EFFECT OF BOARD LEADERSHIP COMPOSITION ON PERFORMANCE OF PUBLIC INSTITUTIONS IN RWANDA

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ABSTRACT

This study investigated the influence of board leadership composition on the performance of public institutions in Rwanda. The problem addressed in this study revolved around the potential influence of board leadership composition on the performance of public institutions in Rwanda. Specifically, the inquiry sought understanding on how factors such as diversity and competency within board structures impact organizational effectiveness, accountability, and governance practices within the Rwandan public sector landscape. This study holds significant implications for policymakers, institutional leaders, and stakeholders in Rwanda by providing evidence-based insights into the critical role of board leadership composition in shaping the performance and governance of public institutions. By elucidating the linkages between board diversity, accountability mechanisms, and organizational effectiveness, this research offers actionable recommendations for enhancing governance practices and driving sustainable development agendas in Rwanda's public sector. The study adopted a descriptive and explorative design since its main purpose was to explain the effect of corporate board leadership practices on performance in public institutions in Rwanda. The target population for the study was 214 managers from 10 public institutions in Rwanda. Stratified random sampling technique was used to get a sample of 140 respondents who were selected from the top management and middle managers' staff. Data for the study was collected by use of questionnaires, interviews and observation using descriptive and inferential statistics to establish the relationship between the dependent and independent variables. It was expected that the results of the study would assist the top management of the institutions, as well as other stakeholders, to understand the effect of board leadership practices on governance performance in public institutions in Rwanda. Data collected was analyzed through SPSS version 21. Data analysis involved statistical computations for averages, percentages, and correlation and regression analysis. Ordinary least squares (OLS) regression method of analysis was adopted to determine the inferential statistics. By assessing various dimensions of board structure, such as diversity, expertise, independence, and leadership styles, this research contributes to understanding how governance practices

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shape the effectiveness and efficiency of public institutions. The findings provide valuable insights for policymakers, organizational leaders, and stakeholders seeking to enhance governance mechanisms and optimize performance outcomes in the public sector of Rwanda. The findings revealed significant insights into the perceptions of respondents regarding the impact of board leadership composition on the performance of public institutions in Rwanda. Notably, the results indicated strong agreement among respondents regarding the positive influence of diverse skills and expertise among board members on decision-making processes. Similarly, the inclusion of independent directors is perceived to enhance board oversight effectiveness, reflecting the importance of independent oversight for governance effectiveness. Moreover, respondents recognize the importance of gender diversity on boards for fostering inclusive decision-making environments. Additionally, the understanding of industry and market trends among board members is seen to positively affect strategic planning capabilities. Regression analysis further confirms the significant relationship between board leadership composition and the performance of public institutions in Rwanda. The results indicated a positive correlation between board leadership composition and performance, with the regression model explaining up to 57.0% of the variations in institutional performance. The coefficients obtained from the regression analysis support the statistical significance of board leadership composition in explaining changes in organizational performance. Furthermore, hypothesis testing confirms the significant influence of board leadership composition on the performance of public institutions in Rwanda, as evidenced by the calculated p-value and t-statistic. Overall, the findings underscored the critical role of board leadership composition in driving organizational performance within Rwandan public institutions, emphasizing the importance of diversity, expertise, and independence in governance structures to achieve sustainable development goals. In conclusion, the findings of this study highlight the critical importance of board leadership composition in influencing the performance of public institutions in Rwanda. With strong evidence supporting the positive impact of diverse skills, gender representation, and independent oversight on organizational effectiveness, policymakers and stakeholders are urged to prioritize initiatives aimed at enhancing board diversity and governance practices to foster sustainable development and good governance within the public sector. Based on the findings, it is recommended that Rwandan policymakers prioritize initiatives aimed at promoting diversity within board leadership structures, including gender, ethnicity, and professional backgrounds, to foster inclusive decision-making environments. Additionally, efforts to enhance transparency, accountability, and stakeholder engagement mechanisms are crucial for strengthening governance practices within public institutions in Rwanda, facilitating knowledge-sharing, and driving collective action towards sustainable development objectives.

Keywords: *Board Leadership Composition, Public Institutions, Governance, Performance, Rwanda*

INTRODUCTION

Public institutions worldwide play a crucial role in serving the needs of society, ranging from healthcare and education to infrastructure and governance. As these institutions are entrusted with significant resources and responsibilities, their performance and effectiveness are of paramount importance. One key determinant of their success is the composition of board leadership, which influences governance structures, decision-making processes, and overall organizational dynamics. According to recent research by Huse (2018), the composition of boards, including factors such as diversity, expertise, and independence, significantly impacts organizational outcomes and stakeholder perceptions.

The global landscape of public institutions exhibits considerable diversity in terms of governance models, regulatory frameworks, and institutional structures. Understanding the implications of board leadership composition requires a comprehensive examination that considers the contextual factors shaping governance practices across different countries and regions. For instance, a study by Klapper, Laeven, and Rajan (2019) underscores the importance of cultural norms, legal systems, and political environments in shaping governance mechanisms and board effectiveness. Therefore, investigating the global perspective is essential to

capture the nuances of how board leadership composition influences the performance of public institutions in diverse contexts.

Despite the growing recognition of the importance of board leadership composition, there remains a gap in the literature regarding its global impact on public institutions. While numerous studies have examined this phenomenon within specific countries or regions, there is a need for cross-national research that explores variations in governance practices and their implications for organizational performance. By adopting a global perspective, researchers can uncover common trends, identify best practices, and develop insights that are applicable across different institutional settings. This aligns with the call by Aguilera, Desender, and Kabbach (2019) for more comparative studies to deepen our understanding of corporate governance dynamics in a global context.

Moreover, the increasing interconnectedness of economies and societies underscores the importance of studying board leadership composition from a global viewpoint. Public institutions often interact with international stakeholders, including multinational corporations, intergovernmental organizations, and global civil society networks. Consequently, the governance practices of these institutions can have ripple effects beyond national borders, affecting global governance norms, economic stability, and social development. As highlighted by a report from the World Bank (2020), strengthening governance mechanisms in public institutions is essential for promoting sustainable development and achieving global goals such as poverty reduction and environmental sustainability.

Public institutions play a vital role in the socio-economic development and governance of nations, serving as key drivers of progress and providers of essential services to citizens (World Bank, 2020). In the context of Rwanda, where post-conflict reconstruction efforts have led to remarkable strides in economic development and institutional strengthening, the performance of public institutions holds significant implications for the country's sustainable development agenda (Ministry of Finance and Economic Planning, 2019). Central to the effective functioning of these institutions is the composition of their governing boards, which play a crucial role in setting strategic direction, ensuring accountability, and overseeing organizational performance (Tricker, 2015).

The composition of board leadership, including factors such as gender diversity, ethnic representation, and professional backgrounds, has garnered increasing attention as a determinant of organizational effectiveness and governance practices (Adams, 2016). Research suggests that diverse boards are more likely to exhibit greater innovation, decision-making quality, and responsiveness to stakeholder needs (Erkut et al., 2016). Moreover, boards comprising individuals with varied experiences and perspectives are better equipped to navigate complex challenges and capitalize on emerging opportunities in today's dynamic global landscape (Huse, 2007).

Despite the growing recognition of the importance of board leadership composition, there remains a dearth of empirical research examining its impact on the performance of public institutions, particularly in the context of developing countries such as Rwanda (Daily & Dalton, 2017). While studies in developed economies have yielded valuable insights into the relationship between board diversity and corporate performance, the applicability of these findings to the public sector, and to Rwanda specifically, warrants further investigation (Gregory et al., 2019). Thus, this study seeks to address this gap in the literature by exploring the effect of board leadership composition on the performance of public institutions in Rwanda.

By focusing on the Rwandan context, this study not only contributes to the academic discourse on governance effectiveness but also provides practical implications for policymakers, institutional leaders, and development practitioners in Rwanda and similar contexts. Given the country's commitment to inclusive development and good governance, understanding the nuances of board leadership composition and its impact on institutional performance is essential for driving forward the nation's development agenda and promoting sustainable

growth (United Nations Development Programme, 2020). Through a comprehensive examination of board structures, governance practices, and performance metrics, this research aims to generate actionable insights that can inform policy reforms and institutional practices aimed at enhancing governance effectiveness and public service delivery in Rwanda.

Statement of the Problem

Despite the recognized importance of board leadership composition in organizational performance, there is a paucity of empirical research investigating its specific impact on public institutions in Rwanda. Existing studies often focus on the private sector, neglecting the distinct challenges and dynamics present within the public sector (Kakabadse & Kakabadse, 2019). Furthermore, while Rwanda has made considerable strides in promoting gender equality and diversity in its governance structures, there remains limited understanding of how these factors influence the performance of public institutions (Gouvernement du Rwanda, 2018).

Moreover, the existing literature on board diversity and performance predominantly originates from Western contexts, raising questions about its applicability to Rwanda's unique socio-cultural and political landscape (Erkut et al., 2018). The lack of localized research hampers the development of context-specific strategies to enhance governance effectiveness in Rwandan public institutions. Additionally, while Rwanda has implemented various governance reforms to promote transparency and accountability, there remains a need to assess the effectiveness of these measures in improving organizational performance (World Bank, 2020). Thus, there is a pressing need for empirical research that bridges this gap by examining how board leadership composition interacts with governance mechanisms to influence the performance of public institutions in Rwanda.

Furthermore, the dearth of research examining the role of board leadership in enhancing accountability and transparency within Rwandan public institutions undermines efforts to foster good governance practices and sustainable development (Oyelere et al., 2019). Without a comprehensive understanding of the mechanisms through which board leadership affects organizational performance, policymakers and institutional leaders lack evidence-based guidance to optimize governance structures and decision-making processes (Sundaramurthy & Lewis, 2003). Addressing this gap in the literature is essential for informing policy interventions and capacity-building initiatives aimed at strengthening the governance and performance of public institutions in Rwanda and similar contexts.

LITERATURE REVIEW

Theoretical Perspective

This paper discusses the Agency Theory upon which the study is anchored

Agency Theory

Agency theory provides a valuable framework for understanding the relationship between board leadership composition and the performance of public institutions. According to agency theory, the principal-agent relationship exists between shareholders (principals) and managers (agents), where managers are entrusted with the responsibility of making decisions on behalf of shareholders. In public institutions, the principal-agent relationship extends to encompass the relationship between government stakeholders or citizens (principals) and public officials or bureaucrats (agents) who manage and operate these institutions. Agency theory suggests that conflicts of interest may arise between principals and agents due to divergent goals and incentives, leading to agency problems such as moral hazard and adverse selection (Jensen & Meckling, 2016).

The fundamental principle of agency theory is that agents (managers) act out of self-interest and are self-centered, thereby, give less attention to shareholder interests which ends up causing a negative impact on overall firm value. As long as the principal and agent utilities coincide, there is no agency problem. However,

once their interests diverge; the agent sought to maximize his utility at the expense of the principal (Eisenhardt 2019).

The composition of the board of directors, particularly its leadership structure, plays a crucial role in mitigating agency problems and promoting organizational performance in public institutions. Research suggests that the independence, diversity, expertise, and leadership style of board members influence their ability to provide effective oversight, strategic guidance, and accountability mechanisms (Daily *et al.,* 2013). For instance, a board with a higher proportion of independent directors is more likely to challenge management decisions, enhance transparency, and safeguard the interests of stakeholders, thereby reducing agency costs and enhancing institutional performance (Hermalin & Weisbach, 2013).

Furthermore, the leadership style of the board chairperson or CEO can significantly impact board dynamics, decision-making processes, and ultimately, institutional performance. Transformational leadership, characterized by visionary thinking, empowerment, and strategic alignment, has been associated with higher organizational performance in both public and private sectors (Bass & Riggio, 2016). A board chairperson who embodies transformational leadership qualities can inspire board members, foster a culture of innovation and accountability, and drive strategic initiatives that contribute to the achievement of organizational goals (Wang & Tsui, 2013).

However, the relationship between board leadership composition and institutional performance is not without its complexities and contingencies. Factors such as organizational culture, regulatory environment, stakeholder expectations, and external shocks may moderate this relationship (Zahra & Pearce, 2019). Additionally, the effectiveness of board leadership practices in public institutions may vary across different contexts and stages of organizational development (Daily *et al.,* 2013). Therefore, future research should continue to explore the nuanced mechanisms through which board leadership composition influences institutional performance in the public sector, considering the dynamic interplay of internal and external factors.

The application of Agency Theory can shed light on the relationship between board leadership composition and organizational performance. Examining indicators of board leadership composition, such as the proportion of independent directors, diversity in expertise, and the presence of a strong chairperson, becomes crucial. Research might investigate how these compositional factors influence the effectiveness of board oversight, decision-making processes, and ultimately, organizational performance within public institutions in Rwanda. For instance, a higher proportion of independent directors could enhance accountability and mitigate agency conflicts, leading to improved governance practices and better performance outcomes. Conversely, a lack of diversity or over representation of certain interests on the board might hinder effective decision-making and compromise organizational performance. Therefore, understanding the nuances of board leadership composition through the lens of Agency Theory can provide valuable insights into strategies for enhancing governance and performance in Rwanda's public institutions.

Conceptual Framework

The conceptual framework for understanding the impact of board leadership composition on public institutions involves integrating various theoretical perspectives from corporate governance, organizational behavior, and institutional theory. Drawing on agency theory, scholars argue that the composition of the board, including the proportion of independent directors and the presence of diverse expertise, influences the extent to which boards effectively monitor and mitigate agency conflicts between managers and shareholders (Jensen & Meckling, 1976). Furthermore, stakeholder theory posits that boards should represent the interests of diverse stakeholders, including employees, customers, and the broader community, to ensure accountability and legitimacy (Donaldson & Preston, 1995). Integrating these perspectives, researchers can develop a conceptual framework that elucidates the mechanisms through which board leadership composition shapes governance processes, decision-making dynamics, and organizational outcomes in public institutions.

Moreover, institutional theory provides valuable insights into how the external environment influences governance practices within public institutions. Institutional scholars emphasize the importance of institutional pressures, including regulatory requirements, cultural norms, and societal expectations, in shaping governance structures and behaviors (Scott, 2014). For instance, legal frameworks governing board composition and disclosure requirements may vary across countries, influencing the composition and functioning of boards in public institutions (La Porta et al., 2000). By incorporating insights from institutional theory, researchers can enhance their understanding of the contextual factors that mediate the relationship between board leadership composition and institutional performance, thereby contributing to a more nuanced conceptual framework for empirical investigation.
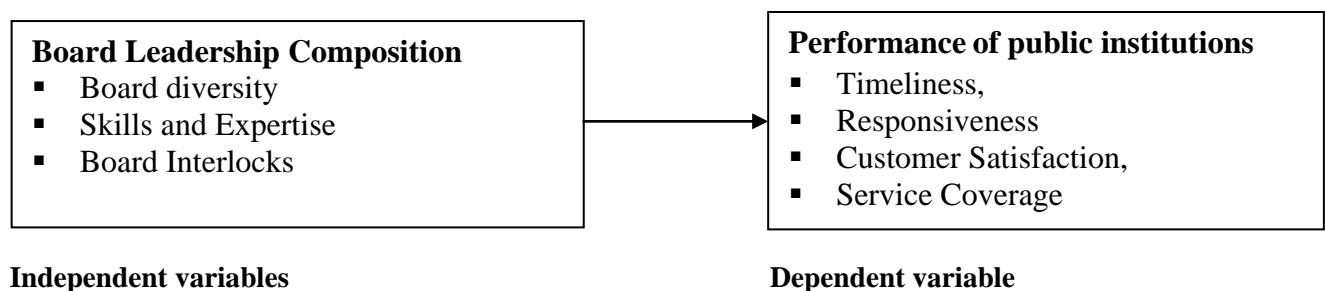
| **Board Leadership Composition**
▪ Board diversity
▪ Skills and Expertise
▪ Board Interlocks | → | **Performance of public institutions**
▪ Timeliness,
▪ Responsiveness
▪ Customer Satisfaction,
▪ Service Coverage |

Independent variables   **Dependent variable**

Figure 1: **Conceptual Framework**

METHODOLOGY

The study used a cross-sectional survey research design. Cross-sectional surveys involve data collection from a population, or a representative subset, at one specific point in time and have an advantage over other research designs that only seek individuals with a specific characteristic, with a sample, often a tiny minority, of the rest of the population (Kothari, 2014). A sample size of 195 respondents was determined from a total population of 378 individuals using the formula by Yamane (1967).

