

Corporate Governance and Firm Performance: Investigating the Impact of Governance Structures on Economic Outcome

Ejuchegahi Anthony Angwaomaodoko

DOI: [10.22178/pos.112-1](https://doi.org/10.22178/pos.112-1)

JEL Classification: K39

Received 30.10.2024

Accepted 28.12.2024

Published online 31.12.2024

Corresponding Author:

ejuchegahi.angwaomaodoko@gmail.com

© 2024 The Author. This article is licensed under a [Creative Commons Attribution 4.0 License](https://creativecommons.org/licenses/by/4.0/)



Abstract. The paper investigates the impact of corporate governance structures on firm performance by examining how such governance mechanisms drive economic outcomes. Corporate governance is the rules, practices, and processes by which companies are directed and controlled. The study evaluates the various governance structures, including the board of directors, executive management, and shareholders, and the effectiveness of regulatory committee structures and how they have combined to influence financial performance, risk management, and long-term value creation. Through an extensive review of empirical studies and theoretical perspectives, the paper highlights how governance frameworks enhance organisational aspects such as transparency, accountability, and ethical decision-making within firms. The paper explores ways through which these governance structures can positively affect an organisation's economic outcomes through improved performance of firms, effective risk management, improved financial reporting, earning management, and high-level financial reporting quality. The results of this study prove that well-constituted governance frameworks are relevant in ensuring economic success and securing the long-term sustainability of firms. The paper also offers insights to policymakers, investors, and corporate leaders on why robust corporate governance practices need to be adopted if firm performance is to optimise with implications for broad economic stability and growth.

Keywords: Governance; Corporate; Firm; Financial; Performance.

INTRODUCTION

Corporate governance has gained much attention in enterprises worldwide in the past few years and has gradually gained importance worldwide. Even in countries with no formal regulations on implementing corporate governance practices, the principles have started to be adopted [1]. Since it forms the basis of the operational structure of a company, corporate governance attracts wide attention. It is, therefore, in the best interest of business owners to be dedicated to mechanisms and principles of corporate governance – especially when these principles highlight openness and transparency, as this will encourage an optimum and widespread appraisal of all activities involved in a company. In turn, this expecting to benefit owners due to the successful implementation of corporate governance.

When companies incorporate and utilise corporate governance, it is more likely to impact current and prospective investors favourably [1].

The bankruptcies of large U. S. corporations, like WorldCom, Enron, and Adelphia, and the public realisation of these financial shortcomings causing millions in lost investments have increased investors' interests in companies with effective corporate governance [2]. These practices are significant in attaining and sustaining a good reputation since effective corporate governance is a key consideration for investors when selecting companies. Moreover, the availability of information enables daily monitoring and evaluation of decisions by shareholders and owners, apart from assessments made by analysts [3].

The impact of corporate governance structures on economic outcomes has become the focus of many researchers and practitioners. Indeed, with firms operating in increasingly complex and dynamic environments, the need for robust governance mechanisms has never been more critical. Board composition, ownership concentration, executive compensation, and shareholder

rights are only some of the governance structures that play an essential role in shaping a firm's strategic decisions. These structures influence managerial behaviour, risk-taking, and the overall performance of firms by affecting their economic outcomes [2].

The relationship between corporate governance and firm performance can be complex since regulatory environments, market forces, and cultural contexts influence it. Corporate governance can downplay the problem with agencies by harmonising management interests with shareholders, minimising conflicts of interest, and improving decision-making processes; this is critical for building investor confidence and attracting capital toward sustaining growth. Conversely, a weak governance structure causes inefficiency, risks, and poor economic performance [4].

This paper evaluates the impact of corporate governance structures on economic outcomes. The study also reviews the overall understanding of corporate governance's role in improving firms' performance by analysing empirical evidence and theoretical insights. The relevance of this exploration will be incredibly high against the backdrop of today's global business environment, wherein firms face increased pressure from regulators, investors, and other stakeholders to adhere to reasonable governance standards.

RESULTS AND DISCUSSION

Overview of Corporate Governance. Corporate governance refers to the system by which companies are directed and controlled. The boards of directors undertake this governance, while the shareholders contribute to it by electing members of the board of directors and auditors, who ensure that proper governance is established and followed [5]. Large institutional investors have sufficient resources and leverage to monitor and guide management effectively. It is, therefore, essential to understand that directors' and executives' own shares would encourage and incentivise actions designed to increase the company's value and potentially result in efforts to enhance performance when selling shares or exercising options for personal benefit [6].

The directors are appointed and charged with managing the company's business. Thus, they are agents for the company and the shareholders. In other words, directors must protect sharehold-

ers' interests since shareholders represent the company's owners. The strength of the board can be measured by its percentage of independent (external) directors, whether or not to separate the chief executive officer (CEO) and chair of the board, and board size [6]. Moreover, the CEO's age and tenure affect becoming an effective manager, wherein longer tenures and more significant experience provide more knowledge about the firm and the operations industry, improving corporate performance.

At its core, corporate governance represents a system or structure that ensures and enhances the interests of all stakeholders [7]. The governance structure prescribes a form in which the rights and responsibilities are distributed among various participants in the corporation, such as the board of directors, managers, shareholders, and regulatory committee, and it indicates the rules and procedures for making decisions on corporate affairs. The structure, therefore, ensures the alignment of interests between people, corporate, and society [8].

Furthermore, effective corporate governance also epitomises the mechanisms of checking on actions, policies, practices, and decisions of corporations, their agents, and affected stakeholders. It contributes to safeguarding the shareholders' rights and ensuring that all the shareholders are treated equitably. It involves the acknowledgement of the roles of stakeholders in corporate governance and timely and accurate disclosure of all matters relating to the corporation [8]. It ensures strategic guidance for the company and that the board effectively monitors management and accountability to the company and shareholders. Sound corporate governance practices are essential for enhancing investors' confidence, reducing the possibility of corporate scandals or fraud, and contributing to the firm's long-term sustainability and profitability [9].

Corporate Governance and Firm Performance. Effective corporate governance enhances a firm's performance by aligning its management with the shareholders' goals, thereby reducing agency conflicts and safeguarding ethics in decision-making [10]. One significant way corporate governance impacts firm performance is by establishing a strong board structure. A well-structured board, including independent directors or individuals with financial expertise, would enable it to effectively manage resources and intertwine its strategic decisions to pursue

long-term shareholder value maximisation. Authors [11] indicate that companies with a robust board of governance tend to outperform financially. Such boards would challenge management and its decisions, mitigate risks, and ensure the company complies more with sound financial practices.

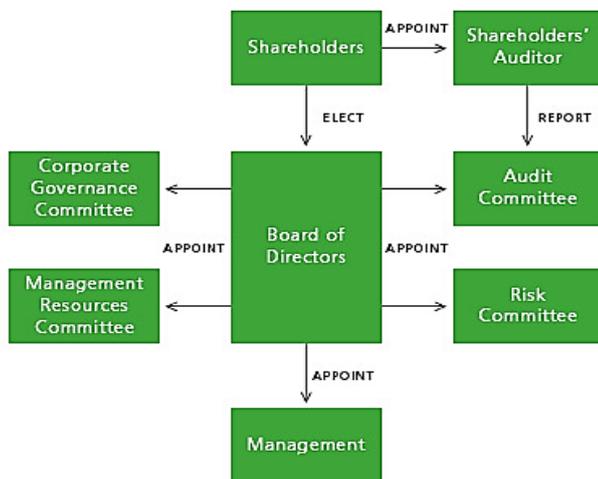


Figure 1 – Overview of Corporate Governance [8]

The relationship of corporate governance with firm performance is not restricted to financial results but also goes in the direction of non-financial dimensions like Customer social responsibility (CSR) and sustainability [12]. Firms with strong corporate governance frameworks will be more likely to engage in CSR activities to increase their reputation, attract customers and investors, and provide long-term success. Such companies are also better positioned to manage the risks associated with environmental, social and governance (ESG) factors, which many investors recognise as key value drivers of firms [10].

Authors [13] examined the effect of CEO duality on firm performance – chief executive officer doubling as chairperson of the board – in the context of family-controlled firms in China. They found that CEO duality significantly improves performance in the case of non-family firms but appears to have little relevance for family-controlled firms. Similarly, authors [14, 15] looked into the role of women in top management. They concluded that a higher proportion of women on the board is positively related to firm performance. Also, authors [14] indicate women are very effective in complex business environments because of their diverse life experiences; their presence on boards signals positive prospects that result in significant returns.

Theoretical Model. Corporate governance refers to a system that focuses on directing and controlling corporations, helping to align management with the interests of shareholders and stakeholders. This paper evaluates different theories of corporate governance, such as agency, shareholder, stewardship and resource dependency theory [16]. Agency theory introduces oversight mechanisms, including independent boards and performance/ pay, to address the conflicts between stockholders and managers.

Also, stakeholder theory deals with the influence of corporate governance on all the stakeholders and balances the decision-making process considering long-term sustainability. Stewardship theory represents managers most positively as trustworthy stewards of an organisation, and resource dependency theory emphasises the board's role in acquiring vital resources. The two theories thus provide an essential foundation for understanding corporate governance practices.

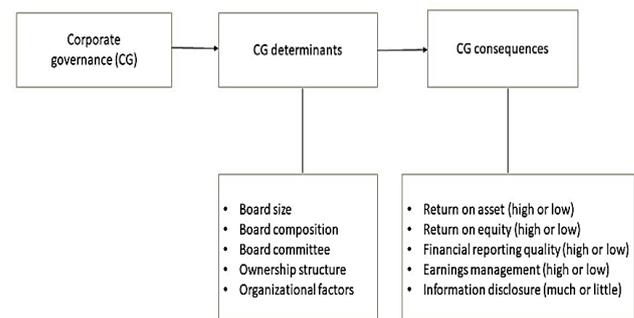


Figure 2 – Theoretical Model of Corporate Governance and Consequences [16]

1) Agency Theory. Agency theory was first introduced by Adam Smith in 1776. He pointed out that managers dealing with other people's money do not have the same prudence as the owner [17]. In 1932, Berle and Means examined the separation of ownership and control in companies, showing directors' and managers' interests in conflict with investors. Jensen and Meckling further defined the agency relationship and how principals and owners could align their interests with agent managers through incentives [17]. Principals manage such agency problems by segregating these decision-making processes into management and control functions.

This theory also helps illuminate the conflicts between investors and managers and the risks minority shareholders face. Agency theory has dramatically influenced corporate governance,

with attention focused on the concepts of risk, incentives, and information systems, as it has also continued to be one of the essential frameworks explaining corporate behaviour [18].

2) Stakeholder Theory. Edward Freeman is regarded as the father of stakeholder theory, which emerged in 1984. According to the theory, while pursuing ethical principles for any organisation, the interests of all stakeholders, such as employees, customers, suppliers, and creditors, shall be considered [19]. Freeman believes that a business has to balance these interests, which criticising by the author [20], who believes that stakeholder theory undermines the very foundations of the market economy by introducing the concept of a social contract to organisations. This theory indicates that stakeholders mean shareholders, creditors, managers, employees, customers, suppliers of a firm, local communities, and the public – any group or individual that can affect or be affected by the company's objectives [21].

The stakeholder approach contends that all those contributing to the firm must share the value created [22]. From this dimension of corporate governance, every player or participant has to be well compensated, depending on the opportunity costs involved. It considers everyone's interests in the company's actions or decisions [22]. In such a view, a company is thought to represent a nexus of contracts between the various stakeholders constituting a cooperative system.

3) Stewardship Theory. Stewardship theory considers the manager to be the organisation's good steward or a loyal and effective servant who works hard for his/her organisation and shows commitment toward executing the job effectively [23]. Although it states that managers usually have some goals, it argues that their goals align well with organisational objectives. These means of obtaining these organisational objectives are also in the manager's best interest. One of the limiting features of this theory is that it focuses primarily on the relationship between the company's owners, the partners, and the manager or steward. Very little consideration is given to other stakeholders affected by the company's activities [24].

According to this approach, managers' interests align with those of shareholders, so there is no need for mechanisms like financial incentives to resolve the conflicts between them [25]. While directors must also consider the interests of cus-

tomers, employees, suppliers and other stakeholders, their primary legal obligation is to the shareholders. Any conflicts of interest between stakeholders and the company are assumed to be discharged through market competition, supported by legislation and legal controls to protect all parties [25].

Table 1 – Summary of Corporate Governance Theories [25]

Theory	Theme examined
1. Agency theory	Describing the principal-agent relationship and how it impacts the success of Nigerian companies.
	Analysing the impact that management conduct has on a company's financial reporting procedure
	Evaluating how corporate governance and profitability quality are related
	Using agency theory, evaluated whether corporate governance can balance business and society objectives.
2. Grounded theory	Describe the characteristics of corporate governance practices in banks, the influences on these practices, and their results.
3. Stakeholder theory	Demonstrates how insufficient research has been done in Nigeria on the link between corporate governance and business performance using the stakeholder theory.
	Addressing the discrepancy between social and corporate objectives when businesses must balance the interests of society, companies, and people
4. Institutional theory	Evaluating how external factors affect corporate governance and the board's capacity to lead and oversee the company.
5. Conflict-signaling theory	Describe how the diversity of corporate governance codes might impact Nigerian enterprises' corporate governance code compliance.
6. Resource dependency theory	Evaluating the relationship between the board, external resources of the company, and performance
7. Stewardship theory	Describing how corporate governance practices affect financial performance

Key Components of Governance Structures. Corporate governance structures encompass a variety of key components essential for ensuring effective management and accountability within an organisation. These components include: Board of Directors, Executive Management, Shareholders, Regulatory compliance, Ethics and Social Responsibility and performance evaluation.

1) Board of Directors. The board of directors ensures that the organisation works in the best interest of shareholders and stakeholders. The board sets the company's strategic direction, makes key decisions, and advises executive management. It also monitors company performance and ensures that risks are managed appropriately [26]. The composition of the board, especially the independence ratio between the independent and executive directors, is significant, which ensures good governance and safeguards it from conflicts of interest.

Besides the monitoring role, the Board of Directors takes the prime lead in setting the company's culture and ethical standards. The board sets the tone at the top, influencing the organisation's values to ensure that practices are in tandem with what legally and ethically expecting; this would include implementing and monitoring compliance programs to prevent misconduct and assure accountability for wrongdoing. The board's commitment towards ethical behaviour and transparency gives rise to trust among investors, employees, and the general public – ingredients that bind a business together in its journey toward long-term sustainability and success [27].

2) Executive Management. Executive management forms part of the governance structure in that it implements the strategic direction the Board of Directors handed down and ensures that the company's activities reflect those strategies. This team, usually consisting of the Chief executive officer (CEO), Chief financial officer (CFO), Chief operating officer (COO), and other senior executives, is responsible for managing the company on a day-to-day basis. Their duties include making operational decisions, using resources efficiently, and driving the financial and operational performance of the company [28]. The executive management provides leadership and direction to employees; they are responsible for translating the vision set by the board into action plans with measurable results.

