Corporate Governance Reform in Nigeria: Upstream and Downstream Interventions

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Paper Title:

Corporate Governance Reform in Nigeria: Upstream and Downstream Interventions

Abstract

Purpose - Internal (e.g., firm performance, internal stakeholders) and external pressures (e.g., globalisation, technology, corporate scandals) have intensified calls for corporate governance reforms across varieties of capitalism. Yet, corporate governance practices among developing economies remain problematic. Drawing insights from Africa's largest economy (Nigeