

THE INFLUENCE OF CORPORATE GOVERNANCE PRACTICES ON HEALTHY  
PROTESTANT CHURCHES IN KISII MUNICIPALITY.

BY

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A THESIS SUBMITTED TO THE DEPARTMENT OF POSTGRADUATE STUDIES IN  
PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE  
OF MASTER OF ARTS IN LEADERSHIP

PAN AFRICA CHRISTIAN UNIVERSITY.

NAIROBI, KENYA

SEPTEMBER 2018

## DECLARATION

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

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## DEDICATION

This thesis is dedicated to my wife Cecilia B. Masita, my son and parents for their support, guidance, provision and love; without which I could not have come this far.

## ACKNOWLEDGEMENT

I thank the Almighty God for His grace and favor to accomplish this study. Without support and motivation of some individuals, this thesis would not have been actualized. Special thanks to my Supervisor; Dr. Edward K. Nzinga for the motivation and encouragement. He guided me in every stage of writing this thesis.

I would also like to thank my family members for their encouragement and moral support. Special gratitude to my wife Cecilia B. Masita, for supporting and cheering me to completion of this study.

I will not forget the leadership of Protestant Churches in Kisii Municipality for allowing me to conduct this study in their respective churches and the overwhelming support I received during data collection period.

## ABSTRACT

The church should retain Kingdom nature by witnessing the Gospel of Jesus Christ. However, this concern should not prevent church boards and pastoral team from developing and providing the very best navigational leadership for congregations: the church can borrow from the world of general truth and knowledge. This study analyzes the influence of corporate governance practices for healthy protestant churches in Kisii Municipality. The study is descriptive and a quantitative methodology was used. The study made use of purposeful sampling and a total of 33 respondents participated in the conduct of the study from eight protestant churches. A structured questionnaire was used to collect data from respondents. The main finding of this study was that corporate governance practices are in place and influence healthy protestant churches. Thus, the study supports current practice of corporate governance in the protestant churches Kisii Municipality and recommends for strengthening of legal compliance, strategic leadership, ethical dealings and accountability to enhance church growth, efficiency, effectiveness and promote a culture of equipping and mobilizing members for ministry.

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## ABBREVIATION AND ACRONYMS

ACK	Anglican Church of Kenya
AGM	Annual General Meeting
FBO	Faith-Based Organizations
KAG	Kenya Assemblies of God
PAG	Pentecostal Assemblies of God
NCKK	National Council of Churches of Kenya
PEFA	Pentecostal Evangelical Fellowship of Africa

## DEFINITION OF TERMS

Legal Compliance – Proper incorporation and administration of the church

Healthy Church –How well a church is carries out its functions- all components working together  
to maintain balance as it tries to fulfill the great commission

Church growth - Numerical increase in church membership

## CHAPTER ONE: INTRODUCTION AND BACKGROUND TO THE STUDY

### Introduction

Africa Matters (2014) highlights church scandals reported in Kenya in 2010 (The Finger of God Church). In November 2014, Kenya Television Network (KTN) Inside Story exposed how Salvation Healing Ministry in Nairobi used fraudulent ways to lure Christians to give more money. Apostle Paul challenged the Philippians not to do anything through selfish ambition or conceit (Philippians 2:3, NIV). Sound governance practices should be practiced so as to ensure the church plays its rightful role of being Christ centered. According to Needle (2010), the church is not well understood without governance structures. Governance structures provide a futuristic picture of what the church is set to be. Churches should embrace governance practices even if this means borrowing from the world of general truth and knowledge (Perkins, 2013). Good governance thrives on collaboration and recognition that leadership serves to enhance organizations' mandate (Perkins, 2013).

### Background of the Study

#### *Corporate Governance*

Corporate governance gained prominence in 1980s following several stock market crashes in different parts of the world (Melyoki, 2005). A sizable number of prominent organizations that were thought to be performing well collapsed, largely because of poor governance. For instance, in United Kingdom, a number of organizations collapsed unexpectedly in 1980s and 1990s. Some of the affected organizations include: Polly Peck International, Bank of Credit and Commercial International, and Mirror Group News International (Marc, 2012).

Cornforth and Brown (2013) define corporate governance as the process of providing strategic leadership in an organization. Tricker and Tricker (2012) observed corporate governance

as an exercise of governing functions by responsible persons within organization such as the board of directors and executive staff or the basic roles that boards of voluntary organizations perform. Corporate governance is an important aspect to public corporations, private entities, not-for-profit organizations and charities (Coyle, 2006). It promotes corporate equity, accountability and segregation of duties (Du-Plessis, Hargovan & Bagaric, 2011).

### *Corporate Governance for Churches*

According to Christian Reformed Church (2014), similarities for corporate governance in both church and secular lie in laws of human behavior. The difference, however, lies in the fact that the church is governed by specific obligations and divine practices such as prayer, worship and service that give a peculiar profile to its life and ministry. Lister (2015) observed that the church is not spared on scandals that are entrenched in the corporate world. To avert this, accounting officers must avoid skirting (Dontigney, 2015). A study conducted by Smith (2007) established that sex and financial scandals that rocked American Protestantism resulted to negative reactions towards religion, as televangelist reputation worsened. In 1989, a survey of televangelists' values on trustworthiness, honesty, sincerity, special care relationship with God and care about people revealed that many people had lost faith and trust on them. Ukah (2005) observed that clergy malfeasance in Nigeria is increasing and has become the ultimate price for church expansion and hunger for increased income. Greed for increased income has resulted to fraudulent means of obtaining more money from Christians. In Northern Zaire, most of the church work was funded by missionaries who stopped immediately when they suspected misappropriation of resources (Nelson, 2008).

Within a congregational life; dynamic and health faith communities are a function of quality and spiritual leadership. Conversely, when leadership becomes dysfunctional then

congregational life suffers (Perkins 2013). According to Avolio, Walumbwa and Weber (2009), leadership creates an important link between organizational productivity and its wellbeing. The church relies on its leaders to provide strategic and operational guidance (Bakhmutsky, 2013). According to Perkins (2013), churches must retain their Kingdom nature or lose their communal witness of the Gospel. However, this concern should not prevent church boards, chairs and pastors from developing and providing the very best navigational leadership for congregations. Corporate governance is essential for direction, impartiality, efficient provision of services and accountability (Bradfield Nyland Group, 2011).

### *Protestant Church in Kenya*

Growth of protestant churches, has been attributed to several factors, one them being intensified evangelism (Prosen, 2014). Most churches are members of the National Council of Churches in Kenya (NCCCK); that was established in June 1913 during the United Missionary Conference held at Thogoto. NCCCK is a family of churches and organizations in fellowship and witness. The council currently has 42 members who fall into three categories; full members (27), associates (9) and fraternal (6) (NCCCK, 2015). Other churches are members of Evangelical Alliance of Kenya. According to International Religious Freedom Report (2013), approximately 80% of Kenya's population is Christian. 57% of the Christian population is Protestant followed by 29% Roman Catholic and 14% other Christian denominations.

For the church to take its rightful position in transforming society and providing spiritual guidelines, believers and those in leadership should be upright-not accused of engaging in activities that are contrary to God's calling. Unfortunately, "the Kenyan Church has at times been accused of engaging in undesirable activities ranging from financial scandals and spiritual malpractices (Simojoki, 2002, pg. 272)." According to Kagema (2008), most Protestant church

leaders, choose to let the “spirit” give directions instead of managing institutions professionally. To be guided by the Holy Spirit is a good idea, however, there is need to inject professionalism in the management of churches as the buck rests with leaders (Northouse, 2013). According to Daft (2008), the wellbeing of a church is not a chance of occurrence, but rather something that is determined by organizational policies

In Kisii Municipality, residents are predominantly Protestants. Majority of them fellowship in Seventh Day Adventist (SDA) Church, Lutheran Church, Pentecostal Assemblies of God (PAG) and other evangelical congregations such as: Redeemed, Deliverance, Kisii Pentecostal Church, Full Gospel Church of Kenya, ACK, Church of God, KAG and PEFA. The approximate number of protestant churches in Kisii Municipality is thirty. In the past few years, Kisii Municipality has witnessed an increase of protestant churches and numerical strength in membership. The general narrative for this growth, is due to mushrooming universities, colleges, supermarkets and the devolved system of governance. Besides, Kisii town is an economic powerhouse in western Kenya; circulation of money is high and businesses are booming. Instead of preaching the true gospel of Jesus Christ, some churches may have other motives that are not in line with God’s Word. There is need for protestant churches in Kisii Municipality to light the world for Christ.

#### *Governance Practices for the Church*

Governance practices for the church cover major areas that include: deacon board practices, decision making processes, legal and regulatory compliance (Caver, 2010). According to Coyle (2006), the board is the primary governance organ. An ideal corporate governance calls for a properly constituted board to exercise its authority (ICGU, 2008). The South African Independent Code of Governance for not for profit organizations in South Africa (2012) provides a summary of principles enumerated in the various codes: adherence to organizational values, effective

leadership, legal compliance, proper exercise of authority and accountability. The researcher adopted above listed corporate governance practices for this study.

### *Healthy Church*

According to Day (2001), a healthy church strives to obey the Great Commission in its setting. The said church is grounded in Scripture, with visionary leaders, empowered by the Spirit, and balanced in function. Fundamental to healthy church is the biblical mandate for mutual ministry (Rom. 12:5), willing and joyous participation of believers ministering to each other (1 Pet. 2:4–9). If a church fails to let biblical based reflection inform its identity and practice, it risks the danger of either sinking or losing its way in the storms of life. Apostle Paul instructs believers not to act out of selfish ambition but be considerate of others. “Let each one of you look not to his own interests, but also to the interest of others” (Philippians 2:3-4, ESV).

Macchia (2005) developed a list of principles that contribute to healthy churches: empowering presence of God, exalting worship, spiritual disciplines, enriching and growing community, a commitment to loving and caring relationships, development in servant leadership servant leadership, wise administration, networking with the body of Christ, stewardship and generosity. According to Schwarz (2005), key indicators for a healthy church include: empowering leadership, a gift-oriented ministry, passionate spirituality, functional structures, inspiring worship, holistic small groups, need-oriented evangelism and loving relationships.

Kaplan and Norton (2006) developed a balanced scorecard (BSC) to determine a healthy organization. The BSC provides a framework that can be adapted by most organizations (Kaplan & Norton, 2006). The areas relevant to this study include: need-based evangelism, numerical growth, financial growth and efficient utilization of funds, empowerment leadership and holistic



small groups. The researcher adopted BSC framework for healthy protestant churches in Kisii Municipality.

### *Corporate Governance Practices and Health of Protestant Churches*

A number of studies have indicated a significant relationship between corporate governance and organizational well-being (Jones, 2005). According to Fourie (2007), efficient leadership helps churches to cope with exponentially increasing changes. In addition, it facilitates the transformation of employees from workers completing tasks, to valuable team leaders; a process which is attained through change of employees' attitude and mindset (Kahtani, 2013).

According to Luckel (2013), effective leadership was found to be the number one influencer of healthy churches. For instance, a church vision is "fuel" that leaders run on, the energy that creates action, and ultimately, the fire that ignites the passion of followers (Luckel, 2013). Butts (2013) observed that leadership influences the quality of church governance. When congregation is empowered, the church becomes healthy (Butt, 2013).

In their study, Duncan and Stocks (2003) pointed out that weak internal controls hinder management responsibilities of church officials and employees; thus, placing them in tempting positions of engaging in questionable affairs. For efficient of financial resources, Henrickson (2006) emphasized on the need to share duties between several staff members and or volunteers in the church. He further noted that, if one person handles all financial affairs, he or she would in a better position to conceal wrongdoings.

### Statement of the Problem

Kenya just like the rest of Africa has experienced an unprecedented growth of Christians (Rose 2014). Despite its growth, the church is experiencing several challenges which include financial scandals, abuse of spiritual guidance for self-gains, poor leadership and management

(Rose, 2014). In Kisii Municipality like other parts of the country, undesirable incidences have been reported among leaders in Protestant churches. Some of these incidences are: selfishness, misappropriation of funds and preaching gospel of prosperity; while ignoring the true gospel of repentance. The church focus on title, class, position, and age as leadership parameters; laying a large emphasis on hero worship, selfish interests and connections (Rose, 2014). Challenges being experienced clearly portray ineffective church. According to Liabotis, (2007), many churches fail to achieve desired goal due to among other things, weak organizational structure that supports successful execution.

In his study, Mokuo (2009), recommended for adoption of proper measures of governance if churches are to light the world. Overlooking control guidelines in favor of the qualities of mercy and trust negatively impacts on protestant churches. While a few studies have focused on corporate governance practices, the studies did not attempt to link the influence of corporate governance practices for healthy protestant churches in Kisii Municipality. In his study on leadership and governance, Kimeu (2007) recommended a study of churches based in different locations within the country (Kenya) to unearth the influence of leadership for healthy churches. This study therefore attempted to address the gaps identified: especially how corporate governance practices influence healthy protestant churches in Kisii Municipality.

#### Objectives of the Study

The purpose of this study was to establish the influence of corporate governance practices for healthy protestant churches in Kisii Municipality. The study was based on the following objectives:

1. To establish the influence of legal compliance on healthy protestant churches in Kisii Municipality

2. To examine the influence of board practices and strategic leadership on healthy protestant churches in Kisii Municipality
3. To determine the influence of integrity and ethical dealings on healthy protestant churches in Kisii Municipality.
4. To establish the influence of accountability and exercise of authority on healthy protestant churches in Kisii Municipality.

#### Research Questions

The study was guided by the following research questions:

The study was guided by the following research questions:

1. How does legal compliance influence healthy protestant churches in Kisii Municipality?
2. How do board practices and strategic leadership influence healthy protestant churches in Kisii Municipality?
3. How does integrity and ethical dealings influence healthy protestant churches in Kisii Municipality?
4. How does accountability and exercise of authority influence healthy protestant churches in Kisii Municipality

#### Hypothesis of the Study

The following null hypotheses, which were derived from the research questions, guided the study.

Ho1: Legal compliance has no significant influence on healthy protestant churches in Kisii Municipality

Ho2: Board practices and strategic leadership have no significant influence on healthy protestant churches in Kisii Municipality

Ho3: Integrity and ethical dealings have no significant influence on healthy protestant churches in Kisii Municipality

Ho4: Accountability and exercise of authority have no significant influence on healthy protestant churches in Kisii Municipality

#### Justification of the Study

Because of its importance to organizational economic health and its effect in society, corporate governance has attracted a great deal of public attention (Rezaee, 2009). Several organizational failures around the world have informed regulators on the importance of sound corporate governance practices. Implementation of proper corporate governance practices reduces operational risks and improves organizational wellbeing (Rezaee, 2009).