Within governance, executive management bridges the Board of Directors and the company's

employees. They entrusting to take on board strategic goals and ensure that the set goals are understood and wholly implemented in practice within the organisation; this includes setting performance targets and departmental functions while promoting a corporate culture that is in keeping with the values and objectives of the organisation. In addition, executive management communicates regular updates relating to company performance and financial health to the board, together with risks and opportunities that may help or even hurt the organisation ahead of time [29].

3) Shareholders. Shareholders are the essence of governance structures, provided they possess ownership of the company and all the power and control over corporate management and strategic orientation. Typically, they exercise their power by their vote in proportion to the size of their ownership of shares. Shareholders cast their votes during the annual general and special meetings [30]. For instance, during these meetings, shareholders will vote for the election of other critical organs like the Board of Directors, the approval of significant corporate actions such as mergers or acquisitions, or the alteration of corporate bylaws. This mechanism of shareholder voting ensures the company leadership and pivotal decisions made by the company by the collective will of owners, hence aligning the interests of actions taken by a company with shareholder interests.

Apart from exercising their voting rights, shareholders also play an essential role in holding companies accountable for performance and good governance practices. Shareholders – often institutional, with significant stakes – engage constructively with management and the board to ensure that companies are well-run and managed on ethical principles [31].

4) Regulatory Compliance. Regulatory compliance with corporate governance entails compliance with relevant laws, regulations, guidelines, and specifications associated with the company's operations. This department of governance ensures that the company is legally compliant regarding all the various legal stipulations, from financial accounts and corporate disclosures to the treatment of its employees and environmental regulations [32]. Organisations should periodically review and revise their policies to comply with changes in the legal environment and new rules.

The company must achieve compliance to continue its operations without facing legal charges. Boards of directors thus play an active role in the review of compliance efforts, proper assurance of management in implementing effective compliance programs, and adequate internal control to detect and prevent violations. Successful compliance is key to corporate integrity and reputation [33]. The penalties for non-compliance can be quite severe and relate to heavy fines, sanctions, and reputational damage that diminishes shareholder value and hurts market position. Companies can cooperate with dedicated compliance departments that monitor changes in the regulatory environment, conduct audits, and train employees on compliance matters.

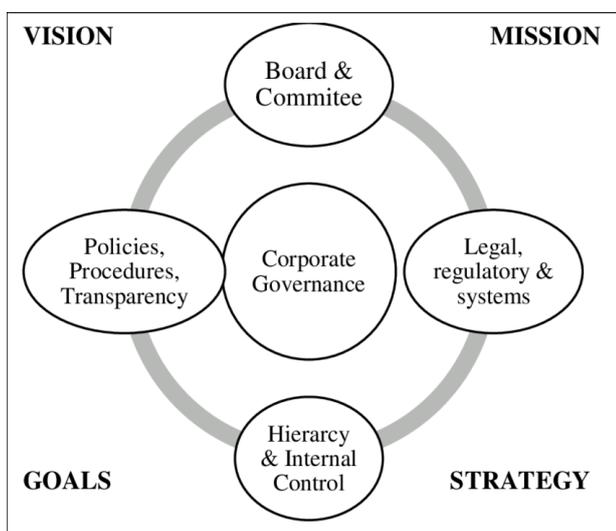


Figure 3 – Key Components of Governance Structure [29]

Impact of Governance Structures on Economic Outcome. Investigating the impact of governance structures on economic outcomes involves analysing how different rules, practices, and processes by which companies are directed and controlled influence a country's or a company's economic performance. The study focuses on economic outcomes such as a firm's financial performance, risk management, financial reporting quality, accountability and transparency.

1) Effect on Firm Performance. Governance structures affect a firm's performance very profoundly at many levels, which are seen in various operations of a firm, its financial state, and the success of the firm overall. Key among these is improved accountability and transparency. A strong governance structure ensures that the managerial actions and those of the board are

poised towards the interest of the stakeholders [34]. Such alignment minimises conflicts of interest and encourages decisions that benefit the shareholder without hurting other business stakeholders – employees, customers, and society. Transparent governance practices ensure regular financial disclosure and independent audits – build credibility with investors, customers, and other stakeholders. This kind of trust is necessary to attract investment and bind customers with loyalty, which ensures sustainable growth of the organisation [35].

Authors [36] analyse how corporate governance affects Nigeria's microfinance institutions' performance and conclude that no significant relationship links corporate governance with the financial performance of such banks. On the contrary, the relationship between mechanisms of corporate governance and the divergence of dividend payout policies is explored by authors [34] among firms quoted in the Nigerian Stock Exchange. Their findings establish that board size, ownership structure, CEO-chair duality, and board independence all positively and significantly affect dividend payout decisions.

