Corporate Governance Practices and Banks' Performance in Nigeria

A. A. Sulaimon, S.E. Ifere, G.A. Rahim, & J. Ebulo
Department of Business Administration,
University of Lagos, Akoka

Abstract
In the aftermath of the bank consolidation exercise in Nigeria of 2006, the regulatory authorities intensified their focus on how business is managed and run, which led to developing different forms of framework for corporate governance. This study investigates the relationship between corporate governance practices of First Bank (Formerly First Bank of Nigeria PLC) and its performance in the banking industry. The study adopted the survey research design, using the quantitative research approach. The primary source of data was the use of self-completed questionnaire administered on 120 employees of the bank. The data were analysed using mean, standard deviation and correlation analysis. The results show that First Bank embraced the codes of good corporate governance. The study further established a positive significant relationship between corporate governance practices and the performance of the bank. On this note, the study recommends that, to improve bank performance in Nigeria, banks should conduct their businesses in a transparent and accountable manner, and cultivate a high ethical standard to promote corporate governance.

Keywords: Corporate governance, Bank performance, Bank failure, Code of Conduct, Regulatory Authority.

Introduction

Corporate governance has remarkably attracted huge interest from researchers and practitioners and has dominated the agenda in both developing and developed nations in view of the challenges facing the entire spectrum of global economy. Essentially, corporate governance as a principle or mechanism for conducting the operations of an organisation emphasises effective, transparent and accountable governance of the affairs of a business entity by its management (Akinhunola, Adekunle & Adedipe, 2013). In other words, it strives to enhance decision-making practises which attempt to re-emphasise responsibilities and accountability. The economic depression across the globe has further advanced the need for effective corporate governance aimed at strengthening the success and growth of business entities, while at the same time safe guarding the interests of all stakeholders (which include shareholders, depositors, creditors, regulators and the public).

A critical review of literature reveals that the corporate governance framework in Nigeria has been vibrant in responding to the emerging dynamics and challenges of the business environment (Okoi, Stephen & Sani, 2014). This has further resulted into the adoption of *Code of Best Practices* on corporate governance for publicly quoted companies in Nigeria. In particular, subsequent to the consolidation exercise in the banking industry, in 2006, the federal government, through the Central Bank of Nigeria-(CBN), released the Code of Corporate Governance for Banks in Nigeria to enhance the operations and effectiveness of Nigeria banks. Essentially, corporate governance reform stress emphasis on formal issues such as board independence, board leadership structure, board size and committees composition to improve the power of the board performance, safeguard shareholders' interest and by extension increase shareholder wealth (Westphal, 1998; Weil & Manges, 2002).

Consequently, "corporate governance" has fascinated a good deal of public interest in recent years, because of its obvious significance on the economic health of corporations and society at large. Generally, corporate governance in the banking context entails prudent and courteous management of resources and the preservation of both tangible and intangible assets of the corporate organisation (CBN, 2006). Indeed, corporate governance frameworks and institutions differ from one country to another. Thus, there is no single structure that is suitable for all countries. Corporate governance, according to Craig (2005) is practiced differently across the world, contingent upon the comparative control of owners, managers and providers of capital. From this point of view, corporate governance entails responsibility and accountability, transparent disclosure, investor participation and other ethical issues. On this note, it is obvious that no matter the perspective from which corporate governance is observed, there is continuously a collective consensus that corporate governance is related and centered on improving stakeholders' worth, and that management should strive to jointly reinforce the ideas and approach in the direction of achieving that lofty objectives.

Therefore, proper monitoring of the various establishments that oversee banking institutions as well as ensuring effective corporate governance practices are essential to achieving and upholding public trust and confidence in the banking sector, and are germane to proper running of the banking sector and the economy of a country at large. Poor adherence to corporate governance may contribute to bank collapse, which could invariably result to adverse consequence on the economy (Sbracia & Zaghini, 2003), unemployment and other negative effect on nation's competitiveness (CBN, 2006).

