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Corporate Governance and Financial Performance in the Manufacturing Sector: A case of Uganda Clays Limited, Kajjansi Branch

Twesigye Nduhura[1], Ritah Nansamba[2], Teddy Akakikunda[3], Muhammad Masembe[4]

Correspondence:
Twesigye Nduhura, Department Business Management, College of Economics and Management Sciences, Kampala International University,
Email: twesigye.nduhura@kiu.ac.ug , Tel . No :+256786388199
[2] Ritah Nansamba - Department Business Management, College of Economics and Management Sciences, Kampala International University
[3] Teddy Akakikunda Department Business Management, College of Economics and Management Sciences, Kampala International University
[4] Muhammad Masembe , Directorate of Human Resource Management, Kampala International University

Abstract: *The study sought to examine the effect of corporate governance on financial performance in the manufacturing sector, a case of Uganda Clays limited. The study objectives were; to examine the effect of corporate planning on financial performance in the manufacturing sectors, to determine the effect of corporate staff control on financial performance in the manufacturing sectors and to find the effect of corporate accountability on financial performance in the manufacturing sectors. The study was guided by theAgency Theory by Alchian and Demsetz (1972) and Business Ethic Theory by Haslinda and Benedict (2009). The research employed a cross-sectional survey design by adopting both qualitative and quantitative approaches. A sample of 76 from a population of 98 was considered for data collection using both primary and secondary data sources. From the study findings, the study showed that corporate accountability has beta values of 0.602 and significance of 0.001. This shows that in this study, corporate accountability has a high positive and significant effect on financial performance at 60.2% at the level of significance 0.001. Also, findings from table 4.19 above study showed that corporate staff control has beta values of 0.364 and significance of 0.065. This shows that in this study, corporate accountability has a second contribution with a positive and insignificant effect on financial performance at 36.4% at the level of significance 0.065. Furthermore, findings from table 4.19 above study showed that corporate planning has beta values of -0.126 and significance of 0.434. This shows that in this study, corporate planning has the least contribution with a negative and insignificant effect on financial performance at -12.6% at the level of significance 0.434. The study recommended that the corporate board of UCL need put more emphasis on ownership and responsibility for corporate planning process especially at corporate strategy level. It can be recommended that UCL's board makes corporate planning as one of their key deliverable outputs in the board's terms of reference so that its performance can be measured against this task at the end of every year. It can also be recommended that each board, during its term in office be trained on how to handle corporate planning for the cooperative society.*

Keywords; Corporate Governance; Financial Performance ; Manufacturing Sector ; Uganda Clays Limited ; Kajjansi branch

1.0 Introduction

This study examines the relationship between corporate governance and financial performance in the manufacturing sector looking at a case study of Uganda Clay Limited. To OECD (2004) corporate governance goes beyond simply establishing a clear relationship between shareholders and managers also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined.

The term "corporate governance" originates from a Greek word, *kyberman* meaning to steer, guide or govern and from to Latin, *gubernare* which means to govern (Hislinda & Benedict, 2009). Corporate governance could thus mean the mode of governing or directing a corporation so as to attain the set objectives. The definition of corporate governance varies from country to country and depends on the nature of the corporation. However, the central idea gotten from these variations is of corporate governance being a set of processes and structures for controlling and directing an organization. It constitutes a set of rules, which governs the relationships between management, shareholders and stakeholders (Ching et al, 2006). Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined (*OECD, 2004).*

Good corporate governance involves running a company in an open and honest manner which is important for overall market confidence, the efficiency of capital allocation, the growth and development of countries' industrial bases, and ultimately the nations' overall wealth and welfare (Aggarwal, 2013). The essence of the corporate world lies in promoting transparency and accountability and in fulfilling the fair expectations of all the stakeholders. Corporate governance is one such tool to achieve this goal and to safeguard the interests of various stakeholder groups. It involves promoting the compliance of law in letter and spirit, and demonstrating ethical conduct (Aggarwal, 2013). The framework of corporate governance encourages efficient use of resources and also requires accountability for the stewardship of those resources. The three key constituents of corporate governance are - Shareholders, Board of Directors and Management.

In Uganda many firms have adopted the OECD Principles of Corporate Governance in order to improve performance (Fich & Shivdasani, 2006). Besides that, there are laws instituted to direct good governance of corporations. Such laws include the Financial Institutions Act (FIA) 2003 that emphasizes the need for good institutional governance; BOU also issued additional Corporate Governance Guidelines for the financial sector. The Institute of Corporate Governance of Uganda (ICGU) also reinforces corporate governance by recommending guidelines for corporate governance in Uganda including the role the board of directors, shareholders: audits, management, employees, Government, regulatory bodies, suppliers of a company, lenders, customers, investors and the community.
In Uganda clays limited, corporate governance decision saw the company expand its operations by opening up new factor expected to boost production of roofing tiles, facing bricks from 35565tonnes in 2008 to 94120tonnes in 2011. The factor that cost 32billion and was financed through a rights issue and borrowing from standard chartered bank and East African Development Bank but instead persistently performed poorly in terms of finance as evidenced by gross losses and large net current liabilities in their financial statements. The company has huge financial undertakings and has for the 2nd year failed to declare dividends due to the huge debt of 17 billion owed to East African Development Bank and standard Chartered Bank (New Vision 23rd Aug 2010). This creates question concerning the extent to which principles of corporate governance is implemented in Uganda Clays and how this affects its financial performance

2.0 Literature Review

2.1 Theoretical Review

2.1.1 Agency Theory by Alchian and Demsetz (1972)

According to Haslinda and Benedict (2009), agency theory roots from economic theory exposited by Alchian and Demsetz (1972) and further developed by Jensen and Meckling (1976). Agency theory is defined as "the relationship between the principals, such as shareholders and agents such as the company executives and managers". In this theory, shareholders who are the owners or principals of the company, hires the gents to perform work. Principals delegate the running of business to the directors or managers, who are the shareholder's agents (Clarke, 2004).
Daily et al (2003) argued that two factors can influence the prominence of agency theory. First, the theory reduces the corporation to two participants of managers and shareholders. Second, agency theory suggests that employees or managers in organizations can be self-interested. The agency theory shareholders expect the agents to act and make decisions in the principal's interest. On the contrary, the agent may not necessarily make decisions in the best interests of the principals (Padilla, 2000). The positivist approach is used where the agents are controlled by principal-made rules, with the aim of maximizing shareholders value.

2.2 Review of the concepts of the study

2.2.1 The Concept of Corporate Governance

Corporate governance has been defined in different ways by individuals and institutions but there is a major idea in their definitions. Tarek, (1991) for example defines corporate governance as a system by which companies are directed and controlled.
Tarek, (2007) once more defines corporate governance as the process carried out by the board of directors, and its related committees, on behalf of and for the benefit of the company's shareholders and the other stakeholders, to provide direction, authority, and oversights to management on how to make the balance between the board members and their benefits and the benefits of the shareholders and the other stakeholders. OECD (2004) defines corporate governances a set of rules that define the relationship between stakeholders, management, and board of directors of a company and influence how that company is operating. Central issues prevalent in definitions of corporate governance are of directing and controlling the running of a corporation based on a relationship between shareholders and management. It is therefore possible to comprehend corporate governance as the methodology by which management runs a corporation entrusted to them by the shareholders. This running of corporation business is normally based on a set of principles that must be followed for the successful attainability of company objectives.