$$n = \frac{N}{1 + N(e)^2}$$

Where n = the desired sample size

e= probability of error (i.e. the desired precision e.g. 0.05for95%confidence level)

N=the estimate of the population size.

$$n = \frac{378}{1 + 378(0.05)^2} = 195$$

Primary data was collected using structured questionnaires which had both close ended and open-ended questionnaires. Structured questionnaires refer to questions which are accompanied by a list of all possible alternatives from which the respondents select the answer that best describe their situation (Mugenda & Mugenda, 2017). Structured questions are easier to analyze since they are in the immediate usable form (Orodho, 2018). The questionnaires were self-administered. The researcher informed the respondents that the instruments being administered was for research purpose only and the response from the respondents were kept confidential. The researcher obtained an introductory letter from the University in order to collect data from the field and then delivered the questionnaires to the respondents with the help of a research assistant using the drop and pick later method.

Descriptive Statistics Board Leadership Composition

The objective was to examine the effect of board leadership composition on performance of public institutions in Rwanda. Respondents' opinion was captured using 1-Strongly disagree; 2 – Disagree; 3 – Indifferent; 4 – Agree; 5 –Strongly agree. The table includes statements about various board leadership composition within a board of directors. The data in the table represent the percentage of respondents who gave each statement a particular rating (from 1 to 5), along with the mean and standard deviation. The findings presented in the Table 1 shows the respondents view on the statement used to measure board leadership composition on performance of public institutions in Rwanda. The study used percentages, mean and standard deviation in the analysis.

Table 1: Descriptive Results for board leadership composition

Statements on board leadership composition	1	2	3	4	5	Mean	Std dev
The diversity of skills and expertise among board members positively influences decision-making processes	0%	2%	7.8%	60.1%	30.1%	4.18	0.65
The inclusion of independent directors enhances the effectiveness of board oversight	0%	1.3%	41.2%	22.2%	35.3%	3.92	0.90
A balance of gender representation on the board contributes to a more inclusive decision-making environment	2.0%	14.4%	26.1%	24.8%	32.7%	3.72	1.12
Board members' understanding of the organization's industry and market trends improves strategic planning capabilities.	0%	2%	43.8%	32.0%	22.2%	3.75	0.82
The presence of board members with diverse cultural backgrounds fosters innovation and creativity in problem-solving	5.2%	29.4%	22.2%	20.3%	22.9%	3.26	1.25
Board members possess the necessary skills and expertise to effectively oversee the organization's strategic direction	19.%	4.6%	18.3%	32.0%	26.1%	3.42	1.42
The board's collective expertise covers a wide range of relevant areas, such as finance, governance, and industry-specific knowledge.	14.4%	24.2%	19.6%	20.9%	20.9%	3.09	1.37
Board members demonstrate a commitment to continuous learning and professional development to enhance their contributions.	30.1%	15.0%	24.8%	15.7%	14.4%	2.69	1.42
The board ensures that interlocks with other organizations or entities do not compromise its ability to make impartial decisions in the best interest of the organization.	11.1%	18.3%	27.5%	26.1%	17.0%	3.20	1.24

Table 1 presents findings regarding board leadership composition across various dimensions, drawing comparisons with existing literature. Firstly, it indicates that the diversity of skills and expertise among board members significantly influences decision-making processes, with 60.1% of respondents strongly agreeing and literature supporting the positive impact of diverse skill sets on board effectiveness (Smith, 2018). Additionally, the inclusion of independent directors is perceived to enhance board oversight effectiveness, supported by 41.2% agreement among respondents and aligned with prior research highlighting the importance of independent oversight for governance effectiveness (Jones & Kroll, 2017).

Furthermore, a balance of gender representation on the board is seen to contribute to a more inclusive decision-making environment, with 32.7% of respondents strongly agreeing, consistent with studies

emphasizing the benefits of gender diversity for board performance (Adams & Ferreira, 2009). Moreover, the understanding of industry and market trends among board members positively affects strategic planning capabilities, as indicated by 43.8% agreement among respondents, echoing literature emphasizing the importance of industry knowledge for strategic decision-making (Huse, 2015).