According to Bradshaw, Hayday and Amstrong (2012), a number of governance studies have been conducted at the international perspective and developed countries. However, there is very little research on corporate governance practices among protestant churches: a constituent of faith based organizations (Olarinmoye, 2012). This study, therefore, seeks to fill that gap by establishing the relationship of corporate governance and health of protestant churches in Kisii Municipality.

#### Significance of the Study

The study is expected to inform Protestant churches in Kisii Municipality on the need to explore, develop and apply corporate governance practices to fulfill the Great Commission. Church leaders would be better placed to understand the potential link that exists between corporate governance practices and healthy Protestant church. In return, they will adopt and enforce corporate governance practices to enhance its wellbeing. The study will help the government and religious bodies to develop governance guidelines or policies that would not leave

believers exposed to exploitation. Finally, the study will be beneficial to other researchers and academicians who may wish to make comparison of similar studies and also help those who may undertake future studies based on the recommendations of this study.

#### Scope of the Study

The study was carried out in eight Protestant churches in Kisii Municipality. These are churches with governance structures. The researcher targeted five respondents from each of the selected churches; pastor, two board of deacons, a registered church member and an administrator. The researcher focused on the following aspects: legal compliance, board practices, ethical dealing, accountability and exercise of authority.

#### Limitation

A limitation is an aspect of research that may influence results negatively; but over which the researcher has no control Mugenda and Mugenda (2003). The major limitation of this study was that churches applied due diligence in their deliberations.

#### Delimitation

The researcher, therefore, overcome this by obtaining a formal letter from Pan Africa Christian University to explain the purpose of the study as purely academic and the information given was treated confidentially.

#### Chapter Summary

This chapter looked into the background and the objective of the study by examining at various aspects of the study. Among the topics that have been looked into in this chapter include research objectives, research questions, justification of the study, and importance of the study, scope, limitations and delimitations of the study.

## CHAPTER TWO: LITERATURE REVIEW

### Introduction

This chapter introduces theoretical and conceptual framework for this study. It gives a graphical presentation of conceptual framework and explanation of variables. Further, it presents a review of literature on corporate governance practices and healthy protestant churches. It critically examines what scholars and researchers have published on the relationship between corporate governance practices and healthy protestant church.

### Literature Review

This section reviews selected literature relevant to this study. The areas addressed include: understanding of corporate governance, corporate governance practices, and healthy church. The study focuses on the relationship between corporate governance practices and healthy protestant churches within a local setting and in this case, Kisii Municipality. Well entrenched corporate governance practices within the local church will lead to healthy protestant church.

### Understanding of Corporate governance

Corporate governance, a term that scarcely existed before 1990s, is now widely invoked wherever business is discussed (Keasey, Thompson & Wright, 2005). The subject of good governance has become a destination board, for a bandwagon carrying those who would take the corporation in myriad directions (Keasey et al, 2005). Cornforth and Brown (2013) define corporate governance as the process of providing strategic leadership in an organization. Tricker (2012) on the other hand views corporate governance as the exercise of governing functions by responsible persons within an organization such as the board of directors and executive staff or basic roles that boards of voluntary organizations perform. According to Du Plessis, Hargovan and Bagaric (2011), corporate governance is about promoting corporate fairness, accountability and

separation of ownership and control. Corporate governance influences all activities of firms that produce goods or provide services.

Governance is the act to oversight and provide the required direction. If a board is to operate effectively; it must create a culture of openness and trust, combined with mutual respect. Such an environment creates a virtuous circle of behavior and expectations. Therefore, effective boards need proper balance of skills and experience. In the Enron Corporation bankruptcy and scandal, the firm's board of directors was sued by shareholders for mismanaging interests (Plender, 2011). Plender (2011) observed that reporting procedures and disclosures by themselves are unfortunately no guarantees of good corporate governance. According to (Forum for Corporate Governance, 2006), the objective of corporate governance is to create added value to stakeholders. More narrowly, the terms of corporate governance can be used to describe just the role and practices of the board of directors, board of commissioners, managers and shareholders.

#### Corporate Governance Practices

A number of corporate governance practices have been developed over time. According to Cooper (2014), governance practices positively impact on long-term organizational health. However, organizations must design and implement those that comply with legal requirements and meet their particular needs (Cooper, 2014). OECD (2010) provides the following practices of corporate governance: fairness, transparency, accountability, responsibility. South African Independent Code of Governance for non-governmental organizations in South Africa (2012) has summarized governance principles as adherence to values, effective leadership, legal and fiscal compliance, and proper exercise of authority and accountability.

Governance practices among Faith-Based Organizations cover governance framework of the church: board practices, decision-making processes, and legal and regulatory compliance

(Caver, 2010). Being the primary governance organ, the board should be properly constituted and its members are expected to exercise delegated authority (ICGU, 2008). It must take into account the special nature and purpose of the church. In this study, the researcher focused on the following practices:

### *Legal Compliance*

To ensure an effective corporate governance framework, it is necessary that an appropriate and effective legal, regulatory and institutional foundation is established upon which stakeholders can rely in establishing contractual relations (Carver, 2010). This corporate governance framework typically comprises elements of legislation, regulation, self-regulatory arrangements, voluntary commitments and business practices that are the result of a church's specific circumstances, history and tradition. According to South African Independent Code of Governance for NPOs in South Africa (2012), legal compliance comprises of proper incorporation and administration; administrative and procedural requirements; and compliance with the law.

### *Board Practices and Strategic Leadership*

Carver (2010) defined his expectations of a governance model as having a focus on vision and values; being proactive and strategic and focusing on outcomes and constituent relationships. The church should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties (Carver, 2010). Carver (2010) further observed that majority of the board should be independent directors. Organizations should disclose the process for evaluating board performance, its committees and individual directors. Moreover, information should be provided indicating reporting relationships.

According to Chimainikire (2002), there are a number of ways in which organizations can improve their governance and management operations. These include: stating their mission, values



and objectives clearly and ensuring strategies are implemented through better human resources development; training their leaders and staff; better management processes as well as financial management, accounting, and budget systems.

#### *Integrity and Ethical Dealing*

Higgs (2003) suggested that to operate effectively means to create a culture of openness and trust, combined with mutual respect. According to Carver (2010), churches should actively promote ethical and responsible decision-making. Therefore, a code of conduct should be developed to provide guidance on acceptable practices, which would ensure confidence in church integrity while taking into account legal obligations, reasonable expectations from stakeholders.

#### *Accountability and Exercise of Authority*

Mulili and Wong (2011) observed that effective governance is usually characterized by the elements such as accountability as the basis for all relationships. Governance and accountability are about relationships (Dellaportas, et. al.2005). Governance of a corporation usually rests with the board of directors and senior management, who possess the authority to direct and control operations. With authority comes responsibility. Therefore, accountability is the responsibility of those in leadership to account for their choices, decisions and actions. Standards of performance are objectively set when accountability is sky high (Wallace & Zinkin, 2005).

According to Carver (2010), churches should have a structure to independently verify and safeguard organizations' integrity. He recommends for the establishment of an audit committee. In order to eliminate conflict of interest and enhance objectivity, audit committee should be structured to consist only non-executive directors.

## Healthy Church

Healthy church occurs when all components are working together to maintain balance (Steinke, 2006). This is an affirmation that the church is an organic system where all parts are correlated. Schwarz (2005) noted that healthy church begins when it's beheld as a spiritual organism. According to Warren (1995), a healthy church is an offspring of church growth movement; but sees itself focusing on quality service instead of numerical strength. A healthy church seeks to understand efficiency and effectiveness of its functions. Numerical strength and spiritual maturity are derived as a result of holistic well-being and not from implementation of the newest program.

Within church growth movement, numerically growing churches are generally considered to be "good" or healthy churches; not necessarily so (Schwarz, 2005). Unhealthy church may experience numerical growth. Conversely, healthy church does not always necessitate numerical growth. At times healthy is exhibited by numerical strength; at other times it exhibits itself in sheer maintenance (Steinke, 2006). A genuine healthy church, should not strictly be tied to numbers; instead, it should be viewed as a factor of several distinct characteristics. Steinke (2006) believes that healthy begins by viewing the church as a system. Within a system, all things are connected. Changing one component has a ripple effect on the entire system. Healthy churches are more committed to holistic growth than numerical goals.

### *Healthy Church vs Church Growth*

Church growth as defined by Ellis (2010) is a science that investigates establishment, increase, purpose and health of Christian churches as they relate specifically to the effective implementation of God's commission to "make disciples of all nations". This is a combination of spiritual conviction as well as eternal principles of the Word of God. Logan (2010) observed that

a lasting church growth flows out of a healthy church. This belief is the foundation of healthy church movement. A focus on church health would result to its growth: quality brings quantity. It is assumed that growing churches are healthy, especially in contrast to what is pejoratively called "maintenance" churches. Walker (2010) also highlighted that, church health comes before growth. Analogically, (Steinke, 2006) observed that just like a small person can be healthy or a large person unhealthy, a large congregation could be unhealthy while as small could be healthy. Therefore, regardless of the size, the focus should be on congregational health. Growth should be left to God (Schwarz, 2005).

#### *Indicators of a Healthy Church*

Ordinarily, membership growth rate is used as a measure or yard stick for healthy churches (Schwartz, 2005; McLaren, 2006). However, this single measure suffers from limitations inherent to assessing organizations' performance, only on the basis of profitability (Kaplan & Norton, 2006). This study has adopted the following measures of a healthy church as presented by different scholars: need-oriented evangelism, numerical growth in church membership growth, financial growth and efficient utilization of funds, empowerment leadership and holistic small groups.

#### *Need-Oriented Evangelism*

Evangelism is a responsibility of every Christian. However, only about 10 percent of Christians are actually engaged in it (Schwarz, 2005). Healthy churches are innovative in reaching out to nations. Members are encouraged to serve both Christians and non-Christians in ensuring the gospel of the Cross is preached. They are also mandated to draw and link up people to local churches where they will receive spiritual nourishment. Sjorgren (2010) advocates for servant evangelism where Christians exhibit God's kindness by doing acts of humble service with no strings attached. Acts of humble service include: reaching out and praying for the sick, donating

foodstuff to the needy, visiting physically challenged groups, condoling with bereaved families among other essential services.

Rothra (2015) emphasizes on social evangelism; believers should express their faith and love for God and man by serving those in need. The church's social evangelism serves physical needs of both believers and community at large. For this study, growth in need-oriented evangelism was measured by analyzing the changes (increase or decrease) in the number of people reached with the gospel, material and emotional support by the church.

#### *Numerical Growth in Church Membership*

Church membership growth refers to numerical increase of church congregants or of people who frequently attend or identify themselves with a particular church (Voas & Watt, 2014). According to Bauer (2014), church growth is facilitated by improved working conditions, which lead to increased productivity hence better service to members and other stakeholders. Better services will definitely attract more people to church. According to Ellerby (2015), there is no single formula for numerical growth, nor is there a simple answer to numerical decline in regards to church membership. This is because, numerical strength depends on the context, and what works in one church denomination may not work in another.

#### *Financial Growth and Efficient Utilization of Funds*

Finances are key for organizational growth. According to Schinasi (2004), financial growth is measured in terms of organization's financial strength. It's also defined in terms of the organization's ability to facilitate and enhance economic processes, manage risks, and absorb shocks. According to Akrani (2011), financial stability is considered a continuum: changeable over time and consistent with multiple combinations of the constituent elements of finance. For this

study, financial growth was measured by examining the changes (increase) in church income, new sources of church income.

Local church has been entrusted with stewardship of the available resources, and its members would have a responsibility “not to look upon these household affairs as their own”, but to see themselves as “merely stewards of the gifts entrusted to them”, with the requirement that they “have to give an account of their stewardship” (Goetzmann, 2016, p. 255). Thus as a steward, the church stands in a “relationship whereby there is a responsibility of diligence and faithfulness in the administration and allocation of resources” (Mohon, 2009, p. 4). In this study, this aspect was measured by allocation criteria and how much was allocated to ministry activities vis-à-vis administration.

#### *Empowerment Leadership*

Schwarz (2005) points out that the level of contentment in a congregation can be traced to the level of involvement people have in the congregation. People who are involved in their churches, using their gifts and depending upon the Holy Spirit, have a higher level of contentment than those who do not. Healthy churches help people identify their gifts and get involved in ministry. Senge (1990) spoke of the importance of the “learning organization: organizations where people continually expand their capacity to create the results they desire. Most people want to participate in such churches and yet few people, he noted, are working to build churches of such kind.

Kaplan and Norton (2006) suggest that learning and growth measures should deal with issues of employee skills, motivation, and organizational alignment and information systems capabilities. In this study, innovation and learning was measured in: existence and change (increase

or decrease) of members in leadership, discipleship ministry and increase of opportunities for people to serve.

### *Holistic Small Groups*

All over the world, church leaders are recognizing the importance of small groups in the life of the church (Bickers & Dennis, 2005). Small groups are regarded as building blocks of the church in the future. In the smaller (cell) groups; people meet for prayer, Bible study, support, and service. Warren (1995) noted that small groups allow a church to grow larger and smaller at the same time. He emphasizes that the larger a church grows, the more important it becomes to have a strong small group ministry.

According to Schwarz (2005), cell groups provide opportunity for members to be able to bring up personal concerns. People learn to serve one another both in and outside the group by using their spiritual gifts. In the context of the small group, members learn the meaning of discipleship, experience the “transfer of life” not just concepts. The larger a church becomes, the more important small groups become.

### *Healthy Church in Kenya*

According to Hendriks (2006), the church in Kenya just like in the rest of Africa is a numerically growing Church. Jenkins (2011) noted that the Christian world’s center of gravity is currently shifting southwards to Africa, Asia and Latin America. However, the numerical growth does not necessarily correspond to the spiritual growth. Several practical challenges not confined to one particular church are being experienced across the landscape of the church today (Rose, 2014). These challenges include individualism or independence: a situation where church leaders alienate themselves from other leaders and even followers. They preach, teach and lead churches the way they like; not seeing a need to be accountable to anyone. Most of church leaders focus on

position, title, age and class as parameters of leadership; laying a large emphasis on hero worship and adulation of leaders, control, selfish interests and connections (Rose, 2014).