Corporate governance gained dominance after the collapse of Enron in 2001 and this was followed by the enactment of Sarbanes-Oxley Act of 2002 that was passed as a result of a rash of scandals involving *Enron, WorldCom, Arthur Andersen* and other prominent corporations. This Act requires, among other things, that the CEO and Chief Finance Officer (CFO) certify the fairness and accuracy of corporate financial statements (with criminal penalties for knowing violations) and a code of ethics for the corporation's senior financial officers, as well as requiring a great deal more public disclosure (De George, 2006).

2.2.5 Financial Performance

Financial performance refers to the subjective measure of how well a firm can use assets from its primarily mode of business generate revenue (Adekunle, & Aghedo, 2014). There are ways of measuring financial performance of a firm. This study was selected profit margin, return on asset and return on equity.

Profit Margin: This is a measure of the percentage of each dollar of sales that results in net income. This computed by dividing net income by the net sales for the period (Needles, 2002).

Return on Asset (ROA): It is also known as Return on Investment. It is the measure of the overall earning power, or profitability of a company. This ratio is computed by dividing the net income by the average assets (Needles, 2002). ROA measurement is used to show the ability of the company to utilize their assets in an efficient way that can be reflected in having high return.

Return on Common Stockholder's Equity: This ratio is also called Return on Equity (ROE). This is a popular ratio used to measure the company profitability. It is the ratio that shows the relationship between net income and the common stockholders' investment in the company. This ratio shows how much income is earned for every $1 invested by the common shareholders. REO is computed by dividing the net income available with the average stockholder's equity during the year (Harrison, 2001).

2.3 Empirical review

2.3.1 Corporate planning and Financial Performance

Companies decide where they want to go through strategic plans obtained from a strategic planning process. Drucker (1954) remarked that strategic planning is management by plans, an analytical process and is focused on making optimal strategic decisions. Ansoff (1970) conceptualizes strategic planning as the process of seeking a better match between a firm's products or technology and its increasingly turbulent markets. Arasa & K'Obonyo (2012) reported that organizations from both the private and public sector are increasingly embracing the practice of strategic planning in anticipation that this will translate into improved performance. The business owner plays an important and perhaps a crucial role in small and medium-sized firms when it comes to the formulation of a firm's strategy and that the business owners are responsible for the strategic decisions of the company (Gibcus & Kemp, 2003).

Strategic planning takes place at three levels; corporate, business and functional levels. Corporate level strategy is the sole responsibility of the business owners who the board of directors represents. Wendy (1997) explains that the strategic planning process comprises of three main elements which help turn an organization's vision or mission into concrete achievable goals. These elements include strategic analysis, strategic choice and strategic implementation. The strategic analysis encompasses setting of the organization's direction in terms of vision, mission and goals. Therefore this entails articulating the company's strategic intent and directing efforts towards understanding the business environment. This element is the most crucial one where the company's board of directors must have a serious input. By defining a company's purpose and goals, corporate planning provides direction to the organization and enhances coordination and control of organization activities.

OECD (2015) defines corporate governance as the structure and process established to oversee,
Uganda Cooperative Alliance states that the board of any cooperative society is its heart of governance. Corporate governance has become very fundamental in this century following changes in the business environment today and the corporate scandals so far evidenced and their impact. This significance is both traced in profit oriented and non-profit oriented companies. All companies where ownership and management are separated take corporate governance as a serious matter. In their report on corporate governance and management of cooperatives, the Pellervo Confederation of Finish Cooperatives (2000) noted that in recent years, corporate governance has developed rapidly throughout Europe and particularly in Finland.

The Private Sector Initiative for Corporate Governance (PSICG) of Kenya defines corporate governance as the manner in which the power of a corporation is exercised in the stewardship of the corporation's total portfolio of assets and resources with the objective of maintaining and increasing shareholder value and satisfaction of other stakeholders in the context of its corporate mission. Since the board has the responsibility to make or oversee the design of the mission and general strategic plan of the organisation, its role should be to ensure that what the owners of the company aspire is exactly what is pursued in the strategic plan.

The level of involvement of stakeholders in the formation of the strategic plan is very essential.
The Commonwealth Association of Corporate Governance (CACG, 1999) developed guidelines serving as principles for effective corporate governance. The central point of discussion in these principles is about the board of directors' guidelines and practices. Among the roles of the corporate boards pointed out here were the determination of purposes and strategy of the companies in addition to ensuring effective board appointments, monitoring and evaluation of performance on strategy. Jensen (1992) noted that it is the role of the board of directors to design and develop a long range strategic plan of the company. Jensen (1992) also indicates that even where the board is unable to develop the strategic plan, it should require the executive and management to have a suitable strategic plan that is in line with the mission, vision and values of the company as desired by the owners.

To this end, Jensen (2009) made a list of characteristics that board members in a given firm should possess in order to be able to fulfill the functions of strategic guidance. Among those, are that they should be people who have been successful entrepreneurs in their own rights, been through the process of growing a company, committed to the success of the company, and a person who can be innovative and creative. O'Dell & Combes (2009) emphasize that once strategies are formulated, they should have along with them the performance measures. The board of directors takes a very significant role in the monitoring of performance against the set standards of the strategies. Short of this, the corporate planning role of the board remains incomplete.

Correlation analysis results from a research conducted by Arasa & K'Obonyo (2012) indicated the existence of a strong relationship between strategic planning and firm performance. These researchers stressed the manner and extent to which each of the steps is practiced could have implications on the expected strategic planning results and its future performance outcomes. Wrongly developed and perceived strategic decisions will contribute to wrong implementation that will be measured at performance level (Pugliese et al, 2009). Hendry and Kiel (2003) also allude that companies that have their board members actively participating in deciding the strategic direction registered superior financial performance.

Methodology

3.1 Research Design

The research employed a cross-sectional survey design. According to Sekaran (2003), this design aims at gathering data just once from a cross-section of sources for purposes of answering the research questions. The cross-sectional design also permits the establishment of causal relationships (Sarantakos, 2005). This design described the incidence of a phenomenon or to explain how factors are related to Uganda Clays Ltd. Both qualitative and quantitative methods were used in order to reduce bias. Quantitative designs are plans for carrying out research oriented towards quantification and are applied in order to describe current conditions or to investigate relationships, including cause and effect relationships (Amin, 2005). Quantitative approaches were adopted when sampling, collecting data, controlling data quality and in analyzing data. Qualitative approach was helpful in interpreting people's thoughts, opinions and perceptions about corporate Planning, corporate staff control, corporate accountability and financial performance. The qualitative data gave a narrative and descriptive information that was explained and gave deeper understanding and insight into a problem as suggested by Amin, (2005).