Statement of the Problem

Prior to the banking consolidation exercise in 2006, the banking sector had 82 active operators whose general performance led to declining customer's confidence, occasioned by imminent distress of some banks. The supervisory procedures were insufficient and intentionally abused, resulting to official carelessness among bank officials, and the industry was noted for disreputable financial abuses (Soludo, 2004; Babalola, 2010). The widespread financial recklessness in the industry, which led to the pronouncement of many banks as distressed, and subsequent takeovers and mergers in 2006, created serious ripples in the sector. Thus, there was obvious need to set up mechanism to assess the level of compliance and commitment to corporate governance, with a view to preventing the reoccurrence of such ugly incident and its consequence on the Nigerian economy.

Similarly, reports of financial scandals across the globe and collapse of big corporate organisations have reinforced the necessity for the practice of good corporate governance. Particularly in the banking sector, poor corporate governance was recognised as one of the foremost issues in almost all known occurrences of financial institutions' distress in the country (Kama & Chuku, 2009). This is manifested through rendition of incorrect returns to the regulatory authorities, high appetite to boost income and bottom line through unhealthy practices, and concealment of relevant information from examiners to foil timely discovery of unhealthy situations in the banks among many other vices.

In view of the significant role of banks to nation's growth and development, corporate governance will continue to dominate and play a major role in the operations and effectiveness of the banking sector. Unarguably, several scholars have documented substantial proof establishing positive relationship between financial sector development (FSD), poverty alleviation and economic growth (King & Levine, 1993; Levine & Zervos, 1998; Rajan & Zingales, 1998). Thus, poor adherence to corporate governance may significantly affect banks' performance and by extension nation's growth and development.

A review of extant studies reveals that researchers have not paid commensurate attention to corporate governance in the banking sector in developing economies, particularly in Nigeria (Caprio & Levine, 2002), despite its obvious importance. In addition, those scholars that investigated corporate governance (see for instance, Kajola, 2008; Otusanya & Lauwo, 2010; Adegbite & Nakajima, 2011 to mention a few) focus on financial implications (as a measure of performance). Thus, this study seeks to fill the gap by examining corporate governance practices and banks performance in Nigeria, using perceived performance as against financial indices.

Objectives of the Study

The primary objective of this study is to examine corporate governance practices and banks performance in Nigeria. Specific objectives of the study are to:

i. Evaluate the performance of First Bank in relation to its perceived size in the Nigerian Banking Industry.
ii. Examine the relationship between corporate governance practices and performance of First Bank.

Research Hypotheses

The hypotheses were formulated in null form:

H_{01}: Perceived bank size does not significantly influence business performance of First Bank Plc.

H_{02}: There is no significant relationship between corporate governance practices and performance of First Bank Nigeria Plc.

Theoretical Framework

Smith (1776) raised theoretical issues about the role of the board of directors in the governance firms, observing that since managers control other people's money, it should not be expected that they will be anxiously vigilant in their watch over it. However, over the years, two dominant theories have emerged and these are examined below.

Agency Theory

Agency theory hinges on the position that the management of modern organisations are under distinct individuals who exercise authority and control; and direct the businesses of the corporation to create wealth and value for the stakeholders (Anthony, Sridharan, Farshid, & Braendle, 2012). Thus, the connection between the providers of capital (owners of corporations) and those vested with the responsibilities to manage the operations of the firms is denoted as principal-agent relationship. The owners being the principal, while the management that control the businesses are the agents (Pandey, 2005). Hence, in the course of this business relationship, challenges are often encountered in the form of agency problem. Jensen and Meckling (1976) allude that the principal- agent challenges arise when managers with privilege information pursue their own interest at the expense of the proprietors. Henderson (1986) concur with the view of Meckling (1976) that managers occasionally act contrary to the interests of shareholders.