### *Relationship between Corporate Governance Practices and Healthy Church*

Thompson (2005) observed that the church did not and does not invent itself. Its origin, present and future are all dependent on Jesus Christ. On this foundation, the church and its members are called to make responsible decisions about the forms and structures of the church which enable it to fulfill its purpose of being the community through which Jesus Christ bears witness to himself. Such decisions aspire to be faithful human responses to God's initiative. According to Feliciano (2014), the determination of an organization's strategic direction entails strategic planning. A process which involves setting organizational mission, vision and objectives, environmental scanning, strategy formulation, strategy implementation, strategy evaluation and control; which work together to ensure organizations' top notch performance.

According to Lotich (2015), the emphasis on ethical practices leads to prevention of fraudulent activities, which ensures sound and transparent corporate governance in the church. Heightened operational efficiency leads to increase in giving and ultimately enhances church image. Paul advises believers to focus on "whatever is true, whatever is honorable, whatever is just, whatever is pure, whatever is pleasing, whatever is commendable" (Phil. 4:8, New International Version).

According to the Assembly Standing Committee (ASC), 2011, church governance provides a framework within which people may act with a degree of certainty. Within such a framework, roles and responsibilities are clearly spelt out, powers they exercise and the manner in which they support people working within the organization. Good governance is about settings for appropriate relationships: it is, in its own way, about loving one another and building up the whole conscious

that we are an imperfect pilgrim people on a journey. The converse is that poor governance is unloving and helps to establish conditions that promote conflict and the destruction of relationships in a church.

According to Hitt and Ireland (2012), when properly designed and used, organizational controls lead to improved efficiency in strategy execution. They also help an organization in putting into place measures which aid in determining if existing procedures are able to effectively manage the risk to an acceptable level. Further, they aid in detection and prevention of fraud. Apostle Paul advised Corinthians on proper handling and distribution of church funds, and the need to do so in an aboveboard and accountable fashion (2 Corinthians 8). Accountability helps leaders in building credibility, demonstrating value of strategies to the church stakeholders, promoting and supporting church mission.

#### Empirical Evidence

There are a number of relevant corporate governance practices studies that have been conducted in Faith Based organizations. A synthesis of these studies are as below:

##### *Influence of Legal Compliance on Healthy Protestant Churches*

A study by Morrison and Nicole (2012) focused on governance of not for profit organizations and institutions of education. Methodology and variables was on governance framework of educational institutions and NPOs. The findings advocated for observation of legal policies. The researchers recommended company by guarantee as an ideal legal status for NPOs. This study however was based in Canada; thus, the findings may not be applicable in developing countries like Kenya and in particular Kisii Municipality. Further, this study did not address governance challenges specifically for protestant churches. While trying to build on strengths of prior governance models; Bradshaw, Hayday and Armstrong (2012), developed a hybrid model of governance. This model strongly advocated for legal compliance among the faith based



organizations. Legal compliance is fundamental for congregations that desire to model integrity. It's essential for organizations to develop integrity as it reinforces trust among various stakeholders. Enhanced trust would definitely translate to a greater impact in the Kingdom.

Legal compliance in church context and in relation to studies is biblically supported; Peter 2:13-15(NIV) says, "Submit yourselves for the Lord's sake to every human authority: whether to the emperor, as the supreme authority, or to governors, who are sent by him to punish those who do wrong and to commend those who do right. For it is God's will that by doing good you should silence the ignorant talk of foolish people". If we truly the church demonstrates integrity, even those who point fingers will see the good deeds and praise God. Submitting authority is not only proper to just but also the unjust.

#### *Influence of Board Practices and Strategic Leadership on Healthy Protestant Church*

Through his research paper, Rehli (2011) considered NPOs governance options. He established that for a steady power relationship in the board, those involved ought to be competent and have corresponding inclinations; sources of income, level of knowledge and voluntary involvement should be considered when determining whether a board should be elected by members or appointed. In most instances NPOs boards are designed rationally to acquire expertise and legitimacy. However, the focus of this study was not protestant church specific.

Jones (2005) looked at governance practices of community based organizations, some of them were faith based organizations. The study was conducted in Tasmania, Australia. Based on the various practices of corporate governance. He recommended for a principle based approach as the best practice of governance which the board needs to embrace. Even though the recommendations are welcome, the study was carried in Australia.

Setting a strategic direction for an organization leads to its improvement (Dess, Lumpkin and Eisner, 2010). If properly conducted, strategic planning will impact church performance by enlightening service to the needy, enriching scope and quality services, and multiplication of financial resources. Grace (2007) added that, strategy provides opportunity for stakeholders' consensus building. It's through such forum long term solutions are founded given that leadership pauses and revisits its mission so as to create a long-term vision for the church. According to Wells (2014), strategy enables church to be focused and effective in its undertakings, which improves teamwork. Team work in a congregational setting is motivating and would ultimately result to numerical and spiritual growth. Dess et al (2010) observed that in a church strategic plan is well developed, it would be the basis for making critical decisions like resource allocation. This would result in improved performances as key departments are given resources.

#### *Influence of Integrity and Ethical Dealings on Healthy Protestant Churches*

Thorton (2004) noted that proactive organizations that ensure ethical practices are prioritized prosper in several ways. With heightened awareness of individual rights within and outside organization, people are out for organizations that embrace and emphasize on ethical practices and the need for ethical practices. If a church in its operations insists on ethical practices, it stands to be trusted by members and other stakeholders. This will definitely result to increased followership. Mogaji (2011) observed that ethical practices prevent fraudulent activities, which results to transparent engagements, good relations between members and leadership due to the perceived honest transactions and increase in operational efficiency. The outcome would be increased giving and unsoiled image of the church. Manning and Reese (2004) in their contribution on ethics noted that operational efficiency improved loyal and high member retention rate.

In their study on how ethical practices contribute growth of church in Kenya, Ireland, Hoskisson and Hitt (2009) emphasized that improved efficiency leads to faithful giving and ultimate

growth. Consequently for a healthy church, it is important the leadership team to understand ethics and enforce it as it can soil image of the church (Thompson, 2008). To fortify church value and effectiveness in its processes, ethical practices should be maintained (Amos, 2006).

In Africa, the church is numerically growing, but the quality of services remain questionable. Nkonge (2005) established that the Anglican Church in Meru was growing at a tremendously high rate, but the doctrines were superficial; with many people practicing Christianity on Sundays but retreat to their traditions on other days of the week. The findings also revealed that while church leaders underscored on the need for good morals, they had very rotten morals; some of them kept African concubines and majority of them concentrated on commerce than on the gospel.

In East Africa, studies on corporate governance are general. In Tanzania, a study on corporate governance practices conducted Melyoki (2005) revealed that corporate governance practices; more especially integrity and ethics plays a significant role in organizations' wellbeing. However, the focus of the study was on public corporations. In Kenya, Mulili (2011) focused on Public Universities; he explored on practices and effect on the overall performance of these entities. He established that corporate governance is premised on stewardship and stakeholder theory. He recommended a model and advocated for corporate governance practices if an organization is to remain relevant. This studies fall within the government sector; and thus do not specifically address concerns in protestant churches.

#### *Influence of Accountability and Exercise of Authority on Healthy Protestant Churches*

With specific interest on FBOs in regards to governance, (Hall 2012) established that in the US, accountability for these organizations was wanting. He noted that this could easily lead to misuse of funds. He mooted for strengthening of accountability structures/systems. However, this was a library study (secondary data) for US organizations. A study by Elson et al (2007) on faith

based organizations oversight established that, even with adequate measures in the US churches, policies on governance were weak. Moreover, accounting knowledge of the officers in charge was questionable. This study applied to all churches: not specific to protestant churches. This study seeks to fill this gap by establishing how accountability and oversight impacts healthy protestant churches in Kisii Municipality.

Faithworks (2007) argued that values on which a faith-based organization is founded should make it exceptional. Elson and Graebner (2007) supported this proposition based on a church survey carried in the state of Georgia, US. Majority of churches had inadequate financial oversight. Moreover, their policies and procedures were lacking; leading to reported fraud and misappropriation of funds. Internationally, televangelists were accused of running organizations to enrich themselves instead of preaching the gospel of truth (MacArthur, 2009).

A study by Duncan and Stocks (2003), revealed that pastors had a reasonable ability to recognize strengths and weaknesses of internal control systems in their respective churches, even though more than 63% indicated they had no formal training in business or accounting. According to this study, pastors considered internal control, accounting function and information system to be secular and irrelevant. They preferred to trust church employees and members instead of implementing basic internal control procedures. Fleckenstein and Bowes (2010) noted that churches overlook controls' guidelines in favor of the qualities of mercy and trust. Corporate governance was viewed as a secular rather than sacred.

Tanui, Omare and Bitange (2016) conducted a study evaluating the internal control systems which can be used for effective financial management in Churches: A case of protestant churches in Eldoret Municipality. Using descriptive statistics, 76% of the respondents indicated that internal control system were in place. However, only one type on internal control existed in the sampled

churches. The researchers recommend for strengthening of internal control systems for effective financial management. Although this study is similar, it is engrossed in one variable of governance and region of study is different.

Mokuo (2009) observed that most of church projects either stalled or are in pathetic conditions. Most of them were managed by volunteers; and as a result, accountability was wanting. Given that fellow Christians were tasked with financial management responsibilities, it was assumed they would be divinely guided on efficient resource utilization. He recommended for proper management skills and strategies. The oversight authority (board) should sharpen their management skills and devise new strategies to enhance efficiency

#### Research Gap

Based on this study's empirical evidence, it's apparent that most studies on corporate governance practices focused on developed countries (Melyoki, 2011) and not for public corporations (Mulili 2011). According to Occhipinti (2013), although the church was active, it was largely regarded as a subset of non-governmental organizations until the mid-1990s. Only a general framework was provided, with no much detail on church governance. Some studies focused on a single variable of corporate governance (Tanui, Omare & Bitange, 2016). Therefore, not much studies have been conducted on church governance; more specifically on corporate governance practices and healthy protestant churches in Kisii Municipality.

#### Theoretical Framework

Neuman (2006) defines a theory as a system of interconnected ideas that condense and organize knowledge about the world. These theories explain the nature of relationships and how these relationships can be managed within internally generated policies and externally imposed rules and regulations to achieve the intended goal (Mallin, 2010).

Agency theory is frequently used in corporate governance studies; however, it did not apply in this case because of its skewed focus on for-profit organizations (Cuevas, Rodríguez, Gomez, Mejia & Wiseman, 2012). In this study, the researcher adopted stewardship as the main theory underpinning the relationship between corporate governance practices and healthy Protestant churches in Kisii Municipality. Further, since church governance involves different players, the researcher adopted stakeholder theory as a supplement.

### *Stewardship Theory*

Stewardship theory was used as the main theory to underpin this study. This theory assumes that managers behave as if organizations were their own, and therefore act as effective stewards of an organization's resources (Rehli, 2011). As such, the primary role of the board is strategic. Whereas agency theory assumes managers are opportunistic, stewardship theory asserts that managers are intrinsically motivated to be good stewards for the interests of owners (Cuevas, Rodríguez, Gomez, Mejia & Wiseman, 2012). This theory supports the view that when roles of a chief executive officer and chair of the board are performed by different people, the level of objectivity is high (Crossland and Chen, 2013).

Mokuo (2009) shed light on resource management for sustainable development in the church. He cited many church projects that have collapsed due to mismanagement of funds. Jamieson (2009) observed that clergies are shepherds and prophets called to care for God's people. It is important they discharge stewardship obligation by putting mechanisms in place that would enhance organizational efficiency and effectiveness. This makes stewardship theory relevant in this study.

### *Stakeholder Theory*

Stakeholder theory would supplement the main theory in this study. An organization must take into consideration owners' interest and those of various stakeholders during decision making (Freeman, Harrison, Wicks, Parmar & De Colle, 2010). This theory sees other groups such as employees, creditors and government as having equally vital stakes in a firm; a fact amply demonstrated by thousands of job losses, reduced tax revenues, and high costs of litigation that came in the wake of high-profile corporate frauds (Sanda, Garba & Mikaela, 2011).

In contrast with stewardship theory which has its focus on top leadership, stakeholder theory assumes that protestant churches in Kisii Municipality are accountable to a larger constituency. This theory takes into consideration interests of all stakeholders. Accountability and transparency are some of the interests (Anheier, Hass and Beller, 2013). Such interests are safeguarded by committee whose composition is important (Ayuso, Rodríguez, García-Castro & Ariño, 2014). Among other things, stakeholders expect efficient utilization of resources, legal compliance and proper use of power.

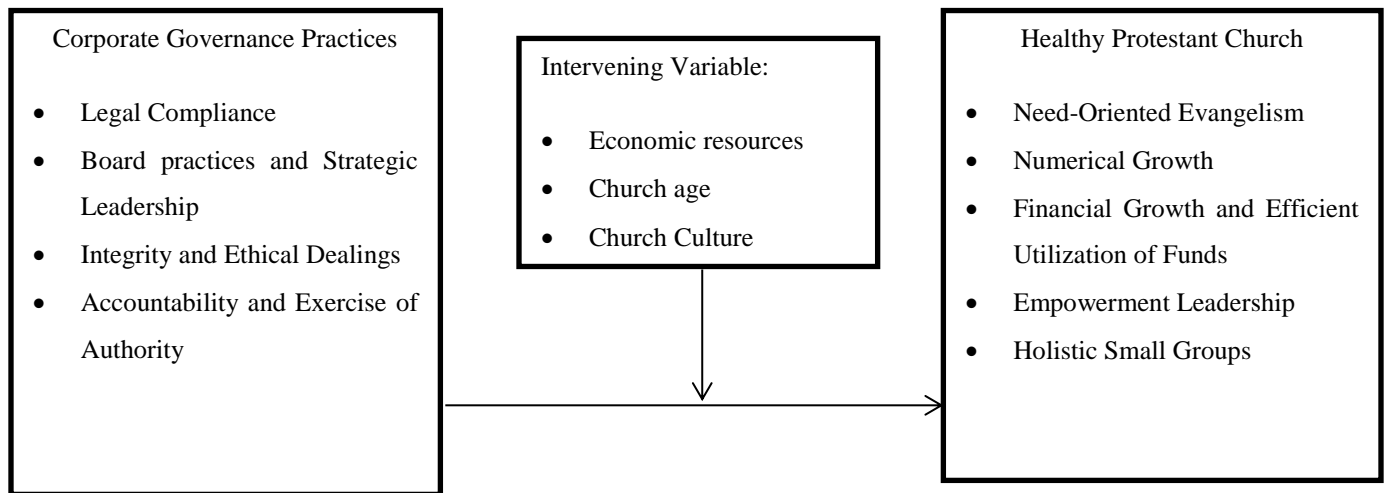
### Conceptual Framework

A conceptual framework is a written or visual presentation that explains either graphically or in a narrative form the main thing to be studied (key factors, concept or variables and the presumed relationships among them (Vaughan, 2008). Figure 2.1 illustrates the conceptual framework for this study. According to this framework, corporate governance practices of protestant churches in Kisii Municipality are independent variables whereas indicators of healthy protestant churches are dependent variables.

## Independent Variables

## Intervening Variables

## Dependent Variables



*Figure 2.1: Conceptual Framework*

As shown in figure 2.1, elements of corporate governance include: legal compliance, board practices and strategic leadership, integrity and ethical dealings, accountability and exercise of authority. On the other hand, healthy protestant churches were assessed in relation to: need oriented evangelism, empowered leadership, efficient utilization of funds and actively existing holistic small groups. Healthy protestant churches are moderated by organizational resources, age and culture. These variables are fundamental for ensuring that the study concentrated on variations created in corporate governance practices. This study aimed to study the relationship between corporate governance practices and healthy protestant churches in Kisii Municipality. It was therefore important that attributes of healthy protestant churches be controlled. Church age, economic resources and church culture were used in this study as intervening variables.

Many studies have established the relationship between corporate governance practices and organizational well-being and concluded that indeed, corporate governance practices influence healthy organizations (Adams & Mehran, 2012; Tabela 2010). Mishra and Mohanty (2014)



observed that, corporate governance rules and practices can significantly affect organization efficiency and effectiveness.

### Chapter Summary

This chapter provides understanding on various concepts and processes considered in the research proposal. It has considered the various arguments by researchers and practitioners with regard to corporate governance practices and critically examined discussions regarding the effect of corporate governance practices on healthy protestant churches. It has also provided the existing research gap to be addressed. The next chapter explains the methodology that was used in collecting and analyzing research data

## CHAPTER THREE: RESEARCH METHODOLOGY

### Introduction

Research design and methodology form an important part of research work because it gives details on how data was collected and analyzed. This chapter outlines the methodology used by the researcher. It gives details of the research design, target population, sampling design, methods of data collection, research procedures, reliability and data analysis methods of the research.

### Research Design

According to Cooper and Schindler (2014), a research design is a plan or structured framework of how a study intends to solve a research problem and to expand knowledge and understanding. This study was a qualitative research since it focused on characteristics, or qualities, that may not be reduced to numerical values (Leedy and Ormmrod, 2010). Descriptive correlation study was used to determine the relationship between corporate governance practices and healthy protestant churches in Kisii Municipality. Cooper and Schindler (2014) observed that description correlational research design is concerned with describing phenomena associated with the population in subject and the associations among different variables. As explained by Ricker (2010), a descriptive correlational study can provide information on behavior, attitudes and other characteristic of a particular group, and are done to demonstrate association of various variables. This study sought to establish the relationship between corporate governance practices and healthy protestant churches in Kisii Municipality.

The findings of a descriptive correlational study help in determining the degree in which two variables relate (Cooper and Schindler, 2014). Collis and Hussey (2009) highlighted the strength of descriptive correlational study: it allows a swift discovery of general relationship among variables. For this study, the research design demonstrated the relationship between variables of corporate

governance practices and healthy protestant churches in Kisii Municipality. This research design was deemed appropriate.

### Target Population

A target population is a collection of elements which the researcher wishes to make some inferences to (Cooper & Schindler, 2008). The target population was drawn from churches with governance structures in Kisii Municipality and that are members of NCKK and other Evangelical umbrellas. These include: Kisii PAG, Kisii Pentecostal, ACK, Deliverance, Kenya Assemblies, PEFA and Church of God. The study population consisted of eight (8) pastors, eight (8) church administrators, sixteen (16) deacons and eight (8) registered members making a total of forty (40) respondents as shown in table 3.1 below.

*Table 3.1: Target Population*

	Pastor	Admin	Deacon	Member	Total
Protestant Churches	8	8	16	8	40
Total target population	8	8	16	8	40

### Sampling Method and Sample Size

Purposeful sampling was used in identifying respondents in this study. Purposeful sampling selects individuals that yield most information about the topic under investigation (Leedy and Ormrod, 2010). It was the best data collection method for getting the required data from individuals who believed to understand church operations. The sample was made of eight (8) pastors, eight (8) administrators, sixteen (16) deacons and eight (8) registered members. Since the sample size summed up to 40 respondents, the researchers decided to make it all part of the respondents.

### Methods of Data Collection

According to Mugenda and Mugenda (2003), primary data is the type of data previously unknown and obtained directly by researcher for particular research purpose while secondary data

is collected by someone else, institutions or for a purpose other than the current one (Mugenda & Mugenda, 2003). For this study, the researcher used primary data. Designed questionnaires were administered to various respondents with help of lead pastors.

#### *Data Collection Instrument*

According to Cooper and Schindler (2014), a questionnaire is a data collection technique in which a person is asked to answer the same set of questions in a predetermined order. With the help of lead pastors, designed questionnaires were administered to five (5) individuals in each of the eight (8) protestant churches in Kisii Municipality. For clarity and objectivity, lead pastors were taken through the questionnaire. The questionnaire was divided into four sections. Section A was on the profile of respondents and church. Section B was on corporate governance practices relevant to this study. Section C was on the influence of corporate practices on healthy protestant churches in Kisii Municipality.

#### *Validity of Instruments*

Validity is the extent to which a research instrument measures what it was intended to measure (Leedy & Ormrod, 2010). Since the research design was descriptive, which normally entails collecting people's beliefs, attitude, values and opinion, the researcher used the most appropriate research instrument of designed questionnaires to facilitate the data collection process. In this study, a combination of construct, content and criterion-related validity was ensured through supervisors' guidance during the development of the survey instrument. Further, since judgement by a panel of experts can help in determining the validity of data collection instrument (Leedy & Ormrod, 2010), the questionnaire for collecting data was presented to the thesis proposal defense panel and it was given approval as a valid instrument to collect data. A pilot study was also carried out to assess the reliability and validity of the research instrument.

### *Data Collection Procedures*

The researcher approached lead pastors of the sampled protestant churches and explained their respective roles and the need for honest information. This information was contained in the cover letter forwarding the questionnaire. The researcher then assured the respondents that the information will be treated confidentially. For confidentiality, questionnaires were distributed and respondents advised to seal once completed. A follow up was made with respondents who delayed submitting completed questionnaires. Further, NACOSTI permit was obtained: a requirement for any research involving human participants.

### *Instrument Pre-Testing*

A pilot test was adopted and Cronbach Alpha computed. Gravetter and Forzano (2008) define pre-testing as the measurement of a dependent variable among subjects. A pre-test for all measures to be used in the research instrument is important as it reduces biases caused by measurement errors and to improve validity of the constructs (Dillman, 2011). To select respondents for a pre-test, the researcher used simple random sampling to select 4 respondents that participated in the final. Mugenda (2009) states that the selection of ten percent of the sample is representative of the sample size for conducting pre-test of a questionnaire.

### *Data Analysis*

Careful scrutiny of completed questionnaires was ensured and findings categorized in excel on the basis of common characteristics and attributes. After which it was analyzed using excel and the statistical package for social sciences (SPSS) software. Both descriptive and inferential analyses were used in this study. The descriptive statistics used were of tables, graphs frequency distributions and percentages; on the other hand, a Chi-Square test was conducted to establish

whether the influence of corporate governance practices on healthy protestant churches is significant.

#### Research Ethics/Ethical Consideration

Ethical issues were taken into consideration so as not to infringe on the rights of parties involved in this study. The researcher ensured that privacy of information and anonymity of research participants is reserved (Zukmund, 2003). The respondents were given an opportunity to freely volunteer to take part in the study. The researcher also appended an introduction from PAC University letter and mail from NACOSTI which gave an assurance of confidentiality to the respondents. Further, the researcher avoided plagiarism; where plagiarism refers to a situation where a researcher presents another person's work as their own without the owner's consent (Roig, 2015).

#### Chapter Summary

This section discussed the research methodology used in this study to answer different research questions. That included: research philosophy, paradigm, design, procedures, population and sampling design, data collection and analysis methods. It also provides a detailed account of how different hypotheses that were tested to reach the appropriate conclusions. Chapter Four presents results of the study and the findings.

## CHAPTER FOUR: RESULTS AND DISCUSSION

### Introduction

This chapter presents results from data analysis as collected from church leaders in different protestant churches. The questionnaires were distributed to various respondents with the help of lead pastors. Each questionnaire was accompanied by a cover letter providing an explanation of the study and assurance of confidentiality for all responses. A total of 40 questionnaires were administered to various respondents in 8 Protestant churches in Kisii Municipality. Target respondents from each of the sampled protestant church were: lead pastor, church administrator, two deacons and a registered member.

### Data Analysis

Data was analyzed with excel. Data collected from questionnaires was entered in excel then exported into SPSS. The findings were then presented in tables, percentages and graphs to analyze the data. The Chi-square test was conducted to identify the significance of the influence of corporate governance practices on healthy protestant churches

### Presentation and Interpretation

#### *Response Rate*

The researcher distributed 40 questionnaires to respondents, 33 questionnaires were fully filled and returned to the researcher, making a response rate of 82.5%. This means that 7 questionnaires were not returned to the researcher, hence representing a non-response rate of 17.5%. Therefore, it can be inferred that the response rate was good. According to Mugenda and Mugenda (2003) a response rate of 70% and above is excellent for analysis and reporting on the opinion of the entire population.

In comparison with previous scholarly works in corporate governance and performance studies, this was a commendable response rate. Examples of studies that had a lower rate include; Abok (2013) had a response rate of 55 percent, Cater and Pucko (2010) had a response rate of 49 percent while Machuki and Oketch (2012) had a response rate of 67 percent. Response rate is the single most important indicator of how much confidence can be placed in the results of a survey or study.

*Table 4.2: Response Rate*

Variable	Frequency	Percent
Response	33	82.5
Non- Response	7	17.5
Total	40	100

*Reliability Test*

The study conducted reliability tests of the questionnaires; a pilot test was adopted and Cronbach Alpha computed. The findings are shown in Table 4.2. The study found out that legal compliance had a Cronbach alpha of 0.826, board practices had a Cronbach alpha of 0.849, integrity and ethical dealings had a Cronbach alpha of 0.795 and accountability and exercise of authority had a Cronbach alpha of 0.842. This show that all coefficients of Cronbach alpha values were above 0.7, an indication that questionnaires were reliable for data collection hence data collected was sufficient for the study. The findings are shown in Table 4.2.

*Table 4.3: Reliability Test*

Variable	Number of Items	Cronbach Alpha
Legal Compliance	5	0.826
Board Practices	5	0.849
Integrity and Ethical Dealings	5	0.795
Accountability and Exercise of Authority	5	0.842

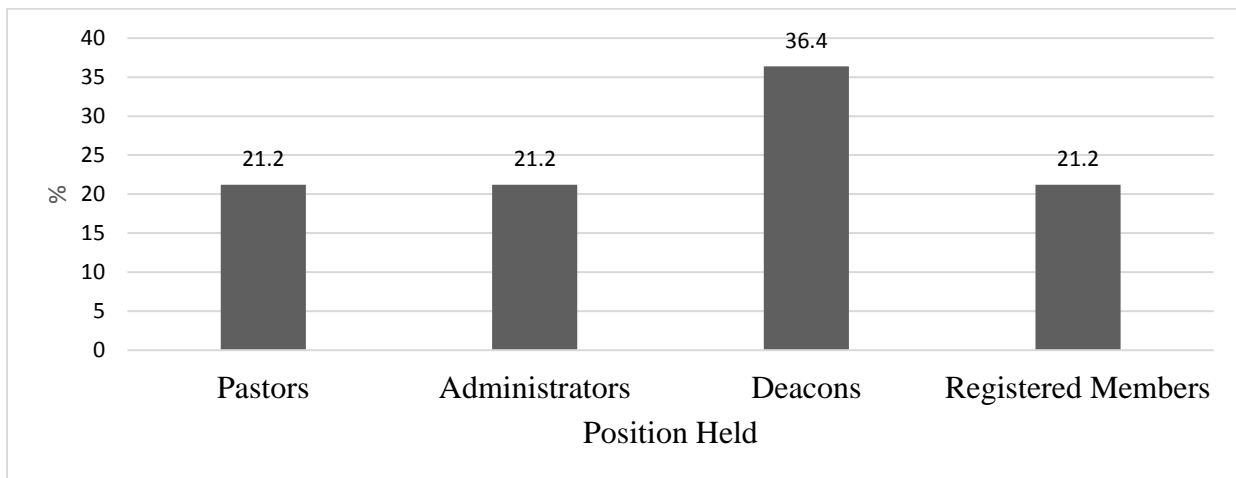
*Demographic Information*



The study carried out demographic information of the respondents in order to establish their reliability in the study. The researcher concentrated on the following demographic information; position held by the respondents, name of the church they attended, length that the church has been in in operation and whether the respondents church was affiliated to any other established religious organization. The findings are indicted in subsequent sections.

*Position Held by Respondents*

The researcher requested respondents to indicate the position they serve in church. The findings in Figure 4.1 show that 36.4% of the respondents were deacons, 21% of the respondents were pastors, administrators and registered members respectively. It was found that all levels of leadership were presented in the study to establish their views on relationship between corporate governance practices and healthy protestant churches in Kisii Municipality. This depicts that information sought was reliable for the study.



*Figure 4.2: Position Held by Respondents*

*Name of Church Attended by Respondents*

The respondents were requested to indicate name of the church they attended. The findings are indicated in Figure 4.2. The findings show that 15.2% of the respondents were congregants

from Kisii PAG, Kisii Pentecostal Church, ACK, Deliverance Church and Kenya Assemblies of God. 12% of the respondents were members of PEFA and Church of God. The findings therefore show that representatives from 7 churches participated in the study hence the study was not biased. This depicts that different views were indicated on how different churches were influenced by corporate governance practices on healthy protestant churches.

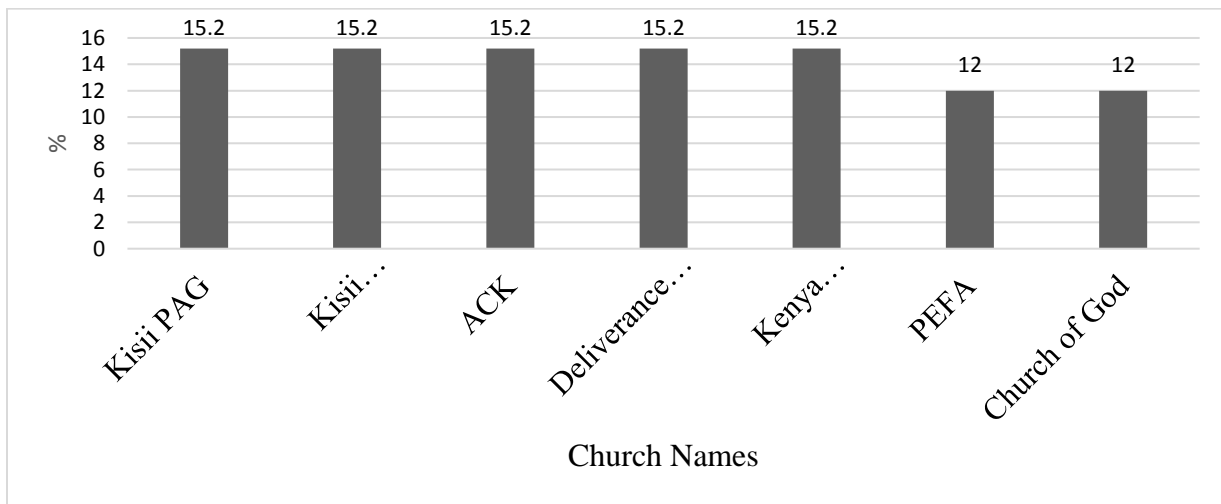


Figure 4.3: Name of Church Attended by Respondents

#### *Length of Operation of the Church*

The respondents were asked to indicate how long their church had been on service. The findings indicated that the protestant churches under study have been in operation for more than 10 years. This shows that respondents were conversant with their respective churches and would therefore be relied upon to provide reliable data for this study.

#### *Church Affiliation*

Respondents were requested to indicate whether their church was affiliated to any other established religious organization. The findings in Figure 4.3 showed that majority of the respondents 71% were in agreement that their churches were affiliated to other religious organization and 29% indicated No. This shows that majority of the protestant churches in Kisii

Municipality were supported by other organizations while only few churches were independent from any affiliation.

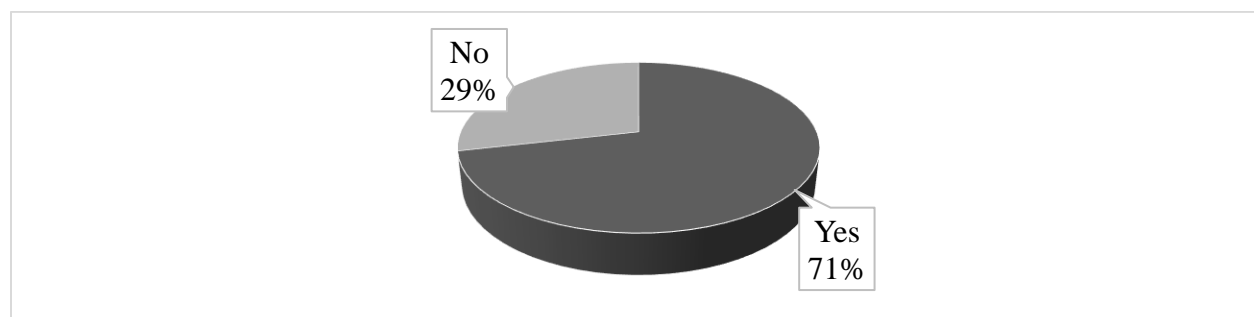


Figure 4.4: Church Affiliation

#### Legal Compliance on Healthy Protestant Church

Respondents were requested to indicate the extent to which they agreed or disagreed with the selected statements by the researcher. The findings are indicated in Table 4.3.

Table 4.4: Legal Compliance on Healthy Church

Statement	Strongly Disagree		Disagree		Undecided		Agree		Strongly Agree	
	F	%	F	%	F	%	F	%	F	%
The church is a legal entity appropriately registered	2	4.8	0	0	0	0	14	33.3	26	61.9
The church leadership is aware of the legislation that regulates its operations.	0	0	2	4.8	4	9.5	16	38.1	20	47.6
Church complies with the Law and Regulations relating to its operations	0	0	0	0	4	9.5	20	47.6	18	42.9
Church holds an AGM regularly	2	4.8	0	0	0	0	18	42.9	22	52.4
Church makes the annual statutory returns to Government regularly	6	14.3	2	4.8	8	19	16	38.1	10	23.8
Church has effective internal audit procedures	0	0	2	4.8	18	42.9	14	33.3	8	19.0

The study found out that respondents had different views on different statements identified by the researcher. The study found out that 2 (4.8%) of the respondents strongly disagreed, 14 (33.3%) agreed and 26 (61.9%) strongly agreed that their church was a legal entity appropriately registered. This shows that majority of the respondents 40 (95.2%) were in agreement that their churches were a legal entities, appropriately registered. On church leadership being aware of the legislation that regulated its operations, the study established that 2 (4.8%) of the respondents disagreed, 4 (9.5%) were undecided, 16 (38.1%) agreed and 20 (47.6%) of the respondents were in agreement to a great extent. This show that 36 (85.7%) were in agreement that church leadership were aware of the legislation that regulated church operations. This is supported by Carver (2010) who stated that corporate governance framework typically comprises elements of legislation, regulation, self-regulatory arrangements, voluntary commitments and business practices that are the result of a church's specific circumstances, history and tradition.

With regard to church complying with the law and regulations relating to its operations, the study established that 4 (9.5%) of the respondents were undecided, 20 (47.6%) agreed and 18 (42.9%) strongly agreed. The findings therefore show that majority of the respondents 38 (90.5%) were in agreement that their church complied with the law and regulations relating to its operations. In view to church holding annual general meetings (AGM) regularly, the study established that 2 (4.8%) strongly disagreed with the statement, 18 (42.9%) agreed and 22 (52.4%) of the respondents strongly agreed. This show that 40 (95.2%) of the respondents were in agreement that churches hold AGMs regularly. This is supported by Du Plessis, Hargovan and Bagaric (2011) who state that corporate governance is about promoting corporate fairness, accountability and transparency and the separation of ownership and control. As per the observations made by

Turnbull (1997), corporate governance influences all activities of firms that produce goods or provide services.

In respect to church making the annual statutory returns to Government regularly, the study established that 6 (14.3%) strongly disagreed, 2 (4.8%) disagreed, 8 (19%) were undecided, 16 (38.1%) agreed and 10 (23.8%) strongly agreed. The study established that majority of the respondents 26 (61.9%) were in agreement that church made the annual statutory returns to Government regularly. In view to church having effective internal audit procedures, the study established that 2 (4.8%) of the respondents disagreed, 18 (42.9%) were undecided, 14 (33.3%) agreed and 8 (19.0%) strongly agreed. The findings show that 22 (52.4%) of the respondents were in agreement that their church had effective internal audit procedures. Feliciano (2014) stated that the determination of an organization’s strategic direction entails strategic planning which ensures the organizational well-being which in this case is protestant churches.

*Influence of Legal Compliance on Healthy Protestant Church*

The researcher requested the respondents to indicate the influence of legal compliance on healthy church. The findings are as indicated in Figure 4.4.

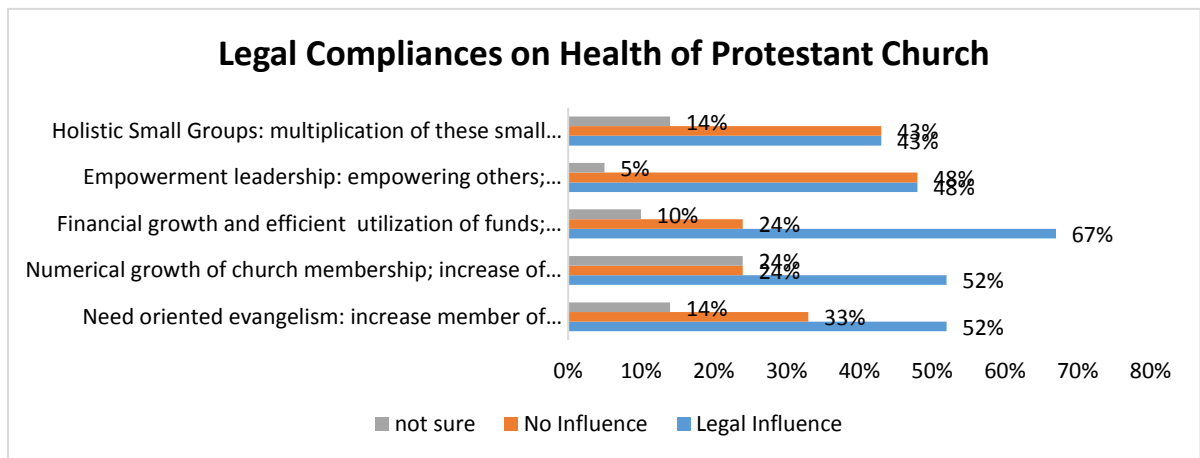


Figure 4.4: Influence of Legal Compliance on Protestant Healthy Church

The first question sought to find out the influence of legal compliance on need-oriented evangelism that includes increasing number of people reached with the gospel by material, emotional and spiritual support. The study established that majority of the respondents acknowledged that this legal compliance has indeed contributed to need-oriented evangelism, 14% of the respondents were undecided, 33% indicated no influence and 52% indicated an agreement on the statement. This is supported by Sjorgren (2010) who advocates for servant evangelism where Christians demonstrate God's kindness by offering to do some act of humble service with no strings attached. Acts of service include visiting and praying for the sick, donation of food to the needy, cleaning public facilities and many other things.

The second question was on how numerical growth of church membership has influenced legal compliance. The study pointed out that 24 % of the respondents disagreed on the statement, 24% of the respondents were undecided while 52% of the respondents were in agreement to a great extent. Therefore, the findings show that majority of the respondents were in agreement that legal compliance has some influence on numerical growth.

The third question sought to establish whether legal compliances increases financial growth and efficient utilization of funds of protestant churches, the findings established that 24% of the respondents indicated disagreement, 10% of the respondents were undecided and 67% agreed. The findings established that majority of respondents acknowledged that the statement was true and highly influenced the state of the health of protestant church in terms of financial growth and efficient utilization of funds. According to Akrani (2011), financial stability is considered a continuum: changeable over time and consistent with multiple combinations of the constituent elements of finance.

The fourth question sought to establish on empowerment of leaders among protestant churches in Kisii Municipality. The study found out that 48% of the respondents disagreed, 5% undecided and 48% agreed. This shows that, the number of respondents in agreement that empowerment leadership has been influenced by legal compliance matches with those of divergent opinion. Schwarz (2005) point out that the level of contentment in a congregation can be traced to the level of involvement people have in the congregation. People who are involved in their churches, using their gifts and depending upon the Holy Spirit, have a higher level of contentment than those who do not.

The fifth question on influence of legal compliance on holistic small groups in protestant churches in Kisii Municipality. The findings show that 43% of the respondents disagreed, 14 % were undecided and 43% agreed. The number of respondents who agreed and those of contrary opinion was the same.

*Chi-Square Test on the Influence of Legal Compliance on Protestant Healthy Church*

This technique was used to determine whether there was a significant influence of legal compliance and healthy protestant churches in Kisii Municipality. From the Chi-square tests, it was established that, legal compliance had no significant influence on healthy protestant churches because  $P \text{ value} = 0.279 > 0.05$ . The findings are presented in Table 4.5

*Table 4.5: Chi-Square for Legal Compliance on Healthy Church*

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.077 <sup>a</sup>	4	.279
Likelihood Ratio	5.256	4	.262
N of Valid Cases	33		

### *Board Practices and Strategic Leadership*

The study sought to establish the influence of board practices and strategic leadership on healthy protestant churches in Kisii Municipality. A Likert scale of 1-5; where 1= strongly disagree, 2= disagree, 3= neutral, 4= agree, and 5= strongly was used. The findings are indicated in Table 4.6.

*Table 4.6: Board Practices and Strategic Leadership*

	Strongly Disagree		Disagree		Undecided		Agree		Strongly Agree	
	F	%	F	%	F	%	F	%	F	%
Clear vision and mission	0	0	0	0	10	23.8	16	38.1	16	38.1
All stakeholders are involved in developing mission statement.	0	0	0	0	6	14.3	28	66.7	8	19.0
Key stakeholders understand vision and mission statement	2	4.8	10	23.8	8	19	14	33.3	8	19
Activities are geared towards achievement of vision and mission.	0	0	4	9.5	8	19	26	61.9	4	9.5
Periodic & realistic strategic planning undertaken	2	4.8	0	0	10	23.8	28	66.7	2	4.8
Satisfactory Board appointment procedure	2	4.8	0	0	2	4.8	24	57.1	14	33.3
Competent Board	4	9.5	0	0	4	9.5	26	61.9	8	19
Well documented Board procedures	0	0	0	0	14	33.3	18	42.9	10	23.8
Board sets goals for the organization	2	4.8	2	4.8	6	14.3	24	57.1	8	19.0
Clear procedures to appoint Senior Pastor	0	0	6	14.3	8	19	16	38.1	12	28.6
The Board regularly reviews the church's performance	0	0	6	14.3	10	23.8	18	42.9	8	19
Pastor is accountable to the governing body	0	0	0	0	4	9.5	10	23.8	28	66.7
Leadership team abide by the internal policy to guard against conflict of interest	0	0	0	0	0	0	30	71.4	12	28.6
Periodic realistic Strategic planning	2	4.8	12	28.6	6	14.3	18	42.9	4	9.5
Church activities aligned to the strategic plan	4	9.5	0	0	16	38.1	10	23.8	12	28.6



With regard to the organization having a clear vision and mission, the study established that respondents 10 (23.8%) of the respondents were undecided, 16 (38.1%) agreed. In respect to church involving members, staff and deacon board to develop vision and mission statements, the study established that 6 (14.3%) were undecided, 28 (66.7%) agreed and 8 (19%) indicated strong agreement. This therefore states that majority of the respondents were in agreement that church involved all the levels of management on developing mission and vision statement.