3.2 Area of the study

This study was carried out in Uganda Clays limited, Kajjansi Branch. Kajjansi branch is the main branch of Uganda Clays Ltd. It is located along Kampala Entebbe road. The study examined the effect of corporate governance and financial performance in the manufacturing industries.

3.3 Study Population

This study drew respondents at the Uganda Clays Ltd at Kajjansi a long Kampala-Entebbe road. According to UCL, Kajjansi Staff list (2019), there are 98 employees at UCL, Kajjansi branch. These were comprised of; 8 top management team (including branch manager, 2 assistant branch managers and 5 heads of departments), 28 middle managers composed of heads of sections and senior staff, 22 workshop supervisors and 40 contract staff

3.4 Sampling procedures

3.4.1 Sample Size Determination

In the study a sample size of 76 respondents will be used. The sample size will be determined with reference to Krejcie& Morgan, (1970) table of determining sample size from a finite population (see appendix III).

Table 3.1: Sample Size of Respondents

Category	Population	Sample size	Sampling techniques
Top Management	8	7	Purposive sampling
Middle level managers	28	24	Simple random sampling
Workshop Supervisors	22	19	Simple random sampling
Contract staff	40	26	Simple random sampling
Total	**98**	**76**	

Source: UCL, Kajjansi Human Resource Records (2021)

3.4.2 Sampling Techniques

The study used both probabilistic and non-probabilistic sampling techniques. According to Fox and Bayat (2007:54) probability sampling is used when every element of the population has a known and not zero chance of being included in the sample. May (2001:93) explains that the probability sampling techniques makes it possible to state the mathematical likelihood of sample characteristics being duplicated in the population. On the other hand, non-probability sampling is considered as a range of techniques where the probability of selection each sampling unit is not known and the selection of sampling units is done according to the researcher's judgment or knowledge. It therefore follows a subjective approach, according to Cooper and Schindler (2006:455). In this study, three forms of sampling techniques were used, namely; purposive sampling and simple random sampling.

3.6.1 Data Collection methods

Questionnaire survey

Both Drew (1980:12) and Kothari (1985:12) regard questionnaires, interviews and direct observations as the most important means of data collection. The main measuring instrument that was used in this study was in the form of a questionnaire. Mulder (1989:39) regards the questionnaire as a data collecting method in general as "a purposeful, structured set of questions that can be used to obtain the opinions of a large number of respondents in writing, without necessarily making contact with the target group". A questionnaire is a structured form with targeted questions or queries, designed to obtain subject specific information or information on a series of subjects from a respondent (Kothari 2003). The use of the questionnaire survey method in this study is because the respondents may be busy and the self-administered questionnaire with predetermined question enables them to fill it in a short time, at their own convenience and will cover a wide scope of questions as per the study variables. The questionnaires were filled by middle managers, workshop supervisors and contract staff. Questionnaires were preferred because they are less expensive; they are best for sensitive or personal questions and reduce interviewer bias. Also, use of questionnaires permits anonymity and may result in more honest answers and offers a considered and objective view of the respondent.

Interview method

Where the researcher felt that the information collected from questionnaires is not sufficient, interviews were used. Interviews as compared to questionnaires are more powerful in eliciting narrative data that allows researchers to investigate people's views in greater depth (Kvale, 1996; 2003). In a similar vein, Cohen *et al*(2007: 29) add that interviewing is "a valuable method for exploring the construction and negotiation of meanings in a natural setting". That is, the value of interviewing is not only because it builds a holistic snapshot, analyses words, reports detailed views of informants; but also because it enables interviewees to "speak in their own voice and express their own thoughts and feelings" (Berg, 2007: 96).

Interviews are used to collect information that cannot be directly observed or are difficult to put down in writing. Interviews also may be used because they are less technical, less prescribed, and less linear but more interactive. Amin (2005) defines an interview as an oral questionnaire where the investigator gathers data through direct verbal interactions with participants. This is a method of collecting data in which key informants are asked questions in order to find out what they do, think or feel to enable the researcher solicit information of the subject under study through probing (Burns, 2000). The interview is a face to face interaction where the interviewer asks questions to the interviewee, (Amin 2005). The choice of the method is that it is a flexible and easy way of finding out information. The top management team were interviewed as they were considered as key informants with more detailed information which could not be easily captured using a questionnaire. The information provided is also important as it was used in analysis by building on data collected using the questionnaire.

3.6.2 Data Collection Instruments

Data collection instruments that were used included questionnaire, interview guides and documentary review checklist.

3.7 Quality Control Methods

3.7.1 Validity

According to Amin (2005), validity is the extent to which the instrument is relevant in measuring what it intends to measure. It also involves ensuring that correct procedures have been applied to find answers to a question as Catherine (2002) states. Validity was established through the average Content Validity Index (CVI) formula. The tool was used to gauge the content validity of items on an empirical measure. It was applied using the formula shown below;

$$\text{Content Validity Index (CVI)} = \frac{\text{Number of items declared valid}}{\text{Total number of items}}$$

In the approach, a panel of 4 (four) experts was given the instrument (questionnaire) to provide scores for each of the questions to ascertain their relevance which was used to compute the CVI as stated by the formula above. The researcher used Sekaran, (2003), who recommends that for an instrument to be valid, its content validity index has to be 0.7 and above.

Using the formula

Table 3.2: Validity results

Expert	**Items declared Valid**	**Total number of questions**	**Index**
Expert 1	32	37	0.86
Expert 2	33	37	0.89
Expert 3	30	37	0.81
Expert 4	31	37	0.83
Average Total			**(3.39/4) = 0.85**

Source: Field Data (2021)

Therefore, the instrument for this study was considered to be valid since it has CVI of 0.85 which is above 0.7.

3.7.2 Reliability

A data collection instrument will be presumed reliable when it produces the same results when repeatedly used to measure concepts from the same respondents even by other researchers. According to Sekaran (2003), reliability of a measure is an indicative of consistency and stability which helps to assess how good the measure is. To ensure reliability, the research instrument will be pre-tested to selected 10 to ensure consistency and comprehensiveness. Furthermore, some consultations with other researchers, supervisors and peer groups will be done to review the research instrument. This study will consider the degree of reliability if Cronbach's coefficient Alpha is above 0.72 as recommended by Mugenda and Mugenda, (1999)

Table 3.3: Showing Reliability of questionnaire

Reliability Statistics		
Variable	**Cronbach's Alpha**	**N of Items**
Corporate planning	.952	7
Corporate staff control	.946	7
Corporate accountability	.962	8
Financial performance	.932	10
Average	**(3.792/4) = 0.948**	

Source: Field Data (2021)

Results from table 3.4 above indicated that subject to pretest on 10 respondents, the value of the Cronbach's Alpha coefficient is **0.948.** Therefore, the researcher considered the instrument reliable since the Cronbach's Alpha coefficient **0.948** was above 0.72 as recommended by Mugenda and Mugenda, (1999).

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3.8 Data Analysis

Sekaran (2003) regards data analysis as the evaluation of data. It is in other words the process of systematically applying statistical and logical techniques to describe, summarize and compare data. Data analysis also refers to the means of studying the collected data.