In essence, agency theory implies that as agents are not the providers of capital, they may engage in personal interest to further their cause, resulting to loss to the providers of capital (Anthony *et al.*, 2012). Similarly, agency theory advance that if the principal and the agents are primarily worried about maximizing their personal prosperity, agent may be propelled contrary to the interest of the principal. Thus, self-seeking motive of agents are commonly at the disadvantage of their principals; hence, to ensure managers work in line with the motives of the shareholders, there is the need for policy framework to watch and regulate the activities of the managers and align it with overall best interest of the organisation (Jensen, 1983 cited in Anthony *et al.*, 2012). Thus, one of such notable approaches designed to address agency problem is the corporate governance instrument (Anthony *et al.*, 2012).

Stakeholder Theory

Stakeholder theory is a mechanism that reflects how managers operate and direct the affairs of business organisation (Pearce & Robinson, 2005). The major focus of stakeholder theory is expressed in two questions (Freeman, 2008). Firstly, what is the purpose of the firm? Secondly, what is the responsibility of management to stakeholders? Hence, stakeholder's theory motivates managers to articulate the shared sense of the value they create, and what brings its core stakeholders together.

According to Freeman (2008), stakeholder theory has been praised for overturning the view which says that the company primary purpose is to maximize economic value for shareholders. The stakeholder theory generally identifies five stakeholders: shareholders, customers, communities, suppliers and employees.

Historical Overview of Corporate Governance

Although corporate governance is often viewed as a contemporary phenomenon, however, Inam (2006) claims that the concept has been in existence as long as the corporation itself. According to Lai and Bello (2012), corporate governance had probably existed from antiquity, which dates back to the earliest times where tribal communities administered the undertakings of the tribe as well as individual members of the tribe to guarantee orthodoxy with tribal standards. The initial row of corporate governance, as seen by both researchers and practitioners is traced to the ground-breaking study conducted by Berle and Means in 1932 (cited in Kessier, 2013). These scholars detected that the contemporary business organisations having attained a very huge size could generate the likelihood of departure of control over a corporate entity from its direct ownership structure. In essence, governance as a construct with Latin origination "gubernare" which implies either the deed or the scheme of leading or to direct and a passage (Cadbury, 1992).

However, La Porta, Lopez and Shleifer (1999) opine that over times, corporate governance schemes have changed, in reaction to corporate failures or systemic crises (such as; the collapse of Maxwell Group, the downfall of the Bank of Credit and Commerce International, failure of Enron, WorldCom, Parmalat among others). In Nigeria, the Company's Act of 1968, which encompasses elaborate provisions regarding the operations of companies, aided as the principal corporate law bill till the end of 1989. Owing to several criticisms from stakeholders, it was repealed in 1990 by the then Companies and Allied Matters Decree No.1, now denoted to as Companies and Allied Matters Act Cap, C20, Laws of the Federation of Nigeria, 2004 (Okenee, Chinwo, & Ikeh, 2010). Nigeria's foremost corporate governance code, according to Demaki (2011) is the Code of Corporate Governance for Banks and other Financial Institutions in Nigeria advocated by the Bankers' Committee in August, 2003.

Corporate Governance: An Overview

Corporate governance is an imprecise notion which has been subjected to a large number of conceptualisations in recent times. In general, corporate governance, can be observed from two perspectives: the narrow outlook which is fretful with the structures within a corporate entity or enterprise obtains its basic alignment/direction and the comprehensive view which is considered as being the core of both a market economy and democratic society (Oyejide & Soyibo, 2001). In contrast to the narrow view, Sullivan (2000), a proponent of the broader standpoints, adopts the instances of the subsequent difficulties of the privatization campaign to demonstrate that subjects of institutional, legal and capacity building and the statute of law are the essence of corporate governance.

Sheifer and Vishny (1997) view corporate governance arrangements as the conducts in which suppliers of finance to corporations, guarantee themselves of receiving a yield on their investment. According to Nzota (2004), corporate governance is a word that is frequently applied to define the method organisations are managed. Pandey (2005) proclaims that corporate governance suggests that the organisation would control and accomplish its businesses with assiduousness, limpidity, accountability so as to maximise shareholders value. Chris (2006) outlines major rudiments of good corporate governance to encompass morality, dependence and truthfulness, transparency, performance philosophy, duty and answerability, shared respect and commitment to the company. From a banking industry standpoint, corporate governance stresses that banks will function in a secure/sound mode by having and complying fully with appropriate internal control mechanism and guidelines that will protect the interest of all the stakeholders. (Inam, 2006).

