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INTEGRATED CORPORATE GOVERNANCE STRATEGY FRAMEWORK FOR SUSTAINABLE QUALITY EDUCATION IN INSTITUTIONS OF HIGHER LEARNING

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ABSTRACT

The study was purposed to propose an integrated corporate governance strategy framework for promoting quality education in institutions of higher learning from a Kenyan perspective while focusing on three principles of corporate governance; accountability, transparency and ethics in two public and two private universities. To achieve this, the study relied on major theoretical ideas advanced by the Agency, Stakeholder and SERVQUAL theories in the context of the study, major findings from data analysis and review of relevant literature. It adopted an explanatory survey research design with 380 respondents formed of senior management academic staff, academic staff without administrative responsibilities, universities' management board and student leaders. Questionnaire and interview schedule were used to collect data. Analysis was done using SPSS and thematic analysis for qualitative data. Hypotheses were tested using GLM method of multiple regression. Findings from data analysis revealed that corporate governance defined in the context of the study as accountability, transparency and ethics has a significant influence on quality of university education in Kenya except for transparency which was found not to have a significant influence on quality of education in private universities. The study concludes that the proposed framework can be used by institutions of higher learning as a strategic model for achieving quality university education. Higher education regulatory bodies should therefore ask universities to adopt and use the model for quality management in learning in their respective countries.

Keywords: *loan Integrated corporate governance strategy framework, accountability, transparency, ethics, institutions of higher learning, quality university education, public university, private university*

1.0 Introduction

Commercial According to The 2002 Sarbanes-Oxley Act (SOX) Principles of Good Corporate Governance, corporate governance is the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in corporations. Mostovicz, Kakabadse, & Kakabadse (2011) have defined the concept as being a combination of procedures, laws and institutional structures that are meant to directly or indirectly influence the conduct of organizations with regards to its stakeholders.

Higher education is globally regarded as the most effective tool for socioeconomic transformation of any society. This is because it stimulates scientific research that results in modernization (Ogom, 2007) and generates significant and multiple direct, indirect and catalytic economic impacts which result in well-established benefits pertaining to both individuals and wider economies (British Council, 2012). Quality and sustainable higher education is therefore of great importance to the global community.

Over the years, the world has experienced unprecedented expansion in higher education both in terms of student enrolment and number of emerging institutions of higher learning. Currently, there are approximately 1,730 universities in the United States of America and Britain alone (Webometrics, 2017; Universities UK, 2015). India whose education sector is ranked among the fastest growing globally has about 819 Universities offering various degree programmes (Universities Grant Commission, 2015). There are about 200 million university students in the world today up from approximately 90 million in the year 2000 (World Bank, 2017). This expansion has equally occurred in Sub-Sharan Africa where "massification" of university education has taken root partly due to increased demand for university education among the region's youth (Sifuna & Sawamura, 2010; Nyangau, 2014; World Bank, 2017). Kenya has particularly recorded a 19% increase in the number of universities between the years 2012 and 2017 (CUE, 2017).

Questions have however been raised in the recent past about the quality of transparency practiced in these institutions of higher learning in both global and local spheres (Fielden, 2008; Varghese, 2013). A significant proportion of the challenges facing universities in Kenya today including unchecked expansion of university education, gender inequality, low research capability, poor living conditions for students, the spread of HIV/AIDS, crumbled infrastructure, poorly equipped laboratories and libraries, frequent student unrest and shortage of quality faculty have been can be attributed to questionable transparency systems in the institutions (Mwiria, 2007; Mwiria & Ngethe, 2007; Sifuna, 2010; Mulili, 2011; Nyangau, 2014; Okeyo, 2017). These challenges have significantly undermined the quality of education offered in Kenyan institutions of higher learning (Inter-University Council of East Africa, 2014; British High Commission, 2015; Gateru & Kiguru, 2015; British Council, 2015; CUE, 2017).

Recognition of the need for good corporate governance in higher education globally has risen over the years as a result of the emerging trends and challenges that impact directly or indirectly on the quality of training offered by the sector. According to Fielden (2008), internalization and rapid expansion of the sector are major challenges that have attracted the attention of governments to put in place corporate governance frameworks that would ensure quality education in both public and private universities. Waswa & Swaleh (2012) observe that the fusion between internationalization of higher education, globalization and increased demand for democratization has fueled a growing demand for good corporate governance in the management of universities, since this guarantees institutional stability in the long run.

In Kenya, the practice of corporate governance in institutions of higher learning remain largely a subject of debate (Mwiria, 2007; Sifuna, 2010; Mulili, 2011; Nyangau, 2014; Marwa, 2014; Monyoncho, 2015; Okeyo, 2017; CUE, 2017). Despite the enactment of the Universities Act, 2012 and the development and launch of 'Mwongozo' as code of governance for State Corporations in Kenya including universities, levels of accountability, transparency and ethics which form critical components of both the Act and the code prominently remain low and questionable in both private and public universities in Kenya. This being the case, the study, therefore, sought to propose an integrated corporate governance strategy framework for promoting quality education in institutions of higher learning from a Kenyan perspective based on two theories of corporate governance and one service quality measurement model namely; the Agency and Stakeholder theories and the SERVQUAL model, major findings of the study and review of relevant literature.

1.1 The Concept of Quality in Higher Education:

While quality in general is a difficult concept in itself to understand (Mbirithi, 2013), there exist various models and criteria that have attempted to provide contextual explanations as to how quality in a product or service may be ascertained. Learning facilities provided to support educational programmes for example are important measurements of quality learning in university education according to Schneider (2004) and Abend, Ornstein, Baltas, de la Garza, Watson, Lange &Von Ahlefeld (2006). Adequacy assessments of such facility are important indicators in that respect. Questions as to whether the facilities adequately enables the development of learning environments that support students and teachers in achieving their goals, are therefore important indicators of quality in a learning facility (Schneider, 2004; Abend, et al., (2006).

Yurko (2005) identified space as useful quality function and argues that space of an educational facility is an important measure of quality of such a facility. Examples of space qualities are; a learning facility having adequately sized classrooms, availability of natural lighting and a welcoming atmosphere. Other aspects such as level of comfort, cleanliness and maintenance are also important measures of quality facility (Cash, 1993). When referring to an education building, it needs to have learning spaces that support the learning process, is secure, comfortable and provides an inspirational setting for learning (Abend et al., 2006). Inadequate provision of such facilities as textbooks, online library services are quality issues and such resources are "not fit for the purpose" because they are unable to meet the needs of students' learning (Abend et al., 2006). According to Ndethiu (2007), lack of adequate reading resources like current and relevant books, inadequate use of internet and general lack of reading space manifested in inadequate lecture rooms posed a challenge to the promotion of students' reading habits, teaching and learning in public universities. Gudo et al., (2011) observed that lack of appropriate sitting spaces during lectures caused some students to attend lectures as they sat outside the lecture rooms resulting in lack of concentration and student attention to the lecturer who delivers a lesson and encouraging rote learning as students heavily relied on lecture notes.

Adequate adoption and use of Information technology in higher learning is equally important in investigating quality of university education since it has a bearing on access (Manyasi, 2010). Some studies have identified access to be a critical indicator of quality education. Quality of teaching and learning is therefore compromised where institutions have only a few computers which are used by lecturers to access internet services (Manyasi, 2010). Inadequate and poorly trained academic staff compounded with low pay as well as increasing academic fraud, indiscipline among students and frequent unrests, poor examination systems that are susceptible to manipulation through acts of irregularities, tribalism, nepotism, cheating, plagiarism and favoritism, poor students welfare, poor administration are among the factors that that have significantly affected overall commitment to providing quality education in institutions of higher learning in Kenya thus compromising the quality of graduates (Wanzala, 2013; Nyangau, 2014).

This study therefore conceived quality university education based on five aspects including; adequacy of qualified academic staff, learning and support facilities, relevance of academic programmes, efficiency and effectiveness of teaching and examination and student disciplinary systems for quality university education.

2.0 Theoretical framework

2.1 The Agency theory

The institutional theory of Agency was first postulated in 1973 by Barry M. Mitnick and Stephen Ross, although Mitnick is prominently accredited for the development of the theory. Agency Theory was introduced basically as a separation of ownership and control (Bhimani, 2008) between owners of a firm and professional managers. It is the most popular corporate governance model and has received a great deal of attention from academics as well as practitioners. Abdullah & Valentine (2009) state that Agency theory explains the relationship between principals and their agents. Eisenhardt (1989) opines that the theory presents the relationship between directors and shareholders as a contract. This implies that the actions of directors, acting as agents of shareholders, must be checked to ensure that they are in the best interests of the shareholders.

The theory's major postulations are that firstly, the agents (managers) will normally act opportunistically to their own advantage causing conflicts. Conflicts or problems arise when, in the perception of a firm's owners, the professional managers do not manage the firm in the best interests of the owners (Davis, Schoolman & Donaldson, 1997). Secondly, that people are self-interested rather than altruistic and cannot be trusted to act in the best interests of others. On the contrary, people tend to maximise their own utility.

Thirdly, that most organizations operate under conditions of incomplete information and uncertainty. Such conditions, the theory explains, expose the organizations to two agency problems, namely *adverse selection* and *moral hazard*. Adverse selection occurs when a principal cannot ascertain whether an agent accurately represents his or her ability to do the work for which he or she is paid. On the other hand, moral hazard is a condition under which a principal cannot be sure if an agent has put forth maximal effort (Eisenhardt, 1989).

Fourth, that professional managers have superior information about the organization than the owners. According to the theory, the superior information available to professional managers enables them to gain advantage over the firm's owners (Berle & Means, 1932, 2009). In fact Jensen & Meckling (1976) reason that the separation of ownership from management can lead to managers of firms taking actions that may not maximize shareholder wealth, due to their firm specific knowledge and expertise, which would benefit them and not the owners; hence a monitoring mechanism is designed to protect the shareholder interest. Fifth, that there is need for the setting up of rules and incentives to align the behavior of managers to the desires of owners (Hawley & Williams, 1996).

2.2 The Stakeholder theory

Edward Freeman is accredited as the father of the stakeholder theory having postulated it in 1983. The theory argues that organizations do not only exist to merely maximize shareholder wealth, but has a responsibility to serve a wider social purpose and interests. It identifies several stakeholders with varying interests in an organization. According to Freeman & Reed (1983), the term stakeholder can be used in a wide or narrow sense. The wider sense of its use implies any group or individual that is affected or affects the achievement of a firm's objectives. Used in a wider sense, therefore, stakeholders would include, employees, shareholders, public interest groups, trade associations, customers and competitors. The narrow use of the terminology limits stakeholders to identifiable groups or individuals on which an organization depends for its survival. Looked at in this sense, stakeholders would include employees, customer segments, specific suppliers, key government agencies, shareholders and particular financial institutions.

Stakeholder theory has become more prominent in management because many practitioners as well as researchers have acknowledged that the activities of a corporate entity impact on the external environment requiring accountability of the organization to a wider audience than simply its shareholders. McDonald & Puxty (1979) for example suggest that companies are no longer the instrument of shareholders alone but exist within society and, therefore, have responsibilities to that society. Other researchers, like Starik & Rands (1995) have even considered the natural environment also as a significant stakeholder for a firm. Major propositions of the theory are that first, organizations are social entities that exist to serve the interest of many groups in society (Donaldson & Preston, 1995). And no interest is assumed to dominate the other. This, therefore, creates a relationship between the organization and the stakeholders. Secondly, that a corporate entity consistently seeks to provide a balance between the interests of its diverse stakeholders in order to ensure that each interest group receives some degree of satisfaction (Abrams, 1951).

Lastly, the theory holds that when the interest of stakeholders are provided for and get what they want from a firm, they will return to the firm for more (Freeman, 2010; Freeman & McVea, 2001). Involvement and stakeholder integration in firm decision making processes are therefore important values in balancing the various interests in an organization. Turnbull (1994) has equally observed that participation of stakeholders in corporate decision-making can enhance efficiency and reduce conflicts. In fact, scholars like Currall & Epstein (2003) have attributed earlier corporate collapses such as those of HIH Insurance, Enron and WorldCom to failures by management to consider stakeholder concerns in decision making.

2.3 The SERQUAL Model

Academic researchers, A. Parasuraman, Valarie Zeithaml and Leonard L. Berry are credited for the development of the SERVQUAL model in 1988 as a tool for measuring quality in the service sector. Since then, the instrument has been widely applied in a variety of contexts and cultural settings and found to be relatively robust in measuring service quality. The key strength of the SERVQUAL Model lies in its universality. It does not matter in which area of the market the firm operates, whether in car industry, clothing industry or purely service industry, the model remains the same, looking at the same quality gaps. Primarily the SERVQUAL model works like a questionnaire. It was developed for service and retail businesses and its objective is to know how customers of a business rate the services offered to them (Parasuraman *et al.,* 1988). It is premised on the assertions that expectations of customers are subject to external factors which are under the control of a service provider and that using only one characteristic to measure quality of a service is problematic.

It has today, however, become the dominant measurement scale in the area of service quality in many sectors of the economy including education. For example, Donlagic & Fazlic (2015) used the model in assessing the quality of higher education in Bosnia and Herzegovina. In Malaysia, Naidu & Derani (2015) used the model in a comparative study of the quality of education received by students of private and public universities. In fact, Parasuraman *et al.*, (1988) argue that, with minor modifications, SERVQUAL can be adapted to any service organization. The current study focuses on universities which are service organizations.

The SERVQUAL model is a multi-dimensional instrument, designed by Parasuraman *et al.,* to capture consumer expectations and perceptions of a service along five dimensions that are believed to represent service quality. It compares customers' expectations before a service encounter and their perceptions of the actual service delivered (Gronroos, 1982; Lewis & Booms, 1983; Parasuraman *et al.*, 1988). It is apparent that there is little consensus of opinion and much disagreement about how to measure service quality (Robinson, 1999). SERVQUAL, therefore, uses five generic dimensions or factors that are believed to measure quality of a service including; Tangibility, Reliability, Responsiveness, Assurance and Empathy.

Tangibility according to the model relates to physical facilities, equipment and appearance of personnel. Reliability is explained as the ability to perform the promised service dependably and accurately while responsiveness in considered to mean the willingness to help customers and to provide prompt service to the customers. Assurance involves knowledge, competence, credibility and courtesy of employees and their ability to inspire trust and confidence among customers or clients. Empathy, according to the model is the last dimension regarded as being able to provide caring individualized attention to customers including access, communication and understanding the customer (Parasuraman *et al.,* 1988).

The model functions by viewing service quality as the discrepancy between a customer's expectations for a service offering and their perceptions of the service received, requiring respondents to answer questions about both their expectations and their perceptions (Parasuraman *et al.*, 1988). The use of the perceived as opposed to the actual service received makes the SERVQUAL measure an attitude measure that is related to, but not the same as, satisfaction (Parasuraman *et al.,* 1988). The obtained difference between expectations and perceptions is called the SERVQUAL gap which is the determinant of customers' perception of service quality.

The above theories provide a good basis for understanding and appreciating the linkage between respective major theoretical ideas and the purpose of this study. The ideas are integrated within the concept of corporate governance which is defined and tested in the context of a variety of aspects and institutional resource capacity to culminate into a framework for promoting quality university education.

3. Purpose of the Study

The purpose of this study was to propose an integrated corporate governance strategy framework for sustainable Quality Education in institutions of higher learning from a Kenyan perspective.

4. Research Hypotheses

The following null hypotheses were developed and tested in the course of this study to find answers to the problem under investigation;

H_{01}: *Accountability has no significant influence on quality of education in selected public and private universities in Kenya.*

H_{02}: *Transparency has no significant influence on quality of education in selected public and private universities in Kenya.*

H_{03}: *Ethics has no significant influence on quality of education in selected public and private universities in Kenya.*

H_{04}: *Institutional resources have no significant moderating effect on the relationship between corporate governance strategy and quality of education in selected public and private universities in Kenya.*

5. Methodology

The study adopted a pragmatic paradigm with a focus on four purposively selected universities, two public; The university of Nairobi and Rongo University and another two private; University of Eastern Africa, Baraton and KCA University. It adopted an explanatory survey research design with a sample of 380 respondents drawn from a target population of 2564 formed of senior management academic staff, academic staff with no administrative or management responsibilities, universities management board members and student leaders. Stratified, proportionate and simple random sampling techniques were used in determining the sample size of the study. Structured questionnaires and interview schedule were used to collect data which was then subjected to analysis using Statistical Packages for Social Sciences (SPSS) for quantitative data to generate correlation statistics and coding to generate themes for qualitative data. Questionnaires were used to collect data from academic staff and student leaders while the interview schedule was used to collect data from universities management board members as key informants. Results were presented in tables and explanatory notes in prose. Study hypothesis was tested using Generalized Linear Models (GLM) method of multiple regression.

Accountability, transparency and ethics were measured based on the respondents' opinion, experiences and level of agreement or disagreement about a variety of aspects which included publication of performance standards, achievements, complaints handling and disciplinary mechanism for accountability while information disclosure, stakeholder participation, communication and access to information and other official materials were used as measurement indicators for transparency. Ethics was measured by availability of code of ethics and code of conduct while quality university education was measured based on adequacy of qualified academic staff, learning and support facilities, relevance of academic programmes, efficiency and effectiveness of teaching and examination and student disciplinary systems in a six-point likert scale running from 1=strongly disagreed, 2=disagree, 3=slightly disagree, 4=slightly agree, 5=agree and 6=strongly agree.

6. Results and Discussions

The purpose of the study was to propose an integrated corporate governance strategy framework for promoting quality education in institutions of higher learning from a Kenyan perspective. Correlation and regression analyses were consequently conducted to generate results from field data.

6.1 Correlation Results

The study sought to establish whether a relationship existed between the dependent, moderating and independent variables under study. The dependent variable was quality university education. The independent variables were; accountability, transparency and ethics while the moderating variable was institutional resources. Results are presented in tables 6.1 and 6.2 for private and public universities respectively.

Table 6.1: Correlation Matrix of Variables for Private Universities

	[1]	[2]	[3]	[4]	[5]
[1] Accountability	1				
[2] Transparency	.673**	1			
[3] Ethics	.398**	.306*	1		
[4] Institutional resources	.083	-.292	-.174	1	
[5] Quality university education	.651**	.457**	.494**	.079	1

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Source: Field Data (2018)

Table 6.2: Correlation Matrix of Variables for Public Universities

	[1]	[2]	[3]	[4]	[5]
[1] Accountability	1				
[2] Transparency	.836**	1			
[3] Ethics	.726**	.768**	1		
[4] Institutional resources	.315**	.322**	.483**	1	
[5] Quality university education	.743**	.789**	.660**	.447**	1

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

Source: Field Data (2018)

Correlation results in tables 6.1 and 6.2 for private and public universities respectively indicate that there exists a significant positive correlation between accountability, transparency, ethics and quality university education. Institutional resources is significantly and positively correlated to accountability, transparency, ethics and quality university education in public universities whereas in private universities, correlation is not significant.

6.2 Regression results

Regression results were obtained by testing the four study hypotheses using two analysis models stated as follows;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon \dots\dots\dots\dots\dots\dots\dots\dots\dots\dots.\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots [1]$$

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 Z + \beta_5 Z X_1 + \beta_6 Z X_2 + \beta_7 Z X_3 + \varepsilon \dots\dots\dots.\dots\dots.. [2]$$

Where;

Y - is the Dependent Variable -Quality University Education

X_1 – Accountability

X_2 – Transparency

X_3 – Ethics

Z – Institutional Resources (the moderator variable)

β_0 – The intercept term (y intercept or value of Y when X_i's are zero)

β_i's: i=1,2,…..n are regression coefficients

ε – are random error terms

In model 1, a test is conducted of the first three direct hypotheses using the t-statistics or significant values of coefficients (β's) as was generated by statistical software(SPSS) whereas in model 2, the moderation effects of Z is tested by including the product terms in the model along with other regressands. Results are presented in tables 6.3, 6.4, 6.5 and 6.6 for private and public universities respectively.

Table 6.3: Regression Mode 1 for Private Universities

Dependent Variable: Quality University Education Method: Generalized Linear Model				
Variable	Unstandardized Coefficient	Std. Error	T	Sig.
Accountability	0.685	0.177	3.875	0.000
Transparency	-0.138	0.157	-0.875	0.387
Ethics	0.431	0.190	2.275	0.028
Constant	0.138	0.701	0.197	0.845

Source: Field Data (2018)

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Table 6.4: Regression Mode 1 for Public Universities

Dependent Variable: Quality University Education Method: Generalized Linear Model				
Variable	Unstandardized Coefficient	Std. Error	T	Sig.
Accountability	0.410	0.118	3.464	0.001
Transparency	0.323	0.136	2.377	0.019
Ethics	0.390	0.140	2.779	0.006
Constant	-0.284	0.348	-0.815	0.417

Source: Field Data (2018)

Table 6.5: Regression Model 2 for Private Universities

Dependent Variable: Quality University Education Method: Generalized Linear Model				
Variable	Unstandardized Coefficient	Std. Error	t	Sig.
Accountability	2.402	0.878	2.735	0.011
Transparency	1.009	0.707	1.427	0.165
Ethics	-1.473	1.145	-1.287	0.209
Institutional Resources	1.193	0.875	1.364	0.183
Institutional resources*Accountability	-0.497	0.244	-2.035	0.051
Institutional resources*Transparency	-0.305	0.203	-1.507	0.143
Institutional resources*Ethics	0.522	0.295	1.771	0.087
Constant	-3.869	3.263	-1.186	0.246

Source: Filed Data (2018)

Table 6.6: Regression Model 2 for Public Universities

Dependent Variable: Quality University Education Method: Generalized Linear Model				
Variable	Unstandardized Coefficient	Std. Error	t	Sig.
Accountability	0.423	0.473	0.894	0.374
Transparency	0.258	0.544	0.474	0.637
Ethics	0.522	0.588	0.888	0.377
Institutional Resources	0.105	0.316	0.334	0.739
Institutional resources*Accountability	-0.007	0.121	-0.058	0.954
Institutional resources*Transparency	0.013	0.130	0.098	0.922
Institutional resources*Ethics	-0.034	0.148	-0.230	0.818
Constant	-0.506	0.891	-0.629	0.531

Source: Filed Data (2018)

From the results in table 6.3 and 6.4, accountability has a $\beta = 0.685$, p-value = 0.000< 0.05 and $\beta = 0.410$, p-value = 0.001< 0.05 for private and public universities respectively. Transparency has $\beta = -0.138$, p-value = 0.387>0.05 and $\beta = 0.323$, p-value = 0.019<0.05 for private and public universities respectively. Ethics has a $\beta = 0.431$, p-value = 0.028< 0.05 and $\beta = 0.390$, p-value = 0.006 < 0.05 for private and public universities respectively. The null hypothesis that accountability has no significant influence on quality of education in selected public and private universities in Kenya is therefore rejected. The null hypothesis that transparency has no significant influence on quality of education in selected public and private universities in Kenya is therefore accepted for private universities and rejected for public universities. The null hypothesis that ethics has no significant influence on quality of education in selected public and private universities in Kenya is also therefore rejected. Accountability and ethics therefore have significant influence on quality of education in selected public and private universities in Kenya whereas transparency has no significant influence on the quality of education in private universities but has a significant influence on quality of education in public universities. This implies that generally, accountability, transparency and ethics constitute important principles of corporate governance in achieving quality higher education.

Results in table 6.5 and 6.6 indicate that with respect to institutional resources and accountability regressed against the dependent variable, $\beta = -0.497$, p-value = 0.051>0.05 and $\beta = -0.007$, p-value = 0.954>0.05 for private and public universities respectively. With respect to institutional resources and transparency regressed against the dependent variable, $\beta = -0.305$, p-value = 0.143>0.05 and $\beta = 0.013$, p-value = 0.922>0.05 for private and public universities respectively while the results for institutional resources and ethics regressed against the dependent variable recorded a $\beta = 0.522$, p-value = 0.087 and $\beta = -0.034$, p-value = 0.818>0.05 for private and public universities respectively. The null hypothesis that institutional resources have no significant moderating effect on the relationship between corporate governance strategy and quality of education in selected public and private universities in Kenya was accepted. This means that in both private and public universities, institutional resources have no significant influence on the relationship between corporate governance strategy and quality university education, implying that institutional resources is a strong factor in the achievement of quality university education that goes beyond moderation.

7.0 Integrated Corporate Governance Strategy Framework for Promoting Quality University Education

Based on the results, the theoretical framework of the study and the literature review, the study then proposes an integrated corporate governance strategy framework presented and discussed in the following paragraphs of the section of the study.

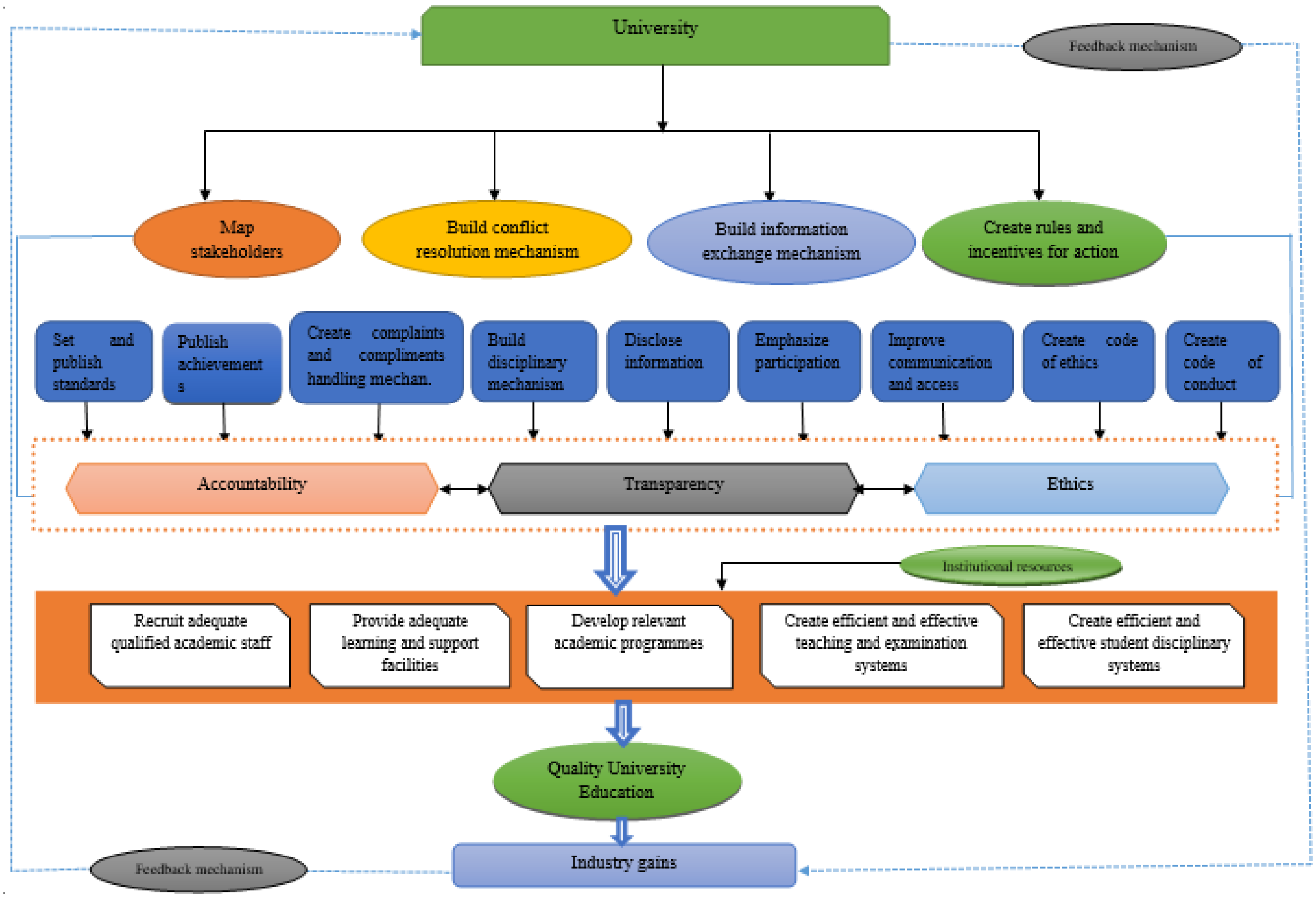

Figure 7.1: Integrated corporate governance strategy framework (source: Researcher, 2018)

The framework is four phased; phase one, phase two, phase three and phase four. The practice of corporate governance is therefore conceived in the context of the four phases that form a pattern for promoting quality education in Kenyan universities. The pattern is then adopted as an industry strategic framework for achieving sustained quality in university education in Kenya. In the first phase, institutions of higher learning begging by mapping their stakeholders in order to identify their interest. As argued by Freeman & Reed (1983) in the stakeholder theory of corporate governance, organizations have stakeholders with varying interests which have to be balanced in order to bring satisfaction to each group (Abrams, 1951). This scenario according to Donaldson & Preston (1995) creates a relationship between the organization and the stakeholders and thus the need for mapping in the framework.

The institutions then build a conflict resolution mechanism. Since there are several stakeholders with varying interests, conflicts are bound to arise. If not checked, they have a potential of derailing the institutions' efforts in pursuing quality learning. A major postulation of the agency theory is the existence of conflicts between stakeholders in an organization since people are self-interested rather than altruistic as advanced by Davis, Schoolman & Donaldson (1997). The institutions of higher learning have therefore to put in place effective conflict resolution mechanisms that will guarantee the stability and harmony in the efforts of stakeholders applied for the sake of quality education.

This is then followed by building information exchange mechanisms to promote communication and empowerment among the various stakeholders in the institutions. Information is not only an essential management tool for creating momentum for action among organizational members, but is also critical for decision making. Operating under conditions of incomplete information or uncertainty according to Eisenhardt (1989) exposes an institution to agency problems which include inability by a principal to ascertain whether an agent accurately represents his or her ability to do the work for which he or she is paid and being unsure if an agent has put forth maximal effort in performing their duties and responsibilities.

The need to put in place effective information exchange mechanism the institutions is further strengthened from observations by Berle & Means (2009) that managers normally tend to have superior information which they sometimes use to gain advantage over the firms owners. Mangers in institutions of higher learning in Kenya also have superior information about the institutions than the rest of the stakeholders, and may therefore use the information to take advantage over the stakeholders. Munene (2016), for example observed that information regarding the budgets and terms of service of managers in Kenyan universities had remained a fairly closed book for staff and students, only open to managers and the national treasury leading to cases of financial misappropriation, disruption of academic calendars and deep tensions within the institutions, all which are a recipe for compromised quality of university education in Kenya.

Lastly in this phase, the institutions are required to create rules and incentives to guide action by stakeholders towards desired ends. Setting of rules and incentives as argued by Hawley & Williams (1996) align the behavior of managers to the desires of owners of a business and in this case stakeholders in the education sector. Moreover, the rules and incentives will build momentum for action among the universities' staff and students and help in fixing responsibility for results it they desirable or otherwise.

The second phase of the framework involve deliberate effort by the institutions of higher learning to place accountability, transparency and ethics as primary principles of corporate governance at the centre of their operations. Observations have been made by authors like Monyoncho (2015), Marwa (2014), Okeyo (2017), Asesa-Aluoch, Wanzare & Sika (2016), Waswa, & Swaleh (2012) Taaliu (2017) and Ongong'a & Akaranga (2013) to the effect that issues relating to accountability, transparency and ethics have not been properly addressed in Kenyan universities for quite some time now. That debate continues. For example university managers are accused of sidelining staff and students in major decision making processes that directly affect them, lack of proper disclosure of information, lecturers failing to mark on time student's exams causing some of them to miss graduation just to mention but a few.

In this second phase of the framework, universities are required to put in place various mechanisms that will collectively entrench the practice and culture of accountability, transparency and ethics in the running of the affairs of the institutions. It leads to the third phase of the framework where quality university education is finally realized. To achieve accountability according to the framework, the universities are required to set and publish standards against which performance of staff and students will be measured. Schedler (1999) has equally argued that for an accountability relationship to be effective, four elements including setting standards, getting information about actions, making judgments about appropriateness and sanctioning unsatisfactory performance should be in place. Performance achievements have thereafter to be published so that stakeholders may judge the performance of each individual in the institution and facilitate taking of administrative action against unsatisfactory performance through established disciplinary mechanism. A complaints handling mechanism has also to be put in place in order to facilitate registration of complaints and complements. Compliments should according to the framework should promptly attract rewards.

To achieve transparency, universities should emphasize information disclosure to stakeholders. According to Boven (2005) having access to adequate information about the conduct of a party will empower a person to seek explanation and justification from the party regarding their actions in the institutions. Stakeholders in the institutions of higher learning will therefore take advantage of the information disclosed to question managers on their conduct. Schnackenberg, Andrew & Edward (2014) have advanced the argument that without access to clear, accurate and up-to-date information, it is impossible to judge whether the standards promised have been met by those in positions of responsibility. According to Pasquier & Villeneuve (2007), effective transparency is supported with the people's right to have access to information. Universities can therefore practice effective disclosure by developing and implementing information disclosure polices. Poor disclosure of information and student engagement were cited by Marwa (2014) as largely contributing to student unrest in universities in Kenya. Such unrest frequently disrupted academic calendars of universities and in some cases led to wanton destruction of physical facilities and even loss of lives according to Okeyo (2017)

The universities are then required to emphasize stakeholder participation in the institutions' programmes and decision making processes. This will create a feeling of belonging among their staff and students and thus increase commitment towards official university goals. Ibijola (2010) observed that the rationale for students' participation in governance of institutions of higher learning is desirable since it leads to enhanced students' commitment and performance in their academic work and reduced cases of students' unrest. The need for participatory management is further supported with the sentiments by Waswa, & Swaleh (2012) that academic faculty in universities equally feel marginalized when it comes to key decisions in the universities that directly affect them through subtle top down approaches and that this undermines their personal commitment to work and effectively service delivery.

Lastly in this phase, the framework provides for creation of professional codes of ethics and codes of conduct to entrench ethical conduct in the running of the institutions of higher learning. The codes will prescribe desirable and undesirable behaviour in the execution of duties and responsibilities by stakeholders in the universities. Ongong'a & Akaranga (2013) have argued that ethical behavior among university staff can provide a competitive advantage among potential students and employees and that workplace ethics of a lecturer is key in helping students on how to judge, evaluate and relate to their environment.

In the third phase, the major outcome in quality university education which is the result of the inputs in phase one and two. Here, the institutions are required to first source for resources which will be used then to drive the activities leading to the main outcome of the phase. The resources include human, physical and financial capital. One of the key activities leading to the outcome in this phase is recruitment of adequate qualified academic staff. According to Wanzala (2013), inadequate teaching staff compounded with low pay negatively affected overall commitment to providing quality education in institutions of higher learning in Kenya thereby compromising the quality of their graduates. Universities will therefore counter this scenario by making deliberate efforts to recruit adequate qualified academic staff that will sustainably address staff-student ratio. Nyangau (2014) also observed that inadequate or poorly trained academic staff was one of the major factors responsible for declining quality university education in Kenya.

Adequate learning and support facilities have then to be provided by the institutions. These will create a conducive and an enabling environment for teaching and learning among both the lecturers and students. Earthman (2004) and Higgins & Hall (2005) have advanced arguements linking quality of library facilities, support services and the study environment to learning quality outcomes. Lack of adequate reading resources, inadequate use of internet and general lack of reading space were found by Ndethiu (2007) to be important constraints to students' reading, teaching and learning in public universities. Lack of sitting space during lectures according to Gudo et al (2011) caused lack of concentration and student attention to the lecturer who delivers a lesson thus promoting rote learning as students heavily relied on lecture notes. According to Abend et al., (2006), inadequate provision of such facilities as textbooks, online library services are quality issues and such resources are "not fit for the purpose" because they are unable to meet the needs of students learning.

The institutions are also required in this phase to develop relevant academic programmes to market needs. With this, graduates from the institutions will enjoy high rates of employability and adequately meet industry needs. Wanzala (2013) and Nyangau (2014) have made observations to the effect that irrelevance has been part of the challenges Kenyan university education is of late struggling with. Irrelevant programmes are symptomatic of poor quality education and must therefore be avoided by all means possible. The next activity is creating an efficient and effective teaching and examination systems by the universities. Efficient and effective teaching and examination systems elicit enhanced commitment among the lecturers and students to learning and achieving higher and credible grades in the exams. It will also guarantee timely completion of studies thus enabling students to graduate on time. According to Wanzala (2013), poor examination systems that are susceptible to manipulation through acts of irregularities, tribalism, nepotism, cheating, plagiarism, favoritism contribute to low quality higher learning standards. To achieve quality university education, according to the framework, universities must invest in highly efficient and effective examination systems.

The other activity in this phase is creating an efficient and effective student disciplinary system which is capable of sustainably addressing disciplinary needs of the students and the university itself. Weak student disciplinary systems are likely to generate chaos and confusion among the learners thereby creating a spirit of mistrust and suspicion between the student body and the university management instead of supporting the overall academic goals of both parties. It should be able to accurately diagnose cases of indiscipline and nub them in the bud before they escalate to destructive levels. Wanzala (2013) attributed low quality learning in institutions of higher learning in Kenya to high proportions of undisciplined students in the universities. His argument was supported by observations from Mulinge, Arasa & Wawire (2017) who also opined that low quality university education in Kenya was partly due to indiscipline among students which manifested itself in among others, failure to pay attention in class, disrespect for staff and institutional property among others.

The last phase of the framework is driven by a feedback mechanism where a feedback loop is generated from the industry that is the direct consumer of the products of a university education back to the universities and also from the universities back to the industry to create an environment of continued interaction and exchange of information in order to achieve sustainable quality learning. The industry will give information to the universities on the competency or otherwise of their graduates, an information that is then processed by the universities and information on the steps taken in each scenario is passed back to the industry.

8.0 Conclusion and Recommendations

The study concludes that the proposed integrated corporate governance strategy framework can be used by institutions of higher learning as a strategic model for achieving quality university education. Higher education regulatory bodies should therefore ask universities to adopt and use the model for quality management in learning in their respective countries. Training should also be offered to university staff by the institutions' managers to boost their skills capacity to effectively use the model in achieving quality university education.

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