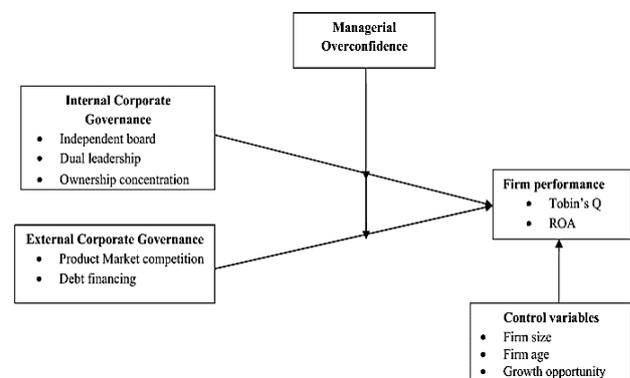


Figure 4 – Corporate Governance Measures on Firm Performance [36]

2) Effect on Earning Management. The structure of corporate governance within a company largely influences earnings management. Earnings management involves the deliberate manipulation of financial reports by management to create a specific impression of the company's economic status; this is facilitated or hampered by the effectiveness of board composition, ownership structure, auditing practices, and others as corporate governance mechanisms. Generally speaking, a strong governance structure tends to discourage earnings management [37]. It is characterised by a high independent directorship on

the board and robust audit committees, accompanied by active institutional investors. Independent directors not directly working with the company will be able to give more objective oversight most of the time, hence challenging the managerial decisions most likely to lead to financial misreporting [38]. An active and diligent audit committee verifies that the financial statements are correct, confirming their compliance with accounting standards, which diminishes the possibility of earnings manipulation.

Authors [39] studied the impact of corporate governance mechanisms on earnings management in Nigeria and examined the period spanning 2007 to 2011. The authors used discretionary accruals as a measure in their research. The results suggest that board size and board independence have a significant role to play in the issue of earnings management. The study concludes that boards with many members with wide spans of knowledge and expertise, especially independent directors, are more effective at limiting earnings management than their smaller counterparts.

3) Effect of Financial Reporting Quality. The impact of governance structures on the quality of financial reporting is profound regarding accuracy, transparency, and reliability. High-quality financial reporting needs effective frameworks of governance that have internal controls with adequate strength, overview arrangements, and clearly stated lines of accountability [40]. Such arrangements form an essential foundation for laying a solid base for the accurate and consistent recording of financial data, forming the basis for stakeholders making critical decisions.

Among the significant ways governance structures enhance financial reporting quality is by establishing extensive internal controls and procedures. In summary, good governance frameworks ensure that economic data are perfectly recorded and presented to minimise errors and occurrences of fraud [40]. The controls include checks and balances, segregation of duties, and regular audits, which ensure that financial reports are more reliable.

A study by the author [41] reveals that the quality of financial reports is higher when more women are on corporate boards. Authors [40] use information gathered from twelve oil businesses between 2000 and 2011 to investigate how independent audit committees and board characteristics contribute to better financial reporting.

It revealed that variables like power separation, independent directors, and managerial shareholding significantly improve financial reporting quality.

4) Efficient Risk Management. Effective governance structures back up good risk management practices in any organisation; this means a company will have a framework that varies from identifying the prospective risks to formulating strategies to mitigate them. With proper policies and procedures in place, it becomes easier for companies to systemically assess various types of financial, operational, or strategic risks and then put them in control [42]. Such a proactive approach will allow companies to manage uncertainties better, reducing the possibility of unexpected disruptions. Sound internal audits and compliance checks are essential in getting proper financial reporting and ensuring that the company complies with appropriate, relevant regulatory legislation; this helps avoid legal and economic consequences [42].

Proper risk management creates protection not only for individual companies but also for the broader economic perspective. If companies could manage their risks appropriately, they would be less prone to severe financial crises with potential economic shocks [42]. Stability is crucial in maintaining investor confidence and creating an enabling environment for economic growth.

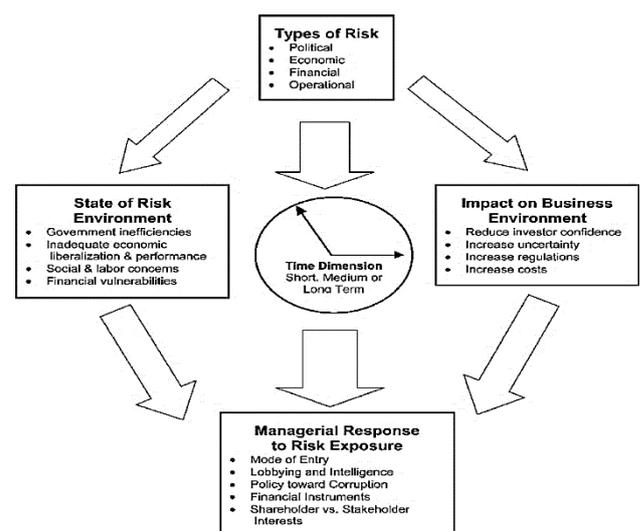


Figure 5 – Risk Management Framework [43]

5) Enhanced Accountability and Transparency. There is increased accountability and transparency within governance structures, whereby all the management acts and decisions of the board

come under scrutiny. Increased transparency in ensuring that the actions taken by these bodies align with stakeholder interests relating to shareholders, employees, customers, and the broader community [21]. If the governance structures are robust, clear lines of accountability and reporting mechanisms will exist; this minimises unethical behaviour or mismanagement in business because checks and balances will indicate abnormalities and empirically solve them [44]. For instance, timely and precise financial disclosure and independent auditing offer a clear view to the stakeholders of the company's financial health and strategic directions. Such practices deter potential misconduct and foster an atmosphere that reflects integrity and ethical behaviour within a company.