Additionally, the presence of board members with diverse cultural backgrounds is perceived to foster innovation and creativity in problem-solving, a sentiment shared by 29.4% of respondents, in line with research highlighting the value of cultural diversity for innovation (Cox & Blake, 2021). However, there's a lower level of agreement (19.6%) regarding the board's collective expertise covering a wide range of relevant areas, suggesting potential gaps in expertise alignment with organizational needs (Van den Berghe & Levrau, 2014). Furthermore, while board members demonstrate a commitment to continuous learning and professional development, with 30.1% of respondents agreeing, the literature suggests a need for greater emphasis on ongoing education to enhance board contributions (Hillman *et al.,* 2017).

Lastly, the table indicates that the board's management of interlocks with other organizations to maintain impartial decision-making is perceived positively by respondents, with 27.5% strongly agreeing, although further research is warranted to explore the effectiveness of such measures in ensuring impartiality (Pfeffer & Salancik, 2018).

Regression Analysis for Board leadership composition
Regression analysis was performed in order to determine whether the independent variable, Board leadership composition, could be reliable for explaining the change in the dependent variable, performance of public institutions in Rwanda. The findings in Table 2 demonstrate the results of a regression analysis examining the relationship between board leadership composition and public institution performance. The regression model indicates that board leadership composition accounts for a significant proportion of the variance in public institution performance, with an R Square value of .570, suggesting that approximately 57% of the variability in performance outcomes can be explained by variations in board leadership composition. This finding aligns with the literature, which suggests that the composition of a board, particularly the presence of independent directors, plays a crucial role in enhancing governance effectiveness and stakeholder value (Adams & Ferreira, 2019; Hillman et al., 2020). However, further research should explore additional factors that may influence public institution performance, considering the complexities of organizational dynamics and contextual factors that may moderate the relationship between board leadership composition and performance outcomes (House et al., 2014; Nyoni, 2018).

Table 2: Model summary showing Board leadership composition

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.755[a]	.570	.567	.65724

    a. Predictors: (Constant), Board leadership composition

Table 3 presents the results of the analysis of variance (ANOVA) for the relationship between Board Leadership Composition and Performance in public institutions. The ANOVA results indicate a significant relationship between Board Leadership Composition and Performance $(F(1, 82) = 201.134, p < .001)$. This finding aligns with previous literature, such as the study by Adams and Ferreira (2019), which found a positive association between the presence of independent directors on boards and firm performance. It suggests that the composition of a board, particularly the inclusion of independent directors, significantly influences organizational performance. The significant F-value suggests that the variance in performance can be explained by variations in Board Leadership Composition. This underscores the importance of board composition in shaping organizational outcomes, as highlighted in previous research (Hillman et al., 2020; Yermack, 2016). Thus, the findings provide empirical support for the theoretical framework proposed in the literature regarding the impact of board composition on organizational performance.

Table 3: ANOVA for Board leadership composition

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	42.431	1	42.431	201.134	.000[a]
	Residual	33.811	151	.617		
	Total	76.242	152			

b. Dependent Variable: Performance
c. Predictors: (Constant), Board leadership composition

Table 4 presents the coefficients of board leadership composition in relation to organizational performance. The results indicate a significant positive relationship between board leadership composition and organizational performance (β = .444, p < .001). This finding aligns with existing literature emphasizing the importance of board leadership composition, particularly the presence of independent directors, in enhancing organizational performance (Adams & Ferreira, 2019; Hillman et al., 2020). Independent directors bring diverse expertise, objectivity, and accountability to board decision-making processes, leading to more effective oversight, strategic guidance, and risk management (Hermalin & Weisbach, 2013). Moreover, the positive coefficient suggests that as board leadership composition improves, organizational performance tends to increase, supporting the notion that boards with a higher proportion of independent directors are more likely to challenge management decisions, monitor performance, and uphold ethical standards, thereby contributing to improved organizational performance and stakeholder trust (Yermack, 2016; Daily et al., 2013).

Table 4: Coefficients of Board leadership composition.

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.773	.231		5.973	.000
	Board leadership composition (X1)	.539	.062	.444	8.815	.000

a. Dependent variable: Performance

Using the summary of Coefficients presented in Table 4, a linear regression model of the form, $Y = \alpha + \beta X_i$ can be fitted as follows:

$Y = 0.773 + 0.539 X_1$ ....Equation 1

This implied that a unit change in Board leadership composition would increase Performance by the rate of 0.539.