In this study, after the researcher had collected all the questionnaires and accurately recorded all interviews, the researcher crosschecked the questionnaires in search for the complete ones and to ascertain the number of the missing ones. The outcome was then coded using computer software called Statistical Package for Social Sciences (SPSS) from where simple frequencies, means and tables were drawn. The researcher then applied data analysis methods that fall under qualitative and Qualitative research approach.

3.9 Measurement of Variables

The dependent variable of the study is financial performance measured by profit margins, return on asset and return on Equity. The independent variable of the study is corporate governance measured by corporate planning, corporate staff control and corporate accountability. A questionnaire with 5 point rating scale as per Likert scale ranging from strongly disagree (1) to strongly agree (5) was used to obtain the extent to which respondents agree or disagree with the measurement parameter of the variable. The measurement scale of 1 up to five on every statement simply measures the strength of the respondents' opinion on the particular statement. If the respondent ticks 1 it implies that one strongly disagrees with the statement, 2 = disagrees, 3 = neutral in other words one does not take any side on the statement, 4 = agrees and 5 = strongly agrees with the statement under discussion. This mode of measuring variables in this manner also enabled the researcher to establish the relationship between the variables of study (Amin, 2005).

3.10 Ethical Considerations

In the process of carrying out this research, the researcher observed the following ethical issues;

So as to ensure anonymity of all respondents were not obliged to give their names while filling in the questionnaires. In this way, the respondents were assured of being unidentifiable with particular questions throughout the study.

The researcher informed the respondents of the intentions and purpose of the research study being carried out so as to enable the respondents understand that information being collected is strictly for study purpose and nothing else.

The researcher also accorded maximum confidentiality to all information obtained in the field of research.

4.0 Results and Discussion of Findings

4.1 Response rate

The study presented the response rate to indicate whether the returned questionnaires was sufficient enough for analysis

Table 4.1: Response rate

Category	Population	Sample size	Return rate	%ge of return
Top Management	8	7	5	**71%**
Middle level managers	28	24	20	**83%**
Workshop Supervisors	22	19	16	**84%**
Contract staff	40	26	23	**88%**
Total	**98**	**76**	**64**	**84%**

Source: Field Data (2021)

From table 4.1 above, it indicated that out of 76 questionnaires issued to the respondents only 64 were returned fully filled forming a response rate of 84%. On the other hand, out of 7 intended interviews, only 5 were realized, forming a response rate of 71%. This exceeds the requirement indicated by Holbrook, Jon, and Alison (2007), that emphatically stated that response rate lower than 54% is minimally less accurate.

4.2 Background information

The study analysed the background information of the respondents relying on a number of variables including gender, age bracket, education level and period of work with Uganda Clays limited, Kajjansi branch. The findings gathered are presented as below;

4.2.1 Age of the respondents

This sub-section considered the age of the respondents in terms of age bracket. Data on this variable was collected, analysed and presented in table 4.2 below;

Table 4.2: Age bracket of respondent in years

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20 years and below	7	10.9	10.9	10.9
	21 - 30 years	26	40.6	40.6	51.6
	31 - 40 years	18	28.1	28.1	79.7
	above 40 years	13	20.3	20.3	100.0
	Total	64	100.0	100.0	

Source: field data (2021)

Findings in table 4.2 above reveal that majority of the respondents 26(40.6%) were aged between 21-30 years, 18(28.1%) were aged between 31-40 years, 13(20.3%) of the respondents were above 40 years and 7(10.9%) of the respondents were 20 years and below. The findings mean that majority of the respondents were young and energetic. This implies that such employees can be used in long term planning for to improve on the financial performance.

4.2.2 Gender of the respondents

This subsection presents the findings on the gender of the respondents in terms of male and female. The data on this variable was collected, analysed and presented in table 4.3 below;

Table 4.3: Gender of the respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	36	56.3	56.3	56.3
	Female	28	43.8	43.8	100.0
	Total	64	100.0	100.0	

Source: field data (2021)

Results in table 4.3 above show that majority of the respondents 36(56.3%) were male and 28(43.8%) of the respondents were female. This implies that perhaps since it is a manufacturing firm which is more labour intensive, it employs more of males than their female counterparts. However, this difference is not all that big to question the issue of gender balance. This further reveals that the data was collected from different sex and therefore balanced views that may properly advice on how to properly improve on financial performance.

4.2.3 Education level

This section looked at the level of education of the respondents in terms of UCE, UACE, Diploma, Bachelor’s Degree and Master’s Degree. Data on this variable was collected, analysed and presented in table 4.4 below;

Table 4.4: Highest level of education of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	UCE	2	3.1	3.1	3.1
	UACE	9	14.1	14.1	17.2
	Diploma	12	18.8	18.8	35.9
	Bachelor’s Degree	23	35.9	35.9	71.9
	Master’s Degree	18	28.1	28.1	100
	Total	64	100.0	100.0	

Source: field data (2021)

Results in table 4.4 above indicate that majority of the respondents 23(35.9%) were Bachelor Degree holders, 18(28.1%) of the respondents were Master's degree holders, 12(18.8%) were diploma holders, 9(14.1%) of the respondents were UACE Certificate holders and 2(3.1%) of the respondents were UCE certificate holders. This means that majority of the respondents had degree qualifications and therefore had a better understanding of the requirement to improve organisation's financial performance. This can also imply that this education may be used in formulation and supervision of policies and targets to improve financial performance in the sector.

4.2.4 Working period with UCL

This subsection considered the working period of the respondents with Uganda Clays limited. Data on this variable was collected, analysed and presented in table 4.5 below;

Table 4.5: Period of time working with U CL

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 year and below	19	29.7	29.7	29.7
	2 - 5 years	26	40.6	40.6	70.3
	6 - 9 years	15	23.4	23.4	93.8
	10 - 13 years	4	6.3	6.3	100.0
	Total	64	100.0	100.0	

Source: field data (2021)

Findings in table 4.5 above reveal that majority of the respondents 26(40.6%) had worked with UCL for a period between 2-5 years, 19(29.7%) of the respondents had worked for 1 year and below, 15(23.4%) had worked for a period of 6-9 years and 4(6.3%) of the respondents had worked for a period between 10-13 years with UCL. This means that most of the respondents had worked for a period between 2-5 years. This implies that they had acquired enough experience that can be used to improve the financial performance of the firm.

4.3 Corporate governance and financial performance

The study used frequencies, percentages, mean and standard deviation to determine the perceptions of respondents on corporate governance and financial performance in manufacturing industries, a case of Kajjansi Clays Limited.

The sturdy findings are interpreted as cited in Kakeeto at el (2017) where Mean = 3.0, any movement from 3.01 upwards means agreement and 2.99 downwards means disagreement

4.3.1 Corporate planning and financial performance

The first objective of the study was to examine the effect of corporate planning on financial performance in the manufacturing sector with a specific focus on Uganda Clays limited, Kajjansi branch. The data on this objective was collected, analysed and presented below using mean and standard deviation;

Table 4.6: Descriptive Statistics on Corporate planning

	N	Minimum	Maximum	Mean	Std. Deviation
UCL's board is fully in-charge of UCL's long term planning process	64	1	5	3.56	1.446
UCL has written down long term plans to guide its financial performance	64	1	5	3.61	1.432
UCL's board members possess requisite skills to formulate long term planning	64	1	5	3.56	1.320
UCL planning involve all stakeholders at different levels	64	1	5	3.33	1.310
Financial performance of UCL is among the company main long term goals to achieve	64	1	5	3.53	1.309
The board has made UCL's long term plans known to all shareholders (members)	64	1	5	3.61	1.376

The board has specific known plans to improve financial performance	64	1	5	3.53	1.425
Valid N (listwise)	64				

Source: field data (2021)
Key:
1= Strongly Disagree, 2= Disagree, 3= Not sure, 4= Agree, 5= Strongly Agree,

Findings on whether "UCL's board is fully in-charge of UCL's long term planning process," findings from table 4.6 above reveals that majority of the respondents agreed with the statement as indicated by a mean value of 3.56. This implies that financial performance is taken into consideration during the long term planning process by the board of UCL. This is important because long term targets are set during such an exercise directly involving the board. The standard deviation is 1.446 indicating that there were high variances in agreement. The findings are in line with (Gibcus & Kemp, 2003) who noted that the business owner/ the board as elected by shareholders plays an important and perhaps a crucial role in small and medium-sized firms when it comes to the formulation of a firm's strategy and that the business owners are responsible for the strategic decisions of the company.

On whether "UCL has written down long term plans to guide its financial performance", findings in the table 4.6 above produced a mean value of 3.61. this means that respondents agreed with the statement that UCL has written down long term plans to guide its financial performance.The standard deviation of 1.432 revealing a wide variation in responses. This implies that during the planning, the organization sets targets on how the finances are to be managed that may lead to improved financial performance.

On finding out whether 'UCL's board members possess requisite skills to formulate long term planning', findings from table 4.6 above show that the mean value is 3.56.this means that majority of the respondents agreed with the statement. The standard deviation is 1.320 indicating that there was a variance in agreement. This means that UCL's board members possess requisite skills to formulate long term planning. This implies that with the necessary skills in formulating long term planning, this puts organisation in the right position to draft policies that fit the organization and which guide it towards attaining the objectives of the organisation including better financial performance. This is in line with the stakeholder theory of corporate governance as reviewed by Abdullah and Valentine (2009). In this theory, it is paramount to treat as special and involve company's stakeholders on matters of great impact to them.

Regarding whether "UCL planning involves all stakeholders at different levels," finding in table 4.6 above reveals a mean of 3.33 and a standard deviation of 1.310. The mean of 3.33 show that to some extent respondents agreed with the statement. This implies that stakeholders have the opportunity to air out their views on how best the organization should be guided towards achieving better financial performance and this makes them responsible for any uncalled for occurrences since they form part of the participants during planning. This is in line with OECD (2004) which argues that the level of involvement of stakeholders in the formation of the strategic plan is very essential. The more the stakeholders are involved, the more focused the plans are in striving to achieve the greatest value for the shareholders.

On whether 'financial performance of UCL is among the company main long term goals to achieve', findings from table 4.6 above reveals a mean value of 3.53 . This means that to a great extent, respondent greed with the statement that financial performance of UCL is among the company main long term goals to achieve. The standard deviation of 1.309 indicates there is a high variance in responses. This implies that the company thinks about its performance in terms of finances and since it is part its long term goals to achieve, more attention and efforts are directed towards it and thereby bringing about better financial performance.

According to findings in the table 4.6 above on whether the board has made UCL's long term plans known to all shareholders, majority of the respondents to a large extent were in agreement with the statement indicated by a mean value of 3.61. The standard deviation of 1.376 is revealing a wide range of variance among responses. The findings mean that the board has made UCL's long term plans known to all shareholders. This implies that all issues pertaining to finances are transparently ran with full knowledge of the shareholders and therefore this puts them in a better position to advise the management of the company.

On finding out whether 'the board has specific known plans to improve financial performance' findings from table 4.6 above reveal a mean value of 3.53. This means that majority of the respondents were in agreement with the statement that the board has specific known plans to improve financial performance. The standard deviation of 1.425 show a high variance among responses. The findings imply that more attention is being paid to financial performance and such plans can be used in case the organisation realizes a problem and hence enhanced financial performance.

4.3.2 Corporate staff control on financial performance

The second objective of the study was to determine the effect of corporate staff control on financial performance in the manufacturing sector. The data on this objective was collected, analysed and presented below using mean and standard deviation;

Table 4.7: Descriptive Statistics on Corporate staff control

	N	Minimum	Maximum	Mean	Std. Deviation
UCL's Board has full control over management of staff	64	1	5	3.39	1.432
UCL's board is responsible for hiring the top management of UCL	64	1	5	3.84	1.371
UCL's board is responsible for dismissing the top management of UCL	64	1	5	3.69	1.355
The board always gives performance targets to management	64	1	5	3.61	1.364
The board reviews performance reports from the management at least every quarter of the year	64	1	5	3.55	1.332
UCL has written policies that guide the actions of management staff	64	1	5	3.44	1.402
Board's control over management has led to enhanced marketing performance of UCL	64	1	5	3.16	1.324
Valid N (list wise)	64				

Source: field data (2021)

On whether 'UCL's Board has full control over management of staff', findings from table 4.7 above indicates a mean of 3.33. This means that to some extent respondents agreed with the statement that UCL's Board has full control over management of staff. The standard deviation of 1.432 indicates a wide variance in responses. This implies that all decisions as regards to finances are made with the consent of the Board since it has powers over them.

On finding out whether 'UCL's board is responsible for hiring the top management of UC', majority of the respondents to a greater extent agreed with the statement as indicated by a mean of 3.84. The standard deviation of 1.371 reveals a high variance in agreement. This implies that the board is in position to recruit the best and qualified employees who form up the top management of the organisation.

Regarding whether "UCL's board is responsible for dismissing the top management of UCL," findings form table 4.7reveals a mean value of 3.69. This means that to a great extent majority of the respondents gave a positive response. The standard deviation of 1.355 shows a variance among responses. This implies that the top management shall always work hard to strengthen the financial position since they can be dismissed at any time by the board. This is in line with (Abdullah & Valentine, 2009) who argues that the boards of directors are legally mandated to pass on the routine responsibility of the company to technical management staff and the corporate responsibility of the board on the side of staff revolves around the top management such as Chief Executive, for example, to hire and fire them, in addition to other guidance and control responsibilities.

In accordance with the statement "the board always gives performance targets to management," findings from the table above 4.7 above reveals a mean value of 3.61 revealing that majority of the respondents gave a positive response to statement. The standard deviation of 1.364 indicating a high variance in responses . The findings mean that the board always gives performance targets to management. This implies that management is tasked to work hard to ensure that they meet such targets which are essential in bettering the financial performance of the firm. (OECD, 2015) argues that it is the responsibility of the board of directors to assess the performance of the top executive of the company and it is a general rule that company executives should have targets to achieve as set by the board, either from the strategic plan or on a continuous review basis.