Transparency is one of the essential norms of good governance and an enabler of trust. Companies that are open about their activities, strategies, and performance establish a trusted platform to find relationships with investors, customers, and society. This trust is elemental in attracting and maintaining investments, for an investor wants to place his resources in a clean and reliable business [21]. Businesses seen as transparent and accountable are more likely to gain customer support through loyalty and repeat business. Moreover, improved governance can add reputational value, making a firm better at navigating complex regulatory environments and developing strategic partnerships [11]. In the long run, high accountability and transparency breed trust and confidence that help stabilise and grow the economy, where businesses are better placed to withstand shocks and effectively seize opportunities in the marketplace.

CONCLUSIONS

In conclusion, this study on corporate governance and its links to the effects of economic outcomes has shown that suitable governance structures have a far-reaching impact on the performance of firms and economies. Good governance frameworks are needed for accountability, trans-

parency, and an all-around risk management system essential for business sustainability. These frameworks allow firms to anticipate and mitigate these risks, improve their resilience to financial shocks and market volatility, and contribute to overall economic stability by ensuring that most of this exposure is covered under the forward-looking risk schema; this means improved economic outcomes due to adopting governance structures, including improved financial performance, enhanced accountability and transparency, and efficient risk management. With clearly stated policies, regular audits, and transparent reporting mechanisms ensuring the conformance of the actions of management and the board to the stakeholders' interests, firms reduce the possibility of corruption and mismanagement. This alignment creates an atmosphere of trust and integrity, which is very important in attracting and retaining investors and maintaining customer confidence. Long-term investment and customer loyalty, engines for economic growth, must be based on trust established through openness and accountability.

Furthermore, superior corporate governance delivers general economic benefits. Enhanced governance mechanisms promote ethical business conduct and reduce the propensity for crises in finance that contribute to a duly stable and less uncertain economic environment. This stability boosts new investment innovations and creates employment opportunities essential to economic development. In addition, well-governed companies can adapt to market-responsive changes in environmental and regulated conditions, thus ensuring long-term life and competitiveness. In that case, strong corporate governance drives economic resilience and prosperity.

In light of these insights, businesses and policymakers should be focused on setting and building strong governance practices. Companies and policymakers should build governance frameworks that will facilitate accountability, transparency, and management of risks – not to mention regulation that fosters and supports such practices.

REFERENCES

1. Abdulazeez, D. A., Ndibe, L., & Mercy, A. M. (2016). Corporate governance and financial performance of listed deposit money banks in Nigeria. *Journal of Accounting & Marketing*, 05(01). doi: [10.4172/2168-9601.1000153](https://doi.org/10.4172/2168-9601.1000153)
2. Adegbite, E. (2014). Good corporate governance in Nigeria: Antecedents, propositions and peculiarities. *International Business Review*, 24(2), 319–330. doi: [10.1016/j.ibusrev.2014.08.004](https://doi.org/10.1016/j.ibusrev.2014.08.004)

