESEARCH METHODOLOGY

Context of the Study

The study took place in Nairobi City County and its surrounding areas. The County has many hospitals but the research concentrated on Mission Hospitals which are fifteen in number. According to Chak (2016) report, most of the oldest mission hospitals in Kenya are in Nairobi City County. The Hospitals were deliberately chosen for this study because most of them have not been performing well yet some of them started in 1920s or thereafter. The poor performance of these hospitals could be attributed to the corporate governance practices employed.

The Research Design

The study made use of descriptive survey research design. This survey research design was preferred as it makes it possible for a researcher to collect information from a larger population and to establish one or more population parameters and also for instance where the population is too enormous to be viewed directly (Orodho & Kombo, 2002).

Population and Sampling

The study's population was drawn from fifteen mission hospitals in Nairobi City County and its environs. The top-level management and the middle level employees in each mission hospital were targeted. The total number of employees in the chosen categories across the 15 mission hospitals was 1678. The study used the approach presented by Krecjie and Morgan (1970) to come up with the sample size from a total population of 1678 employees based on the level of confidence and margin of error. Using a 95% confidence interval and a 5% margin of error, the sample size was found to be 306. The study used proportionate stratified sampling method to obtain respondents. The strata used the management levels in each of the hospitals.

Instrument and Procedures

Questionnaires with closed-ended questions, were designed by the author and used to collect information. Respondents were required to offer personal information as well as unbiased opinions and explanations. The questionnaire was divided into seven parts. The Likert scale type questions were used for ratings as these types of questions are made up of descriptions which can be used to rank or even rate the subjective and the intangible components of research (Mugenda and Mugenda, 1999).

The 5-point Likert scale for the independent variables presented statements for respondents to answer in the form ranging from strongly disagree to strongly agree. Each of the independent variables was operationalized using indicators drawn from the conceptual literature. These independent variables include: Board Size (executive and non- executive directors), board independence (C.E.O tenure, interlocking directorship and family affiliation of board of directors), accountability systems (allocation of resource, contract oversight and cost accounting and budgeting) and finally board responsiveness (time taken, resource allocation and expenses incurred). The dependent variable required the respondents to indicate the percentage change experienced in revenue growth for the period 2019-2021. The lower range for the scale was less than 2.5% growth while the upper scale was 12%. The research instrument was piloted in St. St. Matia Mulumba Mission Hospital which is in the neighboring sub-county of Kiambu. The sample pilot survey pointed at statement that were not clear for the researchers to improve. The corrected questionnaire was administered through a drop and pick method. The reliability score of the instrument showed the score of 0.793 which was found acceptable as it was above the acceptable threshold of 0.7 (Fraenkel & Wallen, 2000).

Data Analysis

Data gathered from respondents using questionnaires was carefully checked before data analysis begun in order to maintain consistency. The data acquired from various portions of the study was described using descriptive techniques such as frequency distributions, percentages, means, and standard deviations, and the results were presented using tables and figures. The research made use of multiple regression analysis for inferential statistics for the research hypotheses produced from objectives one to four. The level of relevance in relation to corporate governance practices and mission hospital performance was determined using regression analysis. The influence of corporate governance (independent variable) on mission hospital (dependent variable) performance was investigated using multiple regression analysis.

FINDINGS

Respondents Characteristics

The Questionnaire provided a section for the researchers to obtain data about the characteristics of the respondents in terms of gender and duration of service at the hospital. The attributes of the respondents are summarized in figure 1.

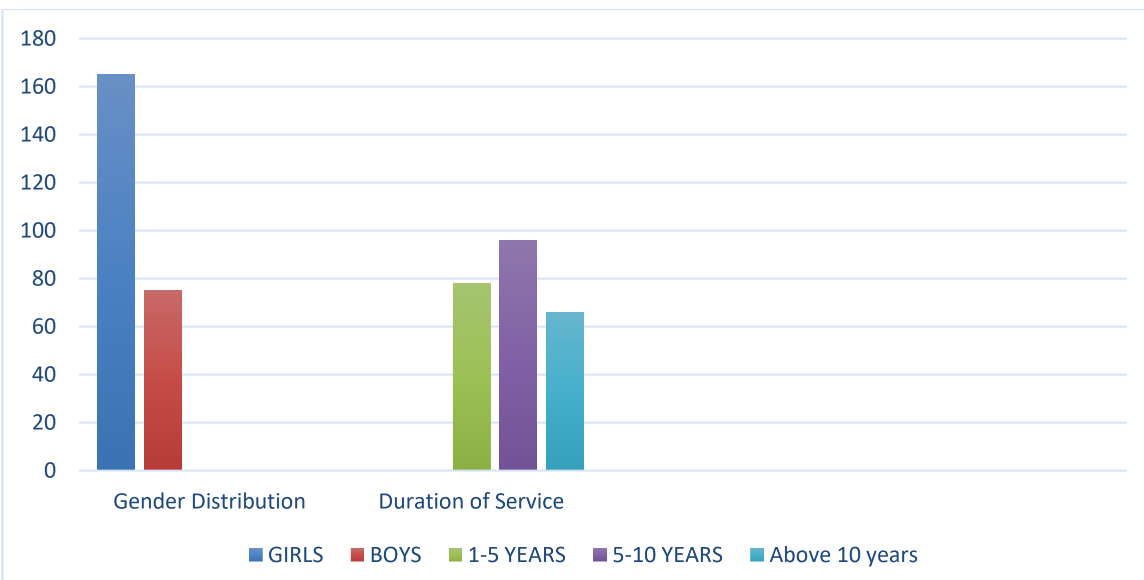

Figure 1. Respondents' characteristics

The predominance of female respondents in the study area could be attributed to the number of nurses which is an occupation preferred by the female people in the study area. On duration of service, majority of the respondents have spent reasonable years in the Mission hospital which provides appreciable information about the performance of the Mission Hospitals.