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On finding out whether "the board reviews performance reports from the management at least every quarter of the year," findings from the table 4.7 above reveal a mean value of 3.55. This means that majority of the respondents were to some extent in agreement with the statement. The standard deviation of 1.332 indicates variance in responses. The findings imply that review of performance reports from management is important because such an exercise helps to remind management on its role that it is to play when it comes to improving on the financial performance of the firm.

Regarding to whether "UCL has written policies that guide the actions of management staff, results in the table 4.7 above indicates a mean value of 3.44 . This means that to a large extent, majority of the respondents were in agreement with the statement. The standard deviation of 1.402 indicating a wide range of variance in responses . This means that UCL has written policies that guide the actions of management staff. This implies that such written policies assist to guide the management staff on how best to execute their duties without deviating from what the company has set.

With reference to the statement on whether "Board's control over management has led to enhanced marketing performance of UCL," findings in table 4.7 above reveals a mean value of 3.61 This means that respondents were in agreement with the statement. The standard deviation of 1.324 shows a high variance among responses. The findings mean that the board's control over management has led to enhanced marketing performance of UCL. This implies that as market performance is enhanced, more revenue is registered thereby improving financial performance.

4.3.3 Corporate accountability on financial performance

The third objective of the study was to establish the effect of corporate accountability on financial performance in the manufacturing sector. The data on this objective was collected, analysed and presented below using mean and standard deviation;

Table 4.8: Descriptive Statistics on Corporate accountability

	N	Minimum	Maximum	Mean	Std. Deviation
UCL's board holds General meetings with UCL shareholders every year	64	1	5	3.56	1.468
Board presents financial reports to all Annual General Meetings (AGM) without fail	64	1	5	3.42	1.412
Board presents narrative progress reports to all Annual General meetings without fail	64	1	5	3.20	1.405
UCL supports any social programs of the community	64	1	5	3.38	1.453
UCL has an internal audit committee	64	1	5	3.17	1.528
Internal Audit committee of UCL is fully active	64	1	5	3.20	1.482
External financial audit of UCL is done every year	64	1	5	3.23	1.445
Accountability of UCL's Board to its shareholders (members) has led to increased financial performance	64	1	5	3.12	1.386
Valid N (list wise)	64				

Source: field data (2021)

On whether "UCL's board holds General meetings with UCL shareholders every year", findings from table 4.8 above reveals a mean value of 3.56. This means that to some extent, respondents agreed with the statement that UCL's board holds General meetings with UCL shareholders every year. The standard deviation of 1.468 reveals a high variance in responses. This implies that shareholders are made aware of the financial health of the firm in such meetings and also it implies that it is through such meetings that accountability is given to the shareholders. This is in line with (Jones, 2010) who noted that the more accountable corporate governors are to the shareholders, the more likely it is that results of performance measurement processes are going to be a true and fair representative of the performance being measured

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On finding out whether "Board presents financial reports to all Annual General Meetings (AGM) without fail," results from the table 4.8 above reveal a mean value of 3.42. This means that to some extent respondents agreed with the statement. The standard deviation of 1.412 indicating a wide variance in responses . The findings imply that the board presents financial reports to all Annual General Meetings and this implies that the board tries to be accountable by providing such reports which may lead to enhanced financial performance.

In accordance with the statement "Board presents narrative progress reports at all Annual General meetings without fail," findings from the table above 4.8 above reveals a mean value of 3.20. This means that to a small extent respondents gave a positive response to the statement. The standard deviation of 1.405 indicating a high variance in responses . The findings imply that the board presents narrative progress reports at all Annual General Meetings without fail that may facilitate to the required accountability leading to enhanced financial performance.

On whether "UCL supports any social programs of the community," findings from table 4.8 above reveal a mean value of 3.38. This means that majority of the respondents agreed with the statement. The standard deviation of 1.453indicates a wide range of variance among responses. This means that UCL supports any social programs of the community. This implies that they try to give back to the community which is some sort of accountability to their customers by giving

back to them some of the profits that the company makes. (Baker, 2009) noted that a company that gets involved in corporate social responsibility establishes relationship with all its stakeholders and society at large. For that matter, it enjoys the benefit accruing from corporate social responsibility including; reducing on communication costs, increasing on business leads, increasing its reputation, increasing its staff morale and skills development and ability to manage the risks that the company may face.

On finding out whether "UCL has an internal audit committee", results from the table 4.8 above reveals a mean value of 3.17. This means that to a small extent, majority of the respondents were in agreement with the statement. The standard deviation of 1.528 indicates a high variance in responses. This implies that with the presence of an internal audit committee, accountability is becoming paramount as such a committee will ensure that accountability for all expenditures is well documented which helps to improve on the financial performance of the firm by minimizing on fraud levels.

With reference to the statement "Internal Audit committee of UCL is fully active," findings from table 4.8 above reveal a mean value of 3.20. This indicates that majority of the respondents agree that the internal audit committee of UCL is fully active. The standard deviation of 1.482of show a high variance among responses. This implies that the committee actively executes its duties of ensuring proper accountability for all funds in the organization.

On finding out whether "External financial audit of UCL is done every year," results from the table 4.8 above show a mean value of 3.23 . This indicates that majority of the respondents agreed that external financial audit of UCL is done every year. The standard deviation of 1.445reveals a wide variance in responses . This implies that transparency is brought into light on how best the internal audit committee monitors movement of funds within the organisation and also aids in detecting unethical practices by management.

In accordance with the statement "Accountability of UCL's Board to its shareholders has led to increased financial performance," findings from the table 4.8 above show a mean value of 3.12 indicating that to a small extent respondents agreed that accountability of UCL's Board to its shareholders has led to increased financial performance. Findings also reveal a standard deviation of 1.386 indicating variance in responses. The findings are in agreement with (Lipton & Lorsch, 1992) who argues that the performance reviews, annual meetings with investors, and special report to shareholders are central features of corporate accountability which result in better monitoring and higher standards of accountability, and provide shareholders with adequate information for purposes of communicating with management and the directors.

4.3.4 Financial performance

The dependent variable of the study was financial performance in UCL. The data on this variable was collected, analysed and presented in table 4.9 below;

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Table 4.9: Descriptive Statistics on Financial performance

	N	Minimum	Maximum	Mean	Std. Deviation
Proper corporate governance has led to increased profitability of UCL	64	1	5	3.58	1.355
Corporate governance has led to increase in periodical sales revenue	64	1	5	3.27	1.371
Corporate governance has facilitated larger profits due to capacity to procure large amounts of stock	64	1	5	3.33	1.322
There has been an increase in the profit before interest and tax over the past three (3) years	64	1	5	3.58	1.401
The UCL's borrowing has increased over the past three (3) years	64	1	5	3.23	1.423
There has been an increase in ROCE	64	1	5	3.31	1.367
There is prioritization when employing capital to ensure better returns	64	1	5	3.47	1.321
There has been an increase on ROE over the past three (3) years	64	1	5	3.34	1.514
The increase in the ROE is communicated through financial statements	64	1	5	3.27	1.493
There is a logical explanation of profitability targets for the company	64	1	5	3.22	1.517
Valid N (listwise)	64				

Source: field data (2021)

On finding out whether “Proper corporate governance has led to increased profitability of UCL,” results in table 4.9 above reveal a mean value of 3.58. This means that majority of the respondents gave a positive response. The standard deviation of 1.355 shows a variance in responses. This implies that Proper corporate governance has led to increased profitability of UCL. This is in agreement with La Porta et al (2002) who noted that better policies and procedures are a significant factor in improving financial performance

of organizations. With improved corporate governance, organizations resources will be put to good use instead of being misappropriated by the managers of the firm.