3. Alabdullah, T. T. Y. (2016). Corporate governance from the perspective of the past and the present and the need to fill an international GAP. *Risk Governance and Control Financial Markets & Institutions*, 6(4), 96–101. doi: [10.22495/rcgv6i4art12](https://doi.org/10.22495/rcgv6i4art12)
4. Foyeke, O., Odianonsen, I., & Aanu, O. (2015). Firm size and financial performance: a determinant of corporate governance disclosure practices of Nigerian companies. *Journal of Accounting and Auditing Research & Practice*, 1–9. doi: [10.5171/2015.467294](https://doi.org/10.5171/2015.467294)
5. Indonesian Institute for Corporate Governance. (2015). *Laporan Hasil Riset Dan Pemeringkatan Indeks Persepsi Tata Kelola Perusahaan 2014* [Research And Ranking Report Corporate Governance perception Index 2014]. Retrieved from <https://www.scribd.com/document/363650632/Laporan-CGPI-2014> (in Indonesian).
6. Demaki, G. O. (2018). Corporate governance and banks profitability in Nigeria. *Archives of Business Research*, 6(4). doi: [10.14738/abr.64.3900](https://doi.org/10.14738/abr.64.3900)
7. Nakpodia, F., & Adegbite, E. (2017). Corporate governance and elites. *Accounting Forum*, 42(1), 17–31. doi: [10.1016/j.accfor.2017.11.002](https://doi.org/10.1016/j.accfor.2017.11.002)
8. Odeleye, A. T. (2018). Quality of corporate governance on dividend payouts: the case of Nigeria. *African Development Review*, 30(1), 19–32. doi: [10.1111/1467-8268.12309](https://doi.org/10.1111/1467-8268.12309)
9. Al-Ahdal, W. M., Alsamhi, M. H., Tabash, M. I., & Farhan, N. H. (2019). The impact of corporate governance on the financial performance of Indian and GCC listed firms: An empirical investigation. *Research in International Business and Finance*, 51, 101083. doi: [10.1016/j.ribaf.2019.101083](https://doi.org/10.1016/j.ribaf.2019.101083)
10. Masulis, R. W., Wang, C., & Xie, F. (2012). Globalising the boardroom – The effects of foreign directors on corporate governance and firm performance. *Journal of Accounting and Economics*, 53(3), 527–554. doi: [10.1016/j.jacceco.2011.12.003](https://doi.org/10.1016/j.jacceco.2011.12.003)
11. Jinadu, O., Uwuigbe, U., Uwuigbe, O. R., Asiriwuwa, O., Eriabie, S., Opeyemi, A., & Osiregbemhe, I. S. (2018). [Ownership structure and corporate performance of multinational banks: Evidence from Nigeria](#). *Academy of Strategic Management Journal*, 17(5)
12. Sheikh, N. A., Wang, Z., & Khan, S. (2013). The impact of internal attributes of corporate governance on firm performance. *International Journal of Commerce and Management*, 23(1), 38–55. doi: [10.1108/10569211311301420](https://doi.org/10.1108/10569211311301420)
13. Yan Lam, T., & Kam Lee, S. (2008). CEO duality and firm performance: evidence from Hong Kong. *Corporate Governance: The International Journal of Business in Society*, 8(3), 299–316. doi: [10.1108/14720700810879187](https://doi.org/10.1108/14720700810879187)
14. Francoeur, C., Labelle, R., & Sinclair-Desgagné, B. (2007). Gender diversity in corporate governance and top management. *Journal of Business Ethics*, 81(1), 83–95. doi: [10.1007/s10551-007-9482-5](https://doi.org/10.1007/s10551-007-9482-5)
15. Shittu, I., Ahmad, A.C., & Ishak, Z. (2018). Audit committee independence, abnormal directors compensation, corporate governance disclosure and price to earnings multiple of Nigerian firms. *Journal for Global Business Advancement*, 11(2), 156-172.
16. Shaukat, A., Qiu, Y., & Trojanowski, G. (2015). Board Attributes, Corporate Social Responsibility Strategy, and Corporate Environmental and Social Performance. *Journal of Business Ethics*, 135(3), 569–585. doi: [10.1007/s10551-014-2460-9](https://doi.org/10.1007/s10551-014-2460-9)
17. Martins, V. A., Jeremias, J., Junior, & Enciso, L. F. (2019). Agency Theory and Corporate Governance in the Brazilian Public Service: A Theoretical Analysis. *Journal of Law and Corruption Review*, 1(ssue), e057. doi: [10.37497/corruptionreview.1.2019.57](https://doi.org/10.37497/corruptionreview.1.2019.57)
18. Bonazzi, L., & Islam, S. M. (2007). Agency theory and corporate governance. *Journal of Modelling in Management*, 2(1), 7–23. doi: [10.1108/17465660710733022](https://doi.org/10.1108/17465660710733022)