Boards and Corporate Governance

Obviously, the board of banks has a substantial role to play in guaranteeing good corporate governance in the banks and at the soul of the corporate governance discussion is the opinion that the board of directors is the protector of shareholders' interest (Dalton, Daily, Ellstrand, & Johnson, 1998). However, boards of directors are being condemned for their inability to ensure full compliance with corporate governance frameworks (Monks & Minow, 2001). Thus, there is an increasing calls to reform and strengthen corporate governance to prevent bank failures. Essentially, these reforms advocate for board independence, board leadership structure, board size and committees (Weil & Manges, 2002). Corporate governance is presumed to be imperative towards enhancing the supremacy of the board, safeguard shareholders' interest and hence increase shareholder value (CBN, 2006).

This has shifted researchers' attention from the organisational consequences of board structure and features to board processes and functions. Consequently, Daily, Dalton, & Rajagopalan (2003) advocates that the agency structure should be adopted in line with other complementary theories (such as behavioural and socio-cognitive research) in scrutinising corporate governance-related issues. Although promoters of corporate governance beseech for a formal board and director assessment, this is still a connection too far for most boards of directors. Tricker (1999) posits that competence in management today calls for assessment, performance reviews, and training and development, for effective board evaluation. Thus, board assessments could be streamlined on the foundation that they recognise weaknesses and thereby helping boards and their members to improve their performance.

Determinants of Firm's Performance

Business performance is a complex construct and it is conceptualised from divergent perspective, owing to numerous internal and external factors surrounding the operations of business organization (Narasimhaiah, Toni & Betty, 2010). Performance measurement performs a major role in explaining how the strategy pursued by firms translates to the desired behaviours and results (Kaplan & Norton, 2001). The two major criteria for evaluating business performance are the financial indicators such as profitability, liquidity, sales turnover etc. (Meyer & Allen, 1997), whilst the non-financial indicators are based on firm's perceived performance, in term of sales growth, sales stability, and growth of sales territory among others.

Therefore, bank performance, could be viewed in terms of how the management operates and the way it translate to the actualisation of its desired objectives. From this perspective, performance could be perceived in terms of the absolute profits, rate of return, earnings per share, the quality of asset portfolio, level of liquidity and net contribution to the economic development of the nation, which relate financial performance indicators. The non-financial indicators of performance however, relate to growth of customers base, number of branches, stability of customers deposit, and volume of presence across the country etc.

On this note, Famma and Jenson (1983) alluded that corporate governance does influence firm performance. Correspondingly, Carse (2000) stated that a robust corporate governance policy is mostly vital for banks, because most of funds available to banks belong to creditors and depositors and their failure will affect not only its shareholders, but bring about systematic effect in the banking industry, with serious consequence on the nations' economy. Furthermore, studies conducted by Yun (2005), Nwachukwu (2007), and Delis, Gaganis, and Pasiouras (2009) indicate relationship between corporate governance practices and firms' performance.

Methodology

This segment presents the methodology adopted in carrying out the study.

Research Design

To achieve the research objectives, the researchers employed the cross-sectional survey research design, using the quantitative research approach. The choice of the survey research design is based on the fact that it is appropriate for the study behavioural phenomenon among group of people that are not directly observable (Fagbohungbe, 2002).

Population, Sample Size and Sampling Technique

The population of this study was made up of First Bank staff in Nigeria. However, the sample size consists of one hundred and twenty (120) respondents, randomly selected from 241 staff of FirstBank branches within Ikorodu local Government Area of Lagos State. Lagos state was chosen because it is the commercial hub of Nigeria and Ikorodu is representative of Lagos and other parts of the country. The questionnaires were administered to the respective branches of the bank; this is because corporate governance matter is a corporate policy issue upsetting the entire organization (headquarters or branches) Therefore since the branch is a vital unit of the bank, we consider that whatever is practiced at other branches and the headquarters is replicated at any branch.