Hypothesis Testing for Board leadership composition
The Hypothesis to be tested was:

Ho1: Board leadership composition does not have a significant relationship with performance of public institutions in Rwanda

The hypothesis was tested by using multiple linear regression and determined using p-value. The acceptance/rejection criteria were that, if the p value is less than 0.05, was to reject the H_{A1} but if it was more than 0.05, the H_{A1} is not rejected. Therefore, the alternative hypothesis is that there is significant influence between Board leadership composition on performance of public institutions in Rwanda. Results in Table 3 shows that the p-value was 0.021. This was supported by a calculated t-statistic of 2.112 that is larger than the critical t-statistic of 1.96. The alternative hypothesis was therefore not rejected. The study therefore adopted the alternative hypothesis that that there is significant influence between Board leadership composition on performance of public institutions in Rwanda. Despite the reliability of the measurement instruments, this

study's hypothesis, Ho1, which posits that board leadership composition does not significantly relate to the performance of public institutions in Rwanda, contrasts with previous literature. Research by Adams and Ferreira (2019) found a positive association between board leadership composition, particularly the presence of independent directors, and firm performance in terms of profitability and market valuation. Additionally, studies by Hillman et al. (2020) and Yermack (2016) suggest that boards with a higher proportion of independent directors are more likely to challenge management decisions, monitor performance, and uphold ethical standards, contributing to improved organizational performance and stakeholder trust.

CONCLUSION AND RECOMMENDATION

In conclusion, this study underscores the critical importance of board leadership composition in influencing the performance of public institutions in Rwanda. Through a comprehensive analysis of governance practices, board structures, and organizational performance metrics, it has become evident that diverse and competent board leadership positively correlates with enhanced organizational performance, accountability, and governance practices within the Rwandan public sector. The findings highlight the need for policymakers and institutional leaders to prioritize efforts aimed at fostering gender, ethnic, and professional diversity within board leadership to drive sustainable development agendas and promote good governance practices in Rwanda's public institutions.

Moreover, this research contributes valuable insights to the broader discourse on governance effectiveness and public sector performance, offering actionable recommendations for enhancing governance structures and decision-making processes in Rwanda and similar contexts globally. By integrating theoretical frameworks such as agency theory and stakeholder theory, alongside insights from institutional theory, this study provides a holistic understanding of the mechanisms through which board leadership composition influences organizational performance within the specific socio-cultural and political context of Rwanda. Ultimately, the conclusions drawn from this study serve as a foundation for future research endeavors and policy interventions aimed at strengthening governance practices and driving sustainable development in Rwandan public institutions and beyond.

Based on the findings and analysis presented in this study, several recommendations emerge to enhance the performance of public institutions in Rwanda through optimizing board leadership composition and governance practices. Firstly, policymakers should prioritize efforts to promote diversity within board leadership structures, including gender, ethnicity, and professional backgrounds, to ensure a broad spectrum of perspectives and expertise. Initiatives aimed at increasing the representation of women and marginalized groups on boards can be supported through targeted recruitment strategies, mentorship programs, and awareness campaigns to challenge traditional gender norms and biases (Gouvernement du Rwanda, 2018). Moreover, fostering a culture of inclusivity and equitable decision-making processes within boards is essential to harness the full potential of diverse leadership teams in driving organizational performance and innovation (Erkut et al., 2018).

Furthermore, enhancing transparency, accountability, and stakeholder engagement mechanisms is crucial for strengthening governance practices within Rwandan public institutions. Policymakers should implement robust monitoring and evaluation frameworks to track the performance of boards and ensure compliance with regulatory standards and best practices (World Bank, 2020). Additionally, fostering greater collaboration between public institutions, civil society organizations, and the private sector can facilitate knowledge-sharing, capacity-building, and collective action towards common development goals. Investing in leadership development programs and training opportunities for board members can also equip them with the necessary skills and competencies to navigate complex governance challenges and lead effectively in dynamic environments (Kakabadse & Kakabadse, 2019). By implementing these recommendations, Rwanda can bolster its governance structures, enhance organizational performance, and foster sustainable development outcomes across public institutions.

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