On all key stakeholders understanding the vision and mission statement of the church, the study found out that 2 (4.8%) indicated strong disagreement, 10 (23.8%) indicated disagreement, 8(19%) were undecided, 14 (33.3%) were in agreement and 8 (19.0%) indicated strong agreement. This indicated that majority of the respondents were in agreement on the statement. With regard to church activities being geared towards the achievement of vision and mission, the study established that 4 (9.5%) of the respondents indicated disagree, 8 (19%) indicated undecided, 26 (61.9%) indicated agree and 4 (9.5%) of the respondents indicated strongly agree. Therefore, majority of the respondents were in agreement that church activities were geared toward the wellbeing of the church.

The study found out that 2 (4.8%) of the respondents strongly disagreed, 10 (23.8%) indicated that they were undecided, 28 (66.7%) indicated agree and 2 (4.8%) indicated strongly agree on organization undertook periodic realistic strategic planning. This show that majority of the respondents were in agreement with the statement. The study further found out that there was a satisfactory Board appointment procedure where 2 (4.8%) of the respondents indicated strongly disagree and undecided, 24 (57.1%) indicated agree and 14 (33.3%) indicated strongly agree, an indication that respondents were in agreement to the statement.

In view to protestant church governing body having relevant competencies to guide the deliverance of the Organization's and mission, the study established that 4 (9.5%) of the respondents indicated strongly disagree and undecided, 26 (61.9%) indicated agree and 4 (9.5%) indicated strongly agree. The findings therefore show that majority of the respondents were in agreement with the statement. In respect to protestant churches in Kisii having well documented board procedures, the study established that 14 (33.3%) of the respondents indicated that they were undecided, 18 (42.9%) indicated agree and 10 (23.8%) indicated strongly agree. The study therefore established that the respondents were in agreement that there were well documented procedures.

In view to board setting goals for the organization, the study established that 2 (4.8%) of the respondents indicated strongly disagree and disagree, 6 (14.3%) indicated undecided, 24 (57.1%) indicated agree and 8 (19.0%) indicated strongly agree. The findings therefore show that majority of the respondents were in agreement that the board set goals for the organization. In regard to the board regularly reviewed the church performance, the study established that 8 (9%) indicated disagree, 2 (4.8%) indicated undecided, 26 (61.9%) indicated agree and 6 (14.3%) indicated strongly agree. The findings therefore show that majority of the respondents were in agreement with the statement.

On protestant churches being clear and transparent to procedures for appointment of the Senior Pastor, the study established that 6 (14.3%) of the respondents indicated disagreement, 8 (19%) indicated undecided, 16 (38.1%) indicated agree and 12 (28.6%) indicated strongly agree. The findings therefore show that majority of the respondents were in agreement with the statement. The study established that 6 (14.3%) of the respondents were in disagreement, 10 (23.8%) indicated that they were undecided, 18 (42.9%) indicated their agreement and 8 (19%) indicated

strong agreement on board regularly reviewed the church's performance. This show that majority of the respondents were in agreement that their churches board regularly reviewed their church performance.

In regard to pastors being accountable to the governing body, the findings found out that 4 (9.5%) of the respondent indicated undecided, 10 (23.8%) indicated agree and 28 (66.7%) indicated strongly agree. This show that majority of the respondents concurred with the statement that pastors were accountable to the governing body. On regard to leadership team abiding by the internal policy to guard against conflict of interest, the study established that 30 (71.4%) of the respondents indicated agree and 12 (28.6%) indicated strongly agree. The findings therefore show that the respondents were in agreement that their leadership team always abide to the formulated internal policy.

On view to the church undertaking periodic realistic Strategic planning, the study established that 2 (4.8%) of the respondents indicated strongly disagree, 12 (28.6%) indicated disagree, 6 (14.3%) indicated undecided, 18 (42.9%) indicated agree and 4 (9.5%) indicated strongly agree. These findings assert that majority of respondents were in agreement that their churches undertook realistic strategic planning. With regard to church activities aligned to the strategic plan, the study established that 4 (9.5%) of the respondents indicated strongly disagree, 16 (38.1%) indicated undecided, 10 (23.8%) indicated agree and 12 (28.6%) indicated strongly agree. These findings therefore indicate that majority of the respondents were in agreement that church activities in the church aligned to speculated strategic plans.

#### *Influence of Board Practices and Strategic Leadership on Healthy Protestant Churches*

The study sought to establish the impact of board practices and strategic leadership on healthy protestant church in Kisii Municipality. A Likert scale of 1-5; where 1= Strongly Disagree,

2= Disagree, 3= Neutral, 4= Agree, and 5= Strongly was used. The findings are indicated in Table 4.7.

Table 4.7: Influence of Board Practices on Healthy Protestant Churches

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Need oriented evangelism:	57.7%	38.09%	4.76%	0%	0%
Numerical growth of church membership;	42.85%	52.38%	4.76%	0%	0%
Financial growth and efficient utilization of funds	52.38%	38.09%	9.52%	0%	0%
Empowerment leadership:	47.61%	28.57%	23.80%	0%	0%
Holistic Small Groups:	9.52%	52.38%	38%	0%	0%

The findings established that 4.76% of the respondents indicated undecided, 38.09% indicated agree and 57.14% indicated strongly agree. This asserts that majority of the respondents were in agreement that board practices and strategic leadership impacts on the need-oriented of evangelism. With regard to numerical growth of church membership increasing due to high retention of first-time visitors, the study established that 4.76% of the respondents were undecided, 52.38% indicated agree and 42.85% indicated strongly agree. This show that majority of the respondents were in agreement to that board practices and strategic leadership have an impact in numerical growth.

The findings on financial growth and efficient utilization of funds, the study established that 9.52% of the respondents indicated undecided, 38.09% indicated agree and 52.38% of the respondents indicated strongly agree. This further acknowledges that majority of the respondents were in agreement board practices and strategic leadership had attributed to increase in growth of giving and allocation of more funds on core activities of the church on evangelism and discipleship. In respect to empowerment leadership by empowering others, the study established that 23.8% of the respondents were undecided, 28.57% agreed and 47.61% indicated strongly agree. The

findings therefore show that majority of the respondents were in agreement that empowerment in protestant churches is enhanced through board practices and strategic leadership.

In regards to holistic small groups and multiplication of these small groups, the study found out that 38% of the respondents indicated undecided, 52.38% indicated agree and 9.52% indicated strongly agree. This therefore show that majority of the respondents were in agreement that their churches engaged in holistic small groups. Warren (1995) noted that small groups allow a church to grow larger and smaller at the same time. He emphasizes that the larger a church grows the more important it becomes to have a strong small group ministry.

*Chi-Square Test on the Influence of Strategic Leadership on Protestant Healthy Church*

From the Chi-Square test, it was established that, board practice and strategic leadership had a significant influence on healthy protestant churches because P value =0.00017<0.05. The findings are presented in Table 4.8

*Table 4.8: Chi-Square for Strategic leadership on Healthy Church*

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	58.525 <sup>a</sup>	2	.00017
Likelihood Ratio	57.560	2	.00072
N of Valid Cases	33		

*Integrity and Ethical Dealing*

Respondent were requested to indicate the extent to which they agreed or disagreed on selected statements by the researcher. A scale of 1-5 was used where: 1. Strongly Disagree 2. Disagree 3. Undecided 4. Agree 5. Strongly Agree. The findings are indicated in Table 4.6.

*Table 4.9: Integrity and Ethical Dealing on Healthy Church*

	Strongly Disagree		Disagree		Undecided		Agree		Strongly Agree	
	F	%	F	%	F	%	F	%	F	%
The purpose/main objective of the organization is clearly stipulated	4	10	8	19	4	10	12	29	14	33.3
The values of the organization are clearly spelled out for all to appreciate	2	5	6	14	6	14	24	57	4	9.5
There are mechanisms for enforcing values	0	0	16	38.1	0	0	20	47.6	6	14.3
There are adequate mechanisms to ensure that funds are put to proper use	0	0	0	0	6	14	22	52	14	33.3
There are mechanisms to avoid conflict of interest	0	0	2	5	8	19	24	57	8	19

On the purpose/main objective of the organization being clearly stipulated, the study established that 4 (10%) of the respondents indicated strongly disagree, 8 (19%) indicated disagree, 4 (10%) indicated undecided, 12 (29%) indicated agree and 14 (33.3%) indicated strongly agree. This therefore show that majority of the respondents were in agreement that their churches had stipulated their main objectives. In view to the values of the organization being clearly spelled out for all to appreciate, the study established that 2 (5%) of the respondents indicated that they strongly disagreed, 6 (14%) indicated disagree, 6 (14%) were undecided, 24 (57%) were in agreement and 4 (9.5%) of the respondents indicated a strong agreement. This shows that majority of the respondents indicated their agreement that their churches values were clearly stipulated.

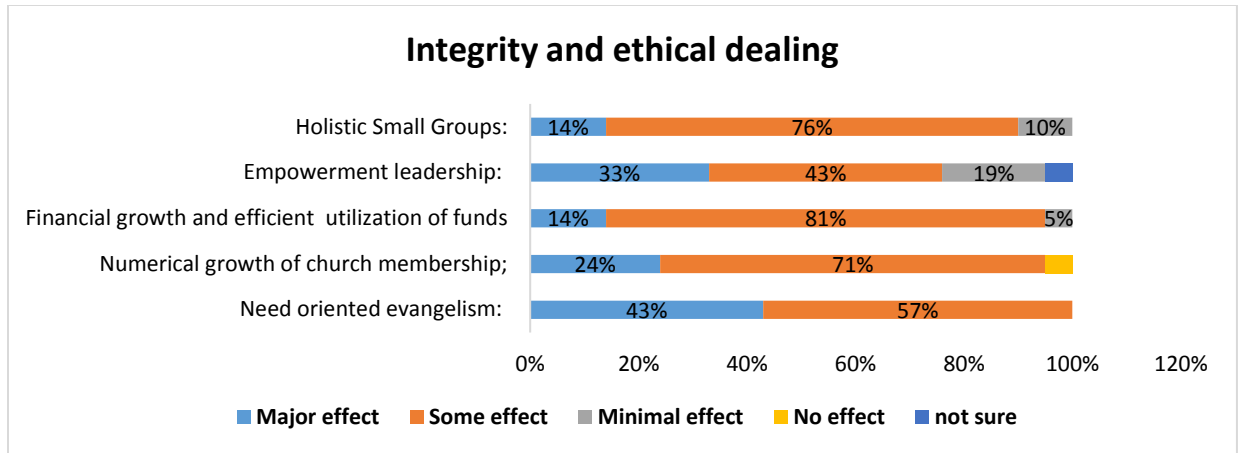
In regard to protestant churches having mechanisms for enforcing values, the study found out that 16 (38%) of the respondents indicated disagree, 20 (47.6%) indicated agree and 6 (14.3%) of the respondents indicated strongly agree. The findings show that majority of the respondents were in agreement that churches had mechanisms for enforcing values. In respect to protestant

churches having adequate mechanisms to ensure that funds are put to proper use, the study pointed out that 6 (14%) of the respondents indicated undecided, 22 (52%) indicated agree and 14 (33.3%) indicated strongly agree. The findings therefore show that protestant church had adequate mechanism to ensure that the funds are proper use. This is supported by a study by MacArthur, (2009) who stated that church policies and procedures were generally lacking leading to reported fraud and misappropriation of funds. Internationally, televangelists have been accused of running organizations meant to enrich themselves instead of preaching the true gospel (MacArthur, 2009).

The study established that there were mechanisms used to avoid conflict of interest in churches in Kisii, the study found out that 2 (5%) of the respondents indicated disagree, 8 (19%) indicated undecided, 24 (57%) indicated agree, 8 (19%) indicated strongly agree. The findings show that majority of the respondents were in agreement that their churches have practical conflict of policies. Ireland, Hoskisson and Hitta (2013) noted that ethical practices lead improved organizational efficiency that ultimately to its holistic well-being. Mogaji (2011) states that the emphasis on ethical practices leads to prevention of fraudulent activities, which ensures sound and transparent corporate governance in the church, good clients/members and follower relations due to high hope of fair and honest transactions.

#### *Effect of Integrity and Ethical Dealings*

The respondents were requested to indicate whether there was an effect of integrity and ethical dealings on the health of your church. The findings are shown in Figure 4.5.



*Figure 4.5: Influence of Integrity and Ethical*

In view of the effect of integrity and ethical dealings to need-oriented evangelism, the study found out that 57% of the respondents indicated major effect and 43% indicated some effect. In regard to the effect of integrity and ethical dealings to numerical growth of church membership, 5% of the respondents indicated no effect, 71% some effect and 24% major effect.

In respect to financial growth and efficient utilization of funds for protestant churches in Kisii County, 14% of the respondents indicated major effect, 81% indicated some effect while 5% indicated that integrity and ethical dealing has no effect on financial growth and efficient utilization of funds. In regard to empowerment leadership, the study established that 5% of the respondents were not sure/undecided, 19% indicated minimal effect, 43% some effect and 33% major effect. On holistic Small Groups formed enhancing discipleship, the study established that 10% of the respondents indicated minimal effect, 76% indicated some effect while 14% indicated major effect.

*Chi-Square Test on the Influence of Integrity and Ethical Dealings*

From the Chi-square tests, it was established that, board practice and strategic leadership had a significant influence on healthy protestant churches because P value =0.0479<0.05. The findings are presented in Table 4.10



Table 4.10 Chi-Square for Influence of Integrity and Ethical dealings

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	33.500 <sup>a</sup>	4	.0478
Likelihood Ratio	33.645	4	.0456
N of Valid Cases	33		

*Proper Exercise of Authority and Accountability*

The study sought to establish whether the level of agreement on a scale of 1-5 of the respondents. The findings are indicated in Table 4.11.