Measurement and Instrumentation

In this study, a self-administered questionnaire in a closed-ended format was used to gather information from the respondents. We examine the relationship between corporate governance variables (such as effective internal control system; the composition of board of directors; audit committee independence, auditors' independence and adherence to regulatory framework among others) and bank performance (such as growth of customer base, number of branches, turnover stability *etc*.). Respondents were asked to indicate their extent of agreement with the statement raised in the questionnaire on a 5-point Likert scale, ranging from strongly disagree (1) to strongly agree (5). Out of 120 questionnaire distributed, only 86 were completed and 79 were valid for data analysis, given a response rate of 65.83%.

The survey instrument was validated through content validity, by giving the instrument to two senior academic staff in the Department of Business Administration, University of Lagos, Nigeria. Reliability of the survey instrument was evaluated using Cronbach Alpha. The Cronbach Alpha recorded for all the constructs were under acceptable range of $\alpha \geq 0.7$ (Girden, 2001).

Method of Data Analysis

The data collected were analysed using statistical package for social science (SPSS-Version-21). Descriptive statistics, using frequency, simple percentage, mean and standard deviation were used to present and analyse the data, while the Pearson correlation, regression analysis and analysis of variance (ANOVA) were used to test the two hypotheses, in order to determine the nature of relationship between corporate governance practices and business performance. The use of the regression model in determining the association between variables is seen as appropriate and justified by Asika (1991) and Agbonifoh and Yomera (1999).

Results and Discussion

Demographic Information

Table 1 Demographic Characteristics of Respondents (n = 79)

Variables	Frequency	Percentage (%)
Gender		
Male	47	59
Female	32	41
Age Group		
20 – 29 years	26	33
30 – 39 years	17	**21**
40 – 49 years	33	42
50 years and above	**3**	**4**
Marital status		
Single	43	54
Married	36	46
Educational Qualification		
NCE/OND	26	32
Bsc or equivalent	43	55
Msc/MBA or equivalent	10	13
Cadre of Employee		
Junior Level	51	64

Middle Level	21	27
Management Level	7	9
Monthly Income		
Less than N 500,000	59	75
N 501, 000 – N 1,000,000	17	22
N 1,001, 000 and above	3	4

Source: Field Survey, 2015

Table 1 above shows the demographic distribution of respondents. According to the gender distribution of respondents, 47(59%) of the total respondents are male while the female respondents are 32(41%). Also from the age group distribution of respondents, 26(33%) respondents are within the age of 20 – 29 years, 17(22%) respondents are within the age of 30 – 39 years, 33 (42%) respondents are from 40 – 49, while 2(3%) are within 50 years and above.

According to the marital status distribution of respondents, the table shows that the respondents who are single are 43(54%), and 36(46%) respondents are married. As regards the educational qualification of respondents, the table shows that 26(32%) are NCE/National Diploma holders, 43(55%) are BSc holders, while 10(13%) of the respondents have Masters/MBA degree. The educational background of the surveyed respondents showed that they hold basic education to understand the subject matter of this study.

In respect of the employees' cadre distribution of respondents, the table shows that 51(64%) of the respondents are junior staff, 21(27%) are middle level staff, while the remaining 7(9%) respondents are management staff. Finally, on the monthly income distribution of respondents, the table shows that 59(75%) of the surveyed respondents earn below N500, 000 monthly, 17(22%) earn between N501, 000 – N 1,000,000, while the remaining 3(4%) of the respondents earn between N1, 001,000 and above.

Testing of Hypotheses

Hypothesis One

Table 2: Regression analysis on whether perceived bank size influences significantly business performance

R	R Square	Adjusted R Square	Standard Error of the estimate	Durbin Watson statistic
0.768	0.589	0.563	0.656	1.918

Table 3: ANOVA on the influence of perceived bank size on business performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.954	1	9.954	7.439	.004[b]
	Residual	103.034	77	1.338		
	Total	112.987	78			

a. Dependent Variable: Business Performance

b. Predictors: (Constant), Perceived bank size

In order to test whether perceived bank size does not significantly influences performance of First Bank, an ordinary least square regression analysis was used to determine the linear relationship between the two variables (perceived bank size and business performance). The result in Table 2 reveals the value of R to be 0. 768, which suggests a significant strong positive relationship between perceived bank size and business performance. The R^2 value is a little above average, meaning that bank size contributes 58.9% to First bank business performance. In fact, we can generalize the model, as there is significant positive relationship between the two variables represented by the average value of adjusted R^2. Similarly, it is worth noting that the Durbin Watson statistics is in the vicinity of 2 indicating the absence of autocorrelation which could have affected our model by inflating R^2 and making the model looks better than it was. The ANOVA results shown in the Table 3 revealed that the overall regression model can act as a good predictor of the outcome variable, thus, with F statistic value of 7.439 significant at 5%, the model is fit. With more than average contribution of banks business performance accounted for by its size (market share, customer acceptability, branch network and so on), it could be concluded that the null hypothesis is rejected, thereby leading to acceptance of the alternative hypothesis that perceived bank size does significantly influence business performance of FirstBank.

4.6.1 Hypothesis Two

H_{O2}: There is no significant relationship between corporate governance practices and performance of FirstBank.

Table 4 – Correlation analysis of Corporate Governance to Bank Performance

	Corporate Governance Practices	Business Performance
Pearson Correlation	1	.522**
Sig. (2-tailed)		.000
N	79	79
Pearson Correlation	.522**	1
Sig. (2-tailed)	.000	
N	79	79

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

Source: Field Survey, 2015

Table 4 describes the correlation analysis of corporate governance practices to business performance. There was a strong positive relationship between the two variables r = .522, n=79, p<.0005. The significant level reported in this analysis provides a justification to reject the null hypothesis which states that there is no significant relationship between corporate governance practices and business performance of Firbank. Since the values of corporate governance practices have significant positive impact of business performance, the alternative hypothesis is acceptable Thus, corporate governance practices have a significant relationship with business performance. The findings reported in this study are consistent with the outcome of the study conducted by Yun (2005), Nwachukwu (2007), and Delis, Gaganis, and Pasiouras (2009).

Summary of Findings

The majority of the respondents were male, and the ages of the majority of respondents fall between 40 – 49 years, are married and are bachelor degree holders. In addition, the majority of the respondents fall into the junior cadre of First Bank and earned below ₦500,000:00 (Five Hundred Thousand Naira) monthly. The means and standard deviations of the study variables (corporate governance practices and business performance) are significantly high, portending that First Bank pay serious attention to corporate governance practices and this by extension has enhance its performance. The empirical results of this study indicate that there is a significant relationship between corporate governance practices and business performance of First Bank, implying that corporate governance practices improve the bank's performance.

Discussion and Conclusion

This study investigated the relationship between corporate governance practices and business performance. The empirical evidence from this study shows that FirstBank engage in corporate governance practices. The study also confirms the existence of significant positive relationship between corporate governance practices and business performance. This shows that corporate governance practices improve the bank's performance. It is therefore inferred that organizational performance can simply be improved through corporate governance practices. Therefore, effective governance is vital for long-term corporate survival and success, because it promotes and improves shareholders' wealth. Thus, the subject matter of corporate governance is vital and central to the actualisation of corporate goals and in building and maintaining public trust and confidence in the banking sector.

Recommendations

In view of the findings of the study, the following recommendations are deemed appropriate.

i. There is need to recognise and comprehend the concepts, procedures and complications of corporate governance to be able to appreciate and effectively practice it by the entire stakeholders so as to avail themselves of the attendant opportunities of corporate governance and the challenges of firms negligence of corporate policy issues.

ii. Banks should realise that transparency and adequate disclosure of information are key attributes of good corporate governance and must be cultivated in order to provide stakeholders with the basic information to judge whether their interests are being taken care of. This will assist in building capacity and strategy to address identified challenges before they become uncontrollable.

iii. Banks should develop a good, efficient and reliable internal control system that will not only curb and control fraudulent practices, but align the interest of the various stakeholders, such as individual's corporations and the society at large.

References

Adegbite, E., & Nakajima, A.C. (2011). Corporate governance and responsibility in Nigeria. *International Journal of Disclosure and Governance*, 8(2), 252-271

Agbonifoh, B.A., & Yomere, G.O. (1999). *Research methodology in the social sciences and education*. Benin: Uniben Press

Akingunola, R.O., Adekunle, O.A., & Adedipe, O.A. (2013). Corporate governance and bank's performance in Nigeria. *European Journal of Business and Social Sciences, 2*(8), 89-111

Anthony, B., Sridharan V.G., Farshid, N., & Braendle, U. C. (2012). *The theoretical foundations of corporate governance*. Retrieved May 29, 2015 from http://virtusinterpress.org/additional_files/book_corp_govern/sample_chapter02.pdf

Asika, N. (1991). *Research methodology in the behavioural sciences.* Lagos: Longman Nigeria.

Cadbury, A. (1992). *The financial aspects of corporate governance: A report of the committee on corporate governance*. London: Gee and Co.

Caprio, G., & Levine, R. (2002). *Corporate governance of banks: Concepts and international observations*. Paper presented at the Global Corporate Governance Forum Network Research Meeting in 2002.

Carse, D. (2000). *The importance of corporate governance in banks*. Retrieved May, 24, 2015, from website:http//www.infor.gov.hk/hkma/eng/speeches.

Central Bank of Nigeria. (2006). *Code of corporate governance for bank post consolidation.* Retrieved May 24, 2015, from http://www.cenbank.org/out/publications/bsd/2006/corpgov-posco.

Chris, O (2006). *Corporate governance: A challenge for banks in Nigeria*. Lagos: Business Day Media.

Craig, Y. (2005). Corporate finance in developing countries: Evidence of India. *World Development Report* 26(6): 103-120.

Daily, C., Dalton, D., & Rajagopalan, N. (2003). Governance through ownership: Centuries of practice, decades of research. *Academy of Management Journal, 46*, 115-158.

Dalton, D. R., Daily, C. M., Ellstrand, A. E., & Johnson, J. L. (1998). Meta-analytic reviews. *Economics*, *26*, 301-326.

Delis, M. D., Gaganis, C., & Pasiouras, F. (2009). *Bank liquidity and the Board of Directors*. MPRA Paper, 13891, University Library of Munich, Germany. Retrieved March 7, 2015, from http://mpra.ub.uni-muenchen.de/18872/

Demaki, G. O. (2011). Proliferation of codes of corporate governance in Nigeria and economic development. *Business and Management Review* 1(6): 1-7.

Fagbohungbe, O. B. (2002) *Research methods for Nigerian tertiary institutions* (2nd eds.). Lagos: Adeola.

Fama. E., & Jensen, M. (1983). Separation of ownership and control. *Journal of Law and Independence from Management, Administrative Science Quarterly* 43(3): 511-537.

Freeman, R.E. (2008). *Managing for stakeholders*. Retrieved May 13, 2015, from SSRN.Com

Girden, E.R. (2001). *Evaluating research articles* (2nd eds.) London: Sage.

Henderson, I (1986). *The economic institutions of capitalism: Firms, markets, and relational contracting*. New York: Free Press.

Inam, W. (2006). *Corporate governance- New corporate mantra*. Retrieved April 23 , 2015, from www.templers-law.com.

Jensen, M.C., & Meckling, W.H (1976). Theory of the firm: Managerial behaviour, agency cost and owner ship structure. *Journal of Financial Management 12*, 23-31.

Kajola, S. O. (2008). Corporate governance and firm performance: The case study of Nigerian listed firms. *European Journal of Economics, Finance and Administrative Service* 14: 1450-2215.

Kama, U., & Chuku, C. (2009). *The corporate governance of banks in Nigeria: How effective are the Directors*. Retrieved March 16, 2015 from http://papers.ssrn.com/soI3/papers.cfm?abstract_id=1350735.