Variable Characteristics

The characteristics of the variables in terms of how they were rated by the respondents were summarized using measures of central tendency and dispersion. The summary in the Table 1 presents the descriptive statistics on each of the variables.

Table 1: Correlation Results

Variable	Mean	Performance	Board Size	Board Independence	Accountability System	Board Responsi-veness
Performance	1.8876	1				
Board Size	1.8868	0.2523*	1			
Board Independence	1.7183	0.0604	0.1762*	1		
Accountability System	2.5398	0.3752*	-0.0604	-0.0324	1	
Board Responsiveness	2.5087	0.3108*	-0.0630	0.0255	0.7523*	1

* Correlation is significant at the 0.05 level (2-tailed).

The Effect of Corporate Governance

To evaluate the effect of the independent factors on the dependent variable, the study used multiple regression analysis. Table 2 below shows the results of the regression analysis.

Table 2: Regression results

Parameter	Value	P value	Observation
R Squared	.672		
Adjusted R Squared	.545		54.5% of performance variance in firms can be explained by corporate governance practices.
F	18.124	.000	The positive value of F is above 1, an indication that corporate governance is an indicator of performance.
β Constant	2.01	.000	
Board Size	.211	.000	A unit change in Board size results to a .211 change in mission hospital's performance. It has a significant effect on mission hospitals performance.
Board Independence	.020	.524	A unit change in Board Independence results to a .020 change in mission hospital's performance. It has no significant effect on mission hospitals performance.
Accountability Systems	.123	.001	A unit change in Board Independence results to a .123 change in mission hospital's performance. It has a significant effect on mission hospitals performance.
Board Responsiveness	.125	.064	A unit change in Board Independence results to a .125 change in mission hospital's performance. It has no significant effect on mission hospitals performance.

The outcome demonstrated how each explanatory factor affected the operation of the mission hospital in Nairobi City County. Each explanatory variable's contribution to the dependent variable was represented by its standardized beta values. Given the probability value of 0.000, the coefficient of the constant is 2.01, which is statistically significant. This suggests that even without the various corporate governance measures proxies utilized in the study, the performance of the mission hospital in the study location is positive.

According to the findings, board size has a positive ($\beta = 0.204$) and statistically significant (ρ-value = 0.000) effect on mission hospital performance in Nairobi City County. The multiple linear regression outcomes asserted a positive and significant effect between the board size and how the mission hospitals were performing in Nairobi County, Kenya. Therefore, when the board size goes up, the performance of mission hospitals is improved.

Board independence had a positive (β=0.023) but statistically insignificant (ρ-value = 0.001) effect on mission hospital performance in Nairobi City County. Although statistically not significant, through the regression result, the board independence was seen to have a positive effect on the performance of mission hospitals in Nairobi County, Kenya. Thus, increasing performance of Nairobi County's mission hospital is as a result of the independence of the board.

The accountability system had a positive(β=0.245) and significant (ρ-value = 0.001) effect on the mission hospital's performance. The linear regression proved that accountability system was significantly positive as it affected the performance of mission hospitals in Nairobi County in Kenya. Therefore, any effort to strengthen the accountability system would result in improved mission hospital performance in Nairobi County, Kenya.

The study's findings suggested that board responsiveness has a positive (β=0.120) and statistically insignificant (ρ-value = 0.064) effect on mission hospital performance in Nairobi City County. According to the regression study, the board's responsiveness lacks a statistically material effect on how the mission hospitals in Nairobi County, Kenya are performing. This demonstrates how board responsiveness may lead to an improvement in the operations of mission hospitals in Nairobi County.

CONCLUSIONS AND RECOMMENDATIONS

According to the findings, corporate governance approaches such as board size, board independence, accountability system, and board responsiveness have a good relationship with mission Hospital's performance in Nairobi City County. In terms of the first main agenda, the study found that board size was a key consideration of mission Hospital's performance in

Nairobi City. This indicates that the size of the board enhances the decision making of the mission hospital and hence its optimum performance.

In light of the study's second objective, it was discovered that board independence had no effect on mission Hospital's performance in Nairobi City County. Therefore, it was established that board's independence does not directly affect the mission hospitals' performance in Nairobi City County. As a result of this, the conclusion was that interference with the board's decision-making discourages the board's efforts, which has an impact on the operation of the mission hospital in the study area.

In addition, the study's third particular objective found that the Nairobi City County mission hospital's performance is significantly impacted by the accountability system. In light of this finding, the study stated that an accountability system is critical in explaining the mission hospital's success in Nairobi City County. The accountability system plays a crucial function in the performance of mission Hospital in Nairobi City County which comes with experience and responsibility of the hospital work environment and conditions. Therefore, it is pertinent to ensure transparency in the dealings of the hospital for efficiency delivery of service.

Finally, in light of the study's fourth specific objective, it was discovered that board responsiveness had no impact on the mission hospital's performance in Nairobi City County. In light of this finding, board responsiveness has no significant effect in determining the Mission Hospital's performance in Nairobi City County. Therefore, all decision that affects the performance of the mission hospital needs to be responded to with immediate effect to enhance the performance of the mission hospital.

The study faced a number of limitations. Due to time and financial constraints the researcher was restricted. The findings are limited to the Mission Hospitals in Nairobi City County. in addition, used only four components of corporate governance and non-financial measures of performance. The results suggest that additional study be conducted to identify the origin of the insignificant factors influencing mission hospital performance in Nairobi City County. In addition, similar studies should revolve around other counties to establish the effect of corporate governance practices on the general performance and operations of mission hospitals. Finally, research on organizations other than the mission hospital can be done to ascertain the direction of the linkage.

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