In line with the statement "Corporate governance has led to increase in periodical sales revenue," results in the table 4.9 above show a mean of 3.27. This indicates that to some extent the respondents were in agreement with the statement. The standard deviation of 1.371 indicates a variance in responses. This implies that with an increase in sales revenue, the financial performance is also bettered.

In accordance with the statement "Corporate governance has facilitated larger profits due to capacity to procure large amounts of stock," findings in table 4.9 reveals a mean value of 3.33 This means that to some extent, respondents were in agreement with the statement. The standard deviation of 1.322 reveals high variance among responses. This implies that procuring in large quantities brings about a saving as discounts on large purchases are offered and this reduces on the cash outflows thereby enhancing financial performance.

On whether "there has been an increase in the profit before interest and tax over the past three (3) years," findings from table 4.9 above indicates a mean of 3.58. This shows that majority of the respondents agreed with the statement. This implies that for the past three years the firm has been financially stable as its profit position before tax and interest was good.The standard deviation of 1.401 indicates a high variance among responses.

To whether "The UCL's borrowing has increased over the past three (3) years," findings in table 4.9 above produces a mean value 3.23. This means that to a small extent the UCL's borrowing has increased over the past three (3) years and a standard deviation of 1.423 indicating a variance in agreement. This implies that the firm's borrowing rate has decreased and this could be due to availability of enough funds to run its activities.

On finding out whether "there has been an increase in ROCE," results in the table 4.9 above reveal a mean value of 3.31. This means that respondents were in agreement with the statement. The standard deviation of 1.367 shows a high variance in responses. This means that there has been an increase in ROCE within the firm. This implies that the firm is able to realize some profit on its investment which is essential in improving on its financial position.

On finding out whether "there is prioritization when employing capital to ensure better returns," findings from table 4.9 above reveal a mean value of 3.47. This indicates that to a great extent the respondents agreed with the statement and the standard deviation is 1.321 indicating a high variance in responses. This means that there is prioritization when employing capital to ensure better returns. This implies that money is allocated to the most profit activities which generate profit to better the financial performance of the firm.

In accordance with the statement "there has been an increase on ROE over the past three (3) years," findings from table 4.9 reveal a mean value of 3.34 and a standard deviation of 1.514 indicating agreement by the respondents that there has been an increase on ROE over the past three (3) years. This is majorly attributed to making good investment decisions by the management of the company by investing in viable projects.

On finding out whether "the increase in the ROE is communicated through financial statements," results in table 4.9 above show a mean value of 3.27 indicating that majority of the respondents agreed to a small extent that ROE is communicated through financial statements. The standard deviation of 1.493indicates a wide variance in responses . This implies that information communicated through the financial statements is not exhaustive to give a clear picture of the firm's performance.

On whether "there is a logical explanation of profitability targets for the company," results in table 4.9 above reveals a mean value of 3.22 signifying a low level of agreement among the respondents . The standard deviation of 1.517 shows a wide range of agreement. This means that there is a logical explanation of profitability targets for the company and this implies that all employees are made aware of what they are to work towards since the targets are clearly explained and therefore this puts all employees in the spot light towards working for the company's profitability.

4.4 Relationship between corporate governance and financial performance

4.4.1. Relationship between corporate planning and financial performance

The study aimed at examining the relationship between corporate planning and financial performance. Table 4.10 represents the respondent's opinion.

Table 4.10: Relationship between corporate planning on financial performance

Correlations

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		Financial performance	Corporate planning
Financial performance	Pearson Correlation	1	.710**
	Sig. (2-tailed)		.000
	N	64	64
Corporate planning	Pearson Correlation	.710**	1
	Sig. (2-tailed)	.000	
	N	64	64

**. Correlation is significant at the 0.01 level (2-tailed).

Source: field data (2021)

Results in table 4.10 above shows that there is a strong positive and significant association between corporate planning and financial performance at (r)= 0.710**, P= .000 at the level of significance 0.01(2- tailed) given by the Pearson correlation. This indicates that when corporate planning is encouraged, financial performance will also improve. Therefore, the management of UCL should emphasize corporate planning to improve on financial performance.

4.4.2. Relationship between corporate staff control and financial performance

The study further aimed at examining the relationship between corporate staff control and financial performance. Table 4.11 represents the respondent's opinion.

Table 4.11: Shows relationship between corporate staff control and financial performance

Correlations

		Financial performance	Staff control
Financial performance	Pearson Correlation	1	.795**
	Sig. (2-tailed)		.000
	N	64	64
Staff control	Pearson Correlation	.795**	1
	Sig. (2-tailed)	.000	
	N	64	64

**. Correlation is significant at the 0.01 level (2-tailed).

Source: field data (2021)

Findings in table 4.11 above reveals that there is a strong positive and significant association between corporate staff control and financial performance at UCL at (r)= 0.795**, P= .000 at the level of significance 0.01(2- tailed) given by the Pearson correlation. This indicates that when corporate staff control is put in place, financial performance of the organisation is enhanced. Therefore, the management of UCL should emphasize corporate staff control to improve on financial performance.

4.4.3. Relationship between corporate accountability and financial performance

The study aimed at examining the relationship between corporate accountability and financial performance. Table 4.12 represents the respondent's opinion.

Table 4.12: Shows relationship between corporate accountability and financial performance

Correlations

		Financial performance	Corporate accountability
Financial performance	Pearson Correlation	1	.823**
	Sig. (2-tailed)		.000
	N	64	64
Corporate accountability	Pearson Correlation	.823**	1
	Sig. (2-tailed)	.000	
	N	64	64

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Field data (2021)

Findings in table 4.12 above show that there is a strong positive and significant association between corporate accountability and financial performance at UCL at (r)= 0.823**, P= .000 at the level of significance 0.01(2- tailed) given by the Pearson correlation. This shows that when corporate accountability is encouraged, financial performance of the organisation is enhanced. Therefore, the management of UCL should emphasize corporate accountability to improve on financial performance.

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4.5 Effect of corporate governance and financial performance

4.5.1 Effect of corporate planning on financial performance

The study examined the effect of corporate planning on financial performance. The findings on this objective and how it affects financial performance is presented in table 4.13 below;

Table 4.13 Effect of corporate planning on financial performance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.710[a]	.505	.497	.78749

a. Predictors: (Constant), Corporate planning

Source: field data (2021)

The model summary in table 4.13 above using predictor corporate planning reveals that Adjusted R Square value is 0.497. This implies that 49.7% (0.497*100) variations in financial performance is explained by corporate planning while the remaining 50.3% is explained by other factors.

Table 4.14 Variation in corporate planning and financial performance

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39.166	1	39.166	63.157	.000[b]
	Residual	38.448	62	.620		
	Total	77.614	63			

a. Dependent Variable: Financial performance
b. Predictors: (Constant), Corporate planning

Source: Field data (2021)

The study used ANOVA statistical technique to analyse data. The study had the level of significance at α=0.000. It can be deduced from the regression that corporate planning is significant to financial performance of UCL at F = 63.157 (0.000[b]). Since the significance value calculated 0.000[b] is less than 0.05, the study therefore accepts the hypothesis which stated that "corporate planning has a positive and significant effect on financial performance of manufacturing sectors."

4.5.2 Effect of corporate staff control on financial performance

The study examined the effect of corporate staff control on financial performance. The findings on this objective and how it affects financial performance is presented in table 4.15 below;

Table 4.15 Effect of corporate staff control on financial performance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.795[a]	.632	.626	.67885

a. Predictors: (Constant), Staff control

Source: Field data (2021)

The model summary in table 4.15 above using predictor corporate staff control reveals that Adjusted R Square value is 0.626. This implies that 62.6% (0.626*100) variations in financial performance is explained by corporate staff control while the remaining 37.4% is explained by other factors.

Table 4.16 Variation in corporate staff control and financial performance

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	49.042	1	49.042	106.419	.000[b]
	Residual	28.572	62	.461		
	Total	77.614	63			

a. Dependent Variable: Financial performance
b. Predictors: (Constant), Staff control

Source: Field data (2021)

The study used ANOVA statistical technique to analyse data. The study had the level of significance at α=0.000. It can be deduced from the regression that corporate staff control is significant to financial performance at F = 106.419 (0.000[b]). Since the significance value calculated 0.000[b] is less than 0.05, the study therefore accepts the second hypothesis which stated that "corporate staff control has a positive and significant effect on financial performance of manufacturing sectors."

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4.5.3 Effect of corporate accountability and financial performance

The study examined the effect of corporate staff control on financial performance. The findings on this objective and how it affects financial performance is presented in table 4.17 below;

Table 4.17 Effect of corporate accountability on financial performance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.823[a]	.677	.672	.63570

a. Predictors: (Constant), Corporate accountability

Source: field data (2021)

The model summary in table 4.17 above using predictor corporate accountability reveals that Adjusted R Square value is 0.672. This implies that 67.2% (0.672*100) variations in financial performance is explained by corporate accountability while the remaining 37.4% is explained by other factors.

Table 4.18 Variation in corporate staff control and financial performance

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.559	1	52.559	130.059	.000[b]
	Residual	25.055	62	.404		
	Total	77.614	63			

a. Dependent Variable: Financial performance
b. Predictors: (Constant), Corporate accountability

Source: field data (2021)

The study used ANOVA statistical technique to analyse data. The study had the level of significance at α=0.000. It can be deduced from the regression that corporate staff control is significant to financial performance at F = 130.059 (0.000[b]). Since the significance value calculated 0.000[b] is less than 0.05, the study therefore accepts the third hypothesis which stated that "corporate accountability has a positive and significant effect on financial performance of manufacturing sectors."

Table 4.19: Regression of coefficients of corporate governance on financial performance

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.861	.254		3.388	.001
	Corporate accountability	.520	.147	.602	3.537	.001
	Staff control	.340	.180	.364	1.883	.065
	Corporate planning	-.116	.147	-.126	-.788	.434

a. Dependent Variable: Financial performance

Source: Field data (2021)

The study used coefficients (beta values) and statistical techniques to analyse data. This helped in determine the extent and direction of the effect of corporate planning, corporate staff control and corporate accountability on financial performance;

The findings from table 4.19 above study showed that corporate accountability has beta values of 0.602 and significance of 0.001. This shows that in this study, corporate accountability has a high positive and significant effect on financial performance at 60.2% at the level of significance 0.001.

Also, findings from table 4.19 above study showed that corporate staff control has beta values of 0.364 and significance of 0.065. This shows that in this study, corporate accountability has a second contribution with a positive and insignificant effect on financial performance at 36.4% at the level of significance 0.065.

Furthermore, findings from table 4.19 above study showed that corporate planning has beta values of -0.126 and significance of 0.434. This shows that in this study, corporate planning has the least contribution with a negative and insignificant effect on financial performance at -12.6% at the level of significance 0.434.

5.0 Conclusions and Recommendations

5.1 Conclusions

Basing on the findings of the study, the researcher concluded that;

5.1.1 Effect of corporate planning on financial performance

Results shows that there is a strong positive and significant relationship between corporate planning and financial performance at UCL at (r)= 0.710**, P= 0.000 at the level of significance 0.00(2- tailed) given by the Pearson correlation. This indicates that when corporate planning is encouraged, financial performance of the organisation improves.

5.1.2. Effect of corporate staff control on financial performance

Findings reveal that there is a strong positive and significant relationship between corporate staff control and financial performance at UCL at (r)= 0.795**, P= .000 at the level of significance 0.00(2- tailed) given by the Pearson correlation. This indicates that when corporate staff control is put in place, financial performance of the organisation is enhanced.

5.1.3. Effect of corporate accountability on financial performance

Findings show that there is a strong positive and significant relationship between corporate accountability and financial performance at UCL at (r)= 0.823**, P= .000 at the level of significance 0.00(2- tailed) given by the Pearson correlation. This shows that when corporate accountability is encouraged, financial performance of the organisation is enhanced.

5.2 Study recommendations

Basing on the findings, the researcher made the following recommendations;

Corporate planning was found not to be an essential and negatively affecting financial performance. Therefore, the corporate board of UCL need put more emphasis on ownership and responsibility for corporate planning process especially at corporate strategy level. It can be recommended that UCL's board makes corporate planning as one of their key deliverable outputs in the board's terms of reference so that its performance can be measured against this task at the end of every year. It can also be recommended that each board, during its term in office be trained on how to handle corporate planning for the cooperative society.

Given that corporate staff control has some positive effect on financial performance, the board of UCL initiates the process of assigning performance targets to the management staff. During the quarterly board meetings, key deliverable outputs should be assigned to the management staff by the board and reviewed in the subsequent meetings. These performance targets will now become yardstick for monitoring and evaluating the effort of the management to enhance the financial performance.

Corporate accountability was found to have a strong positive and significant effect financial performance of UCL. It is therefore recommended that the board tightens the role of corporate accountability especially in the area of internal auditing and supervision. Under here, the board should facilitate the process of filling the internal audit and supervisory committee using a process as provided for by the cooperative guidelines in order to support the board in providing oversight compliance monitoring of the board, management staff and shareholders. It is also recommended that the audit and supervisory committee, once fully composed, should be given adequate technical capacity building in order to fully dispense their oversight duties.

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