Kaplan, R.S., & Norton, D.P. (2001). *The strategy-focused organization: How Balanced Scorecard companies thrive in the new business environment*. Boston, MA: Harvard Business School .

Kessier, E.H. (2013). *Encyclopedia of management theory*. Retrieved March 16, 2015, from http://books.google.co.uk/books?ISBN.

King, R.G. & Levine, R. (1993). Finance and growth: Schumpeter might be right. *Quarterly Journal of Economics, 108*, 717-737.

La Porta, R., Florencio, A., Lopez-de, S., & Andrei, S. (1999). Corporate ownership around the world. *Journal of Finance 54*, 471-518.

Lai, O., & Bello, S. (2012). The concept and practice of corporate governance in Nigeria: The need For public relations and effective corporate communication. *Journal of Communication 3*(1), 1-16.

Levine, R., & Zervos, S. (1998). Stock markets, banks, and economic growth. *The American Economic Review, 88*.

Meyer, J.P., & Allen, N.J. (1997). *Commitment in the workplace: Theory, research and application*. Thousand Oaks, CA: Sage

Monks, R.A., & Minow, N. (2001). *Corporate governance* (2nd eds.). Oxford: Blackwell Publishers Inc.

Narasimhaiah, G., Toni, M.S., & Betty, W. (2010). Organizational impact of system quality, information quality, and service quality. *Journal of Strategic Information Systems 19,*207–228.

Nwachukwu (2007). *Understanding share registration in Nigeria: A contemporary issue and management*. Lagos. America Ltd.

Nzotta, S. M (2004). *Money, banking and finance: Theory and practice.* Owerri: Hudson - Jude Nigeria publishers.

Okene, K., Chinwo, C. & Ikeh, F. (2010). The regulation of corporate governance in Nigeria: Lessons from recent policy and implementation process in Germany. *Nigerian Journal of Business and Corporate Law* 1(1)

Okoi, I.O.; Stephen, O.; & Sani, J. (2014). Effect of corporate governance on the performance of commercial banks in Nigeria. *Multinational Journal of Public Administration and Management 2*(2): 219-234

Otusanya, J. O., & Lauwo, S. (2010). The role of Auditors in the Nigerian banking crisis. *Accountancy Business and the Public Interest* 9: 159-204.

Oyejide, T. A., & Soyibo, A. (2001). *Corporate governance in Nigeria*. Retrieved March 24, 2015 from http://www.nigerianlawguru.com/articles/companylaw/corporategovernance_in_nigeria.pdf

Pandey, I. M (2005). *Financial management.* New Delhi: Vikas Publishing House.

Pearce, M., & Robinson, E.K. (2005). *Strategic management: Formulation, implementation, and control* (9th eds.). New York, NY: McGraw Hill.

Rajan, R., & Zingales, L. (1998). Financial dependence and growth. *American Economic Review 88*: 559-586.

Sbracia, M., & Zaghini, A. (2003). The role of the banking system in the international transmission of shocks. *The World Economy 26*, 727 – 754

Shleifer, A., & Vishney, R. (1997). A survey of corporate governance. *Journal of Finance* 52: 737-783.

Smith, A. (1776). *The wealth of nations.* Edinburgh: The Modern Library.

Sullivan, T. (2000). Dividend policy and signalling. *Indian Journal of Finance and Research* 2 (2): 1-12.

Tricker, R.I. (1999). Fat cats and Englishmen. *Director, 52*(12), 34.

Westphal, J.D. (1998). Board games: How CEOs adapt to increases in structural board of board composition, leadership structure and financial performance. *Strategy Management Journal 19*(3): 269-290.

Weil, G. & Manges, LLP. (2002). Comparative study of corporate governance codes relevant to the European Union and its member states. Brussels: European Union – Internal market directorate. Retrieved 17 August, 2015, from http://www.ac.europa. company/corp.gov.pdf

Yun, H. (2005). The choice of corporate liquidity and corporate governance. *Job Market Paper*, November 3, 2005. Retrieved March 24, 2015, from http://www4gsb. columbia.edu/null?exclusive=filemgr.download&file_id=5910180&rtcontentdispose