Table 4.11: Proper Exercise of Authority and Accountability

	Strongly Disagree		Disagree		Undecided		Agree		Strongly Agree	
	F	%	F	%	F	F	%	F	%	F
The board has clear roles and responsibilities	0	0	0	0	2	4.8	24	57.1	16	38.1
The Pastor(s) has clear roles and responsibilities	0	0	0	0	0	0	22	52.4	20	47.6
The Board acts as a whole, and not just one or a few individuals	0	0	0	0	2	4.8	20	47.6	20	47.6
Board resolutions are clearly communicated	0	0	0	0	0	0	32	76.2	10	23.8
The Lead Pastoral is accountable to the Board	0	0	0	0	4	9.5	16	38.1	22	52.4
The Board is accountable to members and God	0	0	0	0	0	0	16	38.1	26	61.9
All stakeholders have access to key information relating to the organization	0	0	0	0	2	4.8	30	71.4	10	23.8
Organizational Reports are detailed and clear enough	2	4.8	2	4.8	8	19	22	52.4	8	19
There are conflict resolution mechanisms	4	9.5	4	9.5	6	14.3	24	57.1	4	9.5

The findings on the church board had clear roles and responsibilities indicated that 2 (4.8%) were undecided, 24 (57.1%) agreed and 16 (38.1%) strongly agreed. This shows that majority of the respondents were in agreement that their church board had clear roles and responsibilities. In

view to Pastor(s) having clear roles and responsibilities, the study established that 22 (52.4%) agreed and 20 (47.6) strongly agreed. The findings show that majority of the respondents were in agreement that their pastors had clear roles and responsibilities. In regard to Board acting as a whole and not just as one or a few individuals, the study established that 2 (4.8%) indicated undecided, 20 (47.6%) indicated agree and 20 (47.6%) strongly agreed. The findings show that majority of the respondents were in agreement that board acted as a whole in their churches. Mogaji (2011) states that the emphasis on ethical practices leads to prevention of fraudulent activities on churches and organizations.

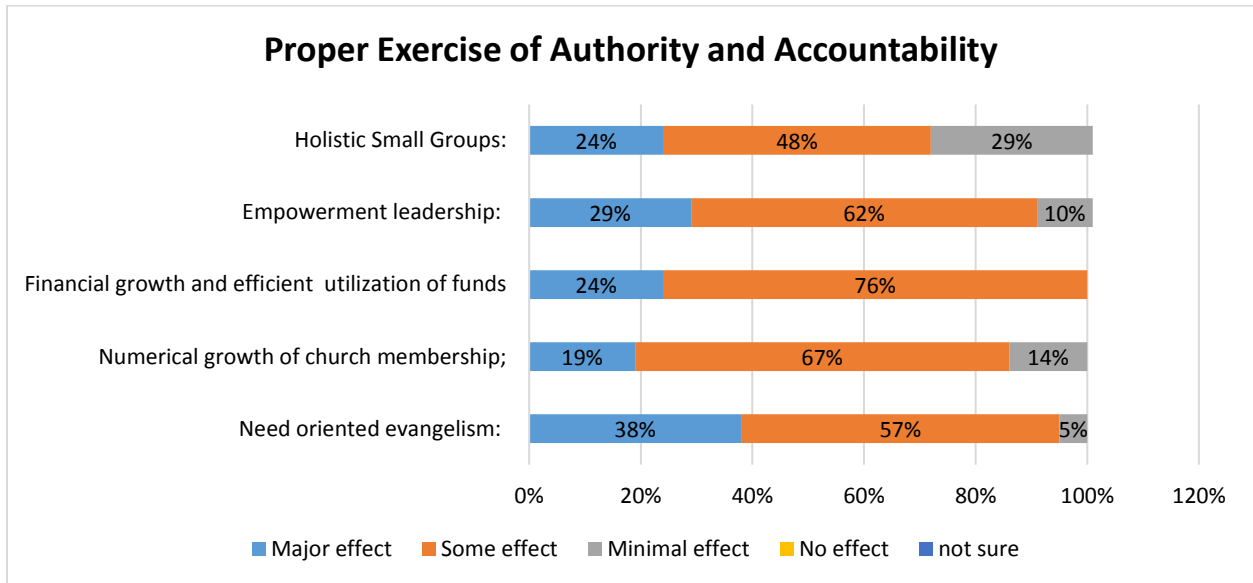
In regard to board resolutions being clearly communicated, the study established that 32 (76.2%) of the respondents indicated agree and 10 (23.8%) indicated strongly agree. The findings show that majority of the respondents were in agreement that board resolutions was clearly communicated. In respect to lead pastoral being accountable to the Board, the study established that 4 (9.5%) were undecided, 16 (38.1%) agreed and 22 (52.4%) of the respondents indicated strongly agree. The findings therefore show that majority of the respondents were in agreement that pastors were accountable to the board. On board being accountable to members and God, the study established that 16 (38.1%) of the respondents agreed and 26 (61.9%) of the respondents strongly agreed. The findings show that majority of the respondents were in agreement that board were accountable to church members and God.

In view to all stakeholders accessing to key information relating to the organization, the study established that 2 (4.8%) of the respondents were undecided, 30 (71.4%) agreed and 10(23.8%) strongly agreed. Therefore, the findings assert that majority of the respondents were in agreement that stakeholders accessed vital information relating to the organization. On organizational reports being detailed and clear enough, the study established that 2 (4.8%) of the

respondents strongly disagreed, 2 (4.8%) disagreed, 8 (19%) were undecided, 22 (52.4%) agreed and 22 (52.4%) strongly disagreed. The findings therefore show that organizational reports were detailed and clear enough. In regard to conflict resolution mechanisms, the study established that 4 (9.5%) of the respondents indicated strongly disagree and disagree, 6 (14.3%) were undecided, 24 (57.1%) agreed and 4 (9.5%) strongly agreed. The findings established that churches in Kisii County had conflict resolution mechanisms.

*Influence of Proper Exercise of Authority and Accountability*

Respondents were requested to indicate the influence of proper exercise of authority and accountability to health churches in Kisii. A scale of 1-5 was used where; 5- major influence, 4- some influence, 3-minimal influence, 2 – no influence 1- not sure. The findings are shown in Figure 4.6.



*Figure 4.6: Influence of Proper Exercise of Authority and Accountability*

In view to the influence of proper exercise of authority and accountability to need-oriented evangelism, the study found out that 5% of the respondents had a minimal influence, 57% indicated some influence and 38% indicated major influence. This show that majority of the respondents

were in agreement that proper exercise of authority and accountability influenced healthy of protestant churches in Kisii Municipality. Sjorgren (1993) advocates for servant evangelism where Christians demonstrate God's kindness by offering to do some act of humble service with no strings attached. Acts of service include visiting and praying for the sick, donation of food to the needy, cleaning public facilities and many other things.

In regard to numerical growth of church membership, the study established that majority of the respondents 14% indicated minimal influence, 67% indicated some influence and 19% indicated major influence. This indicates that majority of the respondents were in agreement that there has been an increase numerical growth of church as a result of exercise of authority and accountability. According to Bauer (2014), this is facilitated by improved working conditions, which lead to increased productivity, which in turn leads to better service to the customers (church members and stakeholders), which in turn serves to attract more members to the church, leading to the numerical growth of the church membership.

In respect to financial growth and efficient utilization of funds in protestant churches in Kisii Municipality, the findings show that 76% of the respondents indicated some influence and 24% indicated major influence. The findings show that majority of the respondents were in agreement that exercise of authority and accountability influence health of protestant church in Kisii Municipality. Akrani (2011) stated that financial stability is considered a continuum: changeable over time and consistent with multiple combinations of the constituent elements of finance. For this study, the financial growth in the church was measured by examining the changes (increase) in church income, new sources of church income.

In regard to empowerment leadership, the study established that 10% of the respondents indicated minimal influence, 62% indicated some influence and 29% indicated major influence.

This shows that majority of the respondents were in agreement that exercise of authority and accountability influence leadership empowerment of protestant churches in Kisii Municipality. Kaplan and Norton (1996) suggest that Learning and Growth measures should deal with issues of employee skills, motivation, and organizational alignment and information systems capabilities.

On holistic Small Groups formed enhancing discipleship, the study established that 29% indicated minimal influence, 48% indicated some influence and 24% indicated major influence. The findings found out that majority of the respondents were in agreement that exercise of authority and accountability enhanced discipleship of the protestant churches in Kisii Municipality. Warren (1995) noted that small groups allow a church to grow larger and smaller at the same time and emphasized that the larger a church grows the more important it becomes to have a strong small group ministry.

*Chi-Square Test on Proper Exercise of Authority and Accountability*

From the Chi-square tests, it was established that, exercise of authority and accountability had a significant influence on healthy protestant churches because P value =0.00052<0.05. The findings are presented in Table 4.12

*Table 4.12: Chi-Square for Proper Exercise of Authority and Accountability*

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	61.167 <sup>a</sup>	2	.00052
Likelihood Ratio	61.185	2	.00055
N of Valid Cases	33		

## Interpretation of Findings and Discussion

From the findings, legal compliance is practiced by majority of protestant churches in Kisii municipality. However, some aspects didn't receive good rating as compared to others. These are: a church as a legal entity appropriately registered, filing annual statutory returns and effective internal audit procedures. These aspects are reportedly common in most churches. However, that should not be an excuse for not being fully compliant to legal demands. Legal compliance is essential for churches desiring integrity. Results can be devastating when leadership team fails to comply with legal procedures. According to Daft (2011), threat to litigations is serious concern for organizations that don't adhere to laid down legal procedures.

Dubrin (2007) noted that strategic leaders like the church board are tasked to determine organizations' direction so as to ensure goals are attained. As explained by Feliciano (2014), strategic planning is the main leadership role. This is a process that entails setting of organizations mission, vision and objectives; implementation and evaluation strategies.

This study revealed a strong relationship between leadership strategies and healthy protestant churches in Kisii Municipality. A well laid out strategy brings congregational growth and enrichment. This was also attested by Chalk (2009) who argued that no uniform model is replicable in all organizations, but planning process encompasses basic elements of mission and vision that contribute to healthy church. Moreover, from the study findings, board practice and strategic leadership have a greater impact on establishment of a health protestant church. Over 80% of the respondent strongly believed that strategic leader has greatly influenced the success of evangelism and financial growth of the church.

The findings indicated that the church had systems of ethical performance and that there was a strong relationship between ethical practices and healthy protestant churches in Kisii

Municipality. Ethics create social and stakeholders good will for the church resulting to its growth in numbers and spiritual uplifting or enrichment. Ireland and Hitt (2013) observed that updating ethical practices and dissemination to stakeholders would work towards developing an ethical church culture that is highly regarded as a key driver of protestant churches operational efficiency.

The findings also indicate that members are acquitted with church values through doctrinal classes or sessions. This greatly influences their participation in enhancing to gospel of Jesus Christ. Church values are key elements that create members respect and trust for a healthy church. The aim of church values is for members to develop positive relationship with others and God. Moreover, church values impact on member motivation and result in retention of members. Dentigney (2015) observed that there is correlation between financial growth and organizational ethical behavior. Churches need ethical energy that would foster brighter future. Values impact behavior and the way the society operates (Reeves, 2005). Since church is part of the society, developing and enforcing ethical values is not an option.

In overall, the respondents agreed that oversight and accounting practices are in place and have positively contributed to healthy protestant churches in Kisii. Roles and a set of boundaries are created to keep the church in good standing and also act as God given opportunities. In the book of Genesis, God mandated Adam with an oversight role over all creatures; however, He set boundaries. If a church has to progress, defined authority must be vested upon people. This is important for accountability. Those entrusted with church business should understand their role and their actions are above board.

#### Chapter Summary

This section discussed the response rate of the study and reliability test carried on questionnaires used to collect data. The findings are discussed from descriptive statistics in form of frequencies, percentages and graphs. Chapter summary briefly discusses the findings of the

study. Chapter Five presented summary, conclusion and recommendations and suggestions for further studies.



## CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

### Introduction

This chapter discusses key findings of the study in line with the study objectives. The key findings of the study are used in generation of conclusions of the study. The suggestions for further studies indicate areas where future scholars and researchers can expand more knowledge on relationship between corporate governance practices and healthy protestant churches; a case of Kisii Municipality.

### Summary of the Findings

The main objective of the study was to establish the influence of corporate governance practices on healthy protestant churches in Kisii Municipality. The study was based on the following objectives; how does legal compliance influence healthy protestant churches in Kisii Municipality? How do board practices and strategic leadership influence healthy protestant church in Kisii Municipality? How does integrity and ethical dealings influence healthy protestant churches in Kisii Municipality? How does accountability and exercise of authority influence healthy protestant churches in Kisii Municipality?

The study relied on descriptive and inference statistics to establish the influence of corporate governance practices on healthy protestant churches in Kisii Municipality. The study relied on primary data that was collected by use of structured questionnaires. The collected data was coded into SPSS Version 23.0 for analysis and presentation. The findings were presented in form of frequencies, percentages and graphs.

Concerning legal compliance on healthy protestant church, the study established that majority of the respondents were in agreement that church is a legal entity appropriately registered. Church leadership were aware of the legislation that regulates its operation. The findings show

that majority of the respondents were in agreement that their church complied with the law and regulations relating to its operations. Respondents were in agreement that protestant churches hold AGM regularly. However, some respondents did not agree that churches usually file annual statutory returns. They also observed that churches lacked effective internal audit procedures.

With regard to board practices and strategic leadership, the findings established respondents were in agreement that church involved all the levels of management on developing mission and vision statement. Majority of the respondents indicated that stakeholders understood the vision and mission statement of their church. Respondents concurred with the statement that pastors were accountable to the governing body. Respondents indicated that church activities were geared toward the wellbeing of the church. The study established that board were appointed at satisfactory rate.

In view to integrity and ethical dealing on healthy church, the study established that respondents indicated that their churches had stipulated their main objectives, majority of the respondents stated that their churches values were clearly stipulated. Respondents pointed out that protestant churches had mechanisms for enforcing good health of the church. Majority of the respondents indicated that their churches had adequate mechanisms to ensure that funds were put to proper use. The study further stated that protestant churches in Kisii Municipality used strategic mechanisms to prevent conflict of interest.

In regard to proper exercise of authority and accountability, the study established that majority of the respondents were in agreement that their church board had clear roles and responsibilities. Pastor(s) had clear roles and responsibilities as study established by all of the respondents. Board acted as a whole and not just as one or a few individuals. All the respondents were in agreement that board resolutions were clearly communicated. Respondents established

that lead pastors were accountable to the board. All respondents were in agreement that board was accountable to members and God. Majority of the respondents were in agreement that all stakeholders accessed to key information relating to the organization.