19. Bello, U., & Abu, M. M. (2021). Shareholder and Stakeholder Theories. Understanding Corporate Governance Practice. *Nile Journal of Business and Economics*, 7(17), 93–99. doi: [10.20321/nilejbe.v7i17.0](https://doi.org/10.20321/nilejbe.v7i17.0)
20. Mansell, S. F. (2013). Capitalism, corporations and the social contract. *Cambridge University Press*. doi: [10.1017/cbo9781139058926](https://doi.org/10.1017/cbo9781139058926)
21. Kajola, S. O., Olabisi, J., & Fapetu, O. (2019). Corporate Governance Mechanism and Capital Structure Decision in Nigeria. *Izvestiya Journal of Varna University of Economics*, 63(1), 50-68.
22. Latif, K., Bhatti, A. A., & Raheman, A. (2017). Earnings Quality: A Missing Link between Corporate Governance and Firm Value. *Business & Economic Review*, 9(2), 255–279. doi: [10.22547/ber/9.2.11](https://doi.org/10.22547/ber/9.2.11)
23. Subramanian, S. (2018). Stewardship Theory of corporate governance and Value System: the case of a family-owned business group in India. *Indian Journal of Corporate Governance*, 11(1), 88–102. doi: [10.1177/0974686218776026](https://doi.org/10.1177/0974686218776026)
24. Jasir, M., Khan, N. U., & Barghathi, Y. (2022). Stewardship theory of corporate governance and succession planning in family businesses of UAE: views of the owners. *Qualitative Research in Financial Markets*, 15(2), 278–295. doi: [10.1108/qrfm-08-2021-0135](https://doi.org/10.1108/qrfm-08-2021-0135)
25. Trinh, V. Q. (2021b). Theories in corporate governance. In *Contributions to Management Science*, 1–17. doi: [10.1007/978-3-030-89228-9_1](https://doi.org/10.1007/978-3-030-89228-9_1)
26. Naciti, V. (2019). Corporate governance and board of directors: The effect of a board composition on firm sustainability performance. *Journal of Cleaner Production*, 237, 117727. doi: [10.1016/j.jclepro.2019.117727](https://doi.org/10.1016/j.jclepro.2019.117727)
27. Haque, F. (2017). The effects of board characteristics and sustainable compensation policy on carbon performance of UK firms. *The British Accounting Review*, 49(3), 347–364. doi: [10.1016/j.bar.2017.01.001](https://doi.org/10.1016/j.bar.2017.01.001)
28. McCahery, J. A., & Vermeulen, E. P. (2014). Six components of corporate governance that cannot be ignored. *European Company and Financial Law Review*, 11(2). doi: [10.1515/ecfr-2014-0160](https://doi.org/10.1515/ecfr-2014-0160)
29. Symes, C., & Nosworthy, B. (2020). The Components of Corporate Governance for Financially Distressed Firms. *35 Australian Journal of Corporate Law* 98.
30. Doni, F., Corvino, A., & Martini, S. B. (2021). Corporate governance model, stakeholder engagement and social issues evidence from European oil and gas industry. *Social Responsibility Journal*, 18(3), 636–662. doi: [10.1108/srj-08-2020-0336](https://doi.org/10.1108/srj-08-2020-0336)
31. Andreou, P. C., Antoniou, C., Horton, J., & Louca, C. (2016). Corporate governance and firm-specific stock price crashes. *European Financial Management*, 22(5), 916–956. doi: [10.1111/eufm.12084](https://doi.org/10.1111/eufm.12084)
32. Bajra, U., & Čadež, S. (2019). Alternative regulatory policies, compliance and corporate governance quality. *Baltic Journal of Management*, 15(1), 42–60. doi: [10.1108/bjm-11-2018-0373](https://doi.org/10.1108/bjm-11-2018-0373)
33. Darmansyah, Said, L. R., & Swandari, F. (2024). The Effect of Corporate Governance, Regulatory Compliance, and Company Size on Enterprise Risk Management of Kalimantan Regional Development Banks. *Asia Pacific Journal of Management and Education*, 7(1), 109–124.
34. Uwalomwa, U., Olamide, O., & Francis, I. (2015). The effects of corporate governance mechanisms on firms dividend payout policy in Nigeria. *Journal of Accounting and Auditing Research & Practice*, 1–12. doi: [10.5171/2015.313679](https://doi.org/10.5171/2015.313679)
35. Ojeka, S., Fakile, A. S., Ikpefan, O. A., & Achugamonu, B. U. (2016). Institutional Shareholder Engagement, Corporate Governance and Firms' Financial Performance in Nigeria: Does Any Relationship Exist? *Journal of Internet Banking and Commerce*, 21(2), 1-10.

36. Paul, G. D., Ebelechukwu, E. C., & Yakubu, S. (2015). [Impact of corporate governance on the financial performance of microfinance banks in north-central Nigeria](#). *International Journal of Humanities Social Sciences and Education*, 2(1), 153-170.
37. Xie, B., Davidson, W. N., & DaDalt, P. J. (2003). Earnings management and corporate governance: the role of the board and the audit committee. *Journal of Corporate Finance*, 9(3), 295–316. doi: [10.1016/s0929-1199\(02\)00006-8](https://doi.org/10.1016/s0929-1199(02)00006-8)
38. Usman, O., & Yakubu, U. A. (2018). An investigation of the post-privatisation firms' financial performance in Nigeria: the role of corporate governance practices. *Corporate Governance*, 19(3), 404–418. doi: [10.1108/cg-05-2018-0190](https://doi.org/10.1108/cg-05-2018-0190)
39. Uwuigbe, U., Peter, D. S., & Oyeniya, A. (2014). [The effects of corporate governance mechanisms on earnings management of listed firms in Nigeria](#). *Accounting and Management Information Systems*, 13(1), 159-174.
40. Kantudu, A. S., & Samaila, I. A. (2015). [Board characteristics, independent audit committee, and financial reporting quality of oil marketing firms: Evidence from Nigeria](#). *Journal of Finance, Accounting and Management*, 6(2), 34-50.
41. Damagum, Y. M., Oba, V. C., Chima, E. I., & Ibikunle, J. (2014). [Women in corporate boards and financial reporting credibility: Evidence from Nigeria](#). *International Journal of Accounting and Financial Management Research*, 4(1), 1-8.
42. Guo, F., Chang-Richards, Y., Wilkinson, S., & Li, T. C. (2013). Effects of project governance structures on the management of risks in major infrastructure projects: A comparative analysis. *International Journal of Project Management*, 32(5), 815–826. doi: [10.1016/j.ijproman.2013.10.001](https://doi.org/10.1016/j.ijproman.2013.10.001)
43. Aebi, V., Sabato, G., & Schmid, M. (2011). Risk management, corporate governance, and bank performance in the financial crisis. *Journal of Banking & Finance*, 36(12), 3213–3226. doi: [10.1016/j.jbankfin.2011.10.020](https://doi.org/10.1016/j.jbankfin.2011.10.020)
44. Seguí-Mas, E., Bolas-Araya, H., & Polo-Garrido, F. (2018). Assurance on corporate governance reports in Spain: towards an enhanced accountability or a new form of public relations? *Administrative Sciences*, 8(3), 32. doi: [10.3390/admsci8030032](https://doi.org/10.3390/admsci8030032)