### Conclusion

While it is not likely to guarantee compliance with every possible law and regulation, the study revealed that majority of the churches in Kisii Municipality had legalized their churches. . Protestant churches in Kisii Municipality have instituted controls and procedures possible to comply with laws that apply to their operations hence influencing its healthiness; with evangelism and numerical growth at 52% respectively and financial growth and efficiency at 67%. It was also revealed that legal compliances has more influence to financial growth and effectiveness than the other variables.

On the second research question on the impact of board practices and strategic leadership on healthy protestant churches in Kisii Municipality, the study found that development of mission and vision statement was an all-inclusive activity for majority of protestant churches in Kisii Municipality. The stakeholders understood the vision and mission statement of their respective churches. The establishment of goals, strategies and action plans has made the leadership team to focus decision-making not only for operations but also for important activities like ministry expansion, resource allocation, and church growth. Given that in most of protestant churches, pastors are accountable to the governing body that is well constituted, increased efficiency, effectiveness and commitment was reported in most of protestant churches.

On the third research question, emphasis on integrity and ethical dealings was a strong predictor of the church's operational efficiency. Most of protestant churches in Kisii Municipality had developed mechanisms that ensure funds are put to the right use and that conflict of interest is prevented. Honesty and integrity build confidence, friendships, and secure the goodwill and

support of church leaders, congregants and other stakeholders that so often participate in protestant churches in one way or the other. This has not only led to financial and numerical growth but has also resulted to vibrant holistic groups.

Lastly, the study found that most protestant churches in Kisii Municipality have a system of accountability and authority that serves and helps the member to grow in maturity and knowledge of God and Jesus. Within the church, the leadership of pastors, elders, and teachers is essential for the health of the Body of Christ. Believers are to honor and respect leaders and to submit to one another and walk in humility

#### Recommendations

The study recommends that compliance with the law is a fundamental principle for protestant churches desiring to model integrity. By doing so, protestant churches establishes and reinforces necessary trust with church members as well as those outside the church who we are called to reach with the Gospel. Enhanced trust ultimately translates to a greater witness and Kingdom impact. While it may be challenging to guarantee compliance to all laws and regulations, churches should try the best controls and procedures to comply.

The study further recommends the deacon board to meet on regular basis while actively overseeing key operational functions. Effective board practices have an impact on the long-term viability of the church and how well the church develops and executes the strategy of achieving its mission. The board is responsible for monitoring and holding leadership accountable for achieving the expected results.

Lack of an efficient strategic plan hinders churches in reaching the greatest level of ministry effectiveness. By following through with a specified strategic plan, protestant churches will reach greater heights of effectiveness. Therefore, the study recommends that the church main objective ought to be clearly stipulated and values clearly spelled out for all to appreciate. Mechanisms for

enforcing values ought to be clear and precise. However, a clear understanding of church identity which is to be found in Christ and not in man-made structures should be the focus.

Accountability is a foundation on which relationships are built. Therefore, church leadership must wisely carry out their responsibilities both as an instrument of authority and as one who is submitted to authority. And as Apostle Paul's exercise of authority was designed to benefit his readers instead of himself (I Corinthians 10:33), the church leadership should use authority for the benefit of the church.

#### Suggestions for Further Studies

The current study focused on the relationship between corporate governance practices and healthy protestant churches in Kisii municipality, future studies should be carried out in different municipalities. Similar studies need to be conducted to find out which corporative governance practice has much effect on the health of a church. Scholars are also encouraged to carry out similar studies by use of both primary and secondary data.

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## APPENDICES

Joel Masita Mosago

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Dear Respondent,

**RE: ACADEMIC RESEARCH**

**CHECKLIST FOR APPLICATION OF CORPORATE GOVERNANCE PRACTICES IN  
SELECTED PROTESTANT CHURCHES**

Dear respondent,

This questionnaire is intended to facilitate the study on “The relationship between corporate governance practices and healthy Protestant Churches in Kisii Municipality. The study is for academic purposes and is carried out as partial requirement for the award of Masters of Arts in Leadership. As a key stakeholder, you have been selected to provide vital information that will felicitate the study. Your response will also be treated with utmost confidentiality.

Thank you very much for your valuable time.

Joel Mosago

**ORGANIZATION BACKGROUND**

Name of Church \_\_\_\_\_

Q1 How long has the church been in operation in Kenya?

Less than one year [ ]    1 –5 years    [ ]    6 – 9 years    [ ]    10 years and above    [ ]

Q2. Is the organization affiliated to any other established religious organization?

Yes [ ]    No [ ]

**OBJECTIVE I- INFLUENCE OF LEGAL COMPLIANCE ON HEALTHY CHURCH**

Please indicate the extent to which you agree or disagree with the following statements

*Score Key:*

*1. Strongly Disagree    2. Disagree    3. Undecided    4. Agree    5. Strongly Agree*

	<b>LEGAL COMPLIANCE</b>	N/A	1	2	3	4	5
1	The church is a legal entity appropriately registered						
2	The church leadership is aware of the legislation that regulates its operations.						
3	The church complies with the Law and Regulations relating to its operations						
4	The church holds an AGM regularly						
5	The church makes the annual statutory returns to Government regularly						
6	The church has effective internal audit procedures						

Please indicate the influence of legal compliance on healthy church



Score Key: [5- major influence, 4-some influence, 3-minimal influence, 2 – no influence 1- not sure]

	Healthy Protestant Church Measurement Tool	SCORE					
		N/A	1	2	3	4	5
1	Need-oriented evangelism: <i>increase member of people reached with the gospel; material and emotional support.</i>						
2	Numerical growth of church membership; <i>increase of membership; high retention of first-time visitors</i>						
3	Financial growth and efficient utilization of funds; <i>increase in growth of giving; allocation of more funds on core activities of the church e.g. evangelism and discipleship</i>						
4	Empowerment leadership: <i>empowering others; discipleship; delegating work, and multiplying leadership</i>						
5	Holistic Small Groups: <i>multiplication of these small groups that enhance discipleship</i>						

**OBJECTIVE 2- IMPACT OF BOARD PRACTICES AND STRATEGIC LEADERSHIP**

Please indicate the extent to which you agree or disagree with the following statements

Score Key:

1. Strongly Disagree 2. Disagree 3. Undecided 4. Agree 5. Strongly Agree

	BOARD PRACTICES AND STRATEGIC LEADERSHIP						
1	The organization has a clear vision and mission						
2	The church involves members, staff and deacon board to develop vision and mission statements.						
3	All key stakeholders understand the vision and mission statement of the church.						

4	The church activities are geared towards the achievement of vision and mission.						
5	The organization undertakes periodic realistic strategic planning						
6	There is a satisfactory Board appointment procedure						
7	The governing body has relevant competencies to guide the deliverance of the Organization's Vision and mission						
8	There are well documented Board procedures						
9	The Board sets goals for the organization						
10	The Board regularly reviews the church performance						
11	There are clear and transparent procedures for appointment of the Senior Pastor						
12	The Board regularly reviews the church's performance						
13	Pastor is accountable to the governing body						
14	Leadership team abide by the internal policy to guard against conflict of interest						
15	The church undertakes periodic realistic Strategic planning						
16	Church activities aligned to the strategic plan						

Please indicate the impact of board practices and strategic leadership on healthy church

Score Key: [5- major impact, 4-some impact, 3-minimal impact, 2 – no impact 1- not sure]

	Healthy Protestant Church Measurement Tool	SCORE					
		N/A	1	2	3	4	5
1	Need-oriented evangelism: <i>increase member of people reached with the gospel; material and emotional support.</i>						

2	Numerical growth of church membership; <i>increase of membership; high retention of first-time visitors</i>						
3	Financial growth and efficient utilization of funds; <i>increase in growth of giving; allocation of more funds on core activities of the church e.g. evangelism and discipleship</i>						
4	Empowerment leadership: <i>empowering others; discipleship; delegating work, and multiplying leadership</i>						
5	Holistic Small Groups: <i>multiplication of these small groups that enhance discipleship</i>						

**OBJECTIVE 3- EFFECT OF INTEGRITY AND ETHICAL DEALING ON HEALTHY CHURCH**

Please indicate the extent to which you agree or disagree with the following statements

*Score Key:*

*1. Strongly Disagree 2. Disagree 3. Undecided 4. Agree 5. Strongly Agree*

	<b>INTEGRITY AND ETHICAL DEALING</b>	<b>N/A</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	The purpose/main objective of the organization is clearly stipulated						
2	The values of the organization are clearly spelled out for all to appreciate						
3	There are mechanisms for enforcing values						
4	There are adequate mechanisms to ensure that funds are put to proper use						
5	There are mechanisms to avoid conflict of interest						

Please indicate whether there is an effect of integrity and ethical dealings on the health of your church

Score Key: [5- major effect, 4-some effect, 3-minimal effect, 2 – no effect 1- not sure]

<b>Healthy Protestant Church Measurement Tool</b>		<b>SCORE</b>					
		<b>N/A</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Need-oriented evangelism: <i>increase member of people reached with the gospel; material and emotional support.</i>						
2	Numerical growth of church membership; <i>increase of membership; high retention of first-time visitors</i>						
3	Financial growth and efficient utilization of funds; <i>increase in growth of giving; allocation of more funds on core activities of the church e.g. evangelism and discipleship</i>						
4	Empowerment leadership: <i>empowering others; discipleship; delegating work, and multiplying leadership</i>						
5	Holistic Small Groups: <i>multiplication of these small groups that enhance discipleship</i>						

**OBJECTIVE 4- INFLUENCE OF PROPER EXERCISE OF AUTHORITY AND ACCOUNTABILITY**

Please indicate the extent to which you agree or disagree with the following statements

Score Key:

1. Strongly Disagree 2. Disagree 3. Undecided 4. Agree 5. Strongly Agree

<b>PROPER EXERCISE OF AUTHORITY AND ACCOUNTABILITY</b>							
1	The board has clear roles and responsibilities						
2	The Pastor(s) has clear roles and responsibilities						

3	The Board acts as a whole, and not just one or a few individuals						
4	Board resolutions are clearly communicated						
5	The Lead Pastoral is accountable to the Board						
6	The Board is accountable to members and God						
7	All stakeholders have access to key information relating to the organization						
8	Organizational Reports are detailed and clear enough						
9	There are conflict resolution mechanisms						

Please indicate whether there is any influence of exercise of authority and accountability on the health of your church

Score Key: [5- major influence, 4-some influence, 3-minimal influence, 2 – no influence 1- not sure]

	Healthy Protestant Church Measurement Tool	SCORE					
		N/A	1	2	3	4	5
1	Need-oriented evangelism: <i>increase member of people reached with the gospel; material and emotional support.</i>						
2	Numerical growth of church membership; <i>increase of membership; high retention of first-time visitors</i>						
3	Financial growth and efficient utilization of funds; <i>increase in growth of giving; allocation of more funds on core activities of the church e.g. evangelism and discipleship</i>						
4	Empowerment leadership: <i>empowering others; discipleship; delegating work, and multiplying leadership</i>						
5	Holistic Small Groups: <i>multiplication of these small groups that enhance discipleship</i>						

21<sup>st</sup> September, 2017



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enquiries@pacuniversity.ac.ke,  
admissions@pacuniversity.ac.ke  
www.pacuniversity.ac.ke

## TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: JOEL MASITA MOSAGO REG. NO. MAL/0685/15

Greetings! This is an introduction letter for the above named person a final year student in Pan Africa Christian University (PAC University), pursuing a Master of Arts in Leadership.

He is at the final stage of the programme and he is preparing to collect data to enable him finalise on his thesis. The thesis title is "A Study on the Relationship between Corporate Governance Practices and Healthy Protestant Churches in Kisii Municipality".

We therefore kindly request that you allow him conduct research in your organization.

Warm Regards,

**Dr. Lilian Vikiro**  
**Registrar Academics**

PAN AFRICA CHRISTIAN UNIVERSITY  
LEADERSHIP  
P. O. Box 56875-00200  
TEL: +254 0721932050,  
0734400694, 020-2076894.  
NAIROBI, KENYA

21<sup>st</sup> September, 2017

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*Where Leaders are made*

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<https://mail.yahoo.com/d/folders/1/messages/1118>

Subject: NACOSTI Oris System

From: oris@oris.nacosti.go.ke  
To: joemosa2000@yahoo.com  
Date: Tuesday, November 14, 2017, 9:46:23 AM GMT+3

Your Application for Research Permit has been Approved. Kindly contact NACOSTI for further details.

Print Window

<https://mail.yahoo.com/d/folders/1/messages/1114>

Subject: NACOSTI ORIS SYSTEM

From: oris@oris.nacosti.go.ke  
To: joemosa2000@yahoo.com  
Date: Thursday, October 19, 2017, 11:13:00 AM GMT+3

Thank you for applying for **Research (Masters)**. Your application will be processed upon receipt of **Kshs 1000**. Kindly use the following bank details to make the payments.

Bank: Kenya Commercial Bank  
Branch: Kipande House Nairobi  
Account No: 11 04 16 25 47  
Account Name: **National Commission for Science, Technology and Innovation**

Print Window

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Subject: ORIS NCST NOTIFICATION

From: oris@oris.nacosti.go.ke  
To: joemosa2000@yahoo.com  
Date: Monday, October 9, 2017, 11:06:53 AM GMT+3

Please send your proposal in soft copy and letter from host institution to [registry@nacosti.go.ke](mailto:registry@nacosti.go.ke)

Print

9/5/2018, 8:29 AM

**THIS IS TO CERTIFY THAT:  
MR. JOEL MASITA MOSAGO  
of PAN AFRICA CHRISTIAN UNIVERSITY,  
221-40200 KISII, has been permitted to  
conduct research in Kisii County**

**Permit No : NACOSTI/P/17/79119/19356  
Date Of Issue : 11th September, 2018  
Fee Received :Ksh 1000**

**on the topic: A STUDY ON THE  
RELATIONSHIP BETWEEN CORPORATE  
GOVERNANCE PRACTICES AND HEALTHY  
PROTESTANT CHURCHES IN KISII  
MUNICIPALITY**

**for the period ending:  
14th November, 2018**



*[Handwritten Signature]*

**Applicant's  
Signature**

*[Handwritten Signature]*

**Director General  
National Commission for Science,  
Technology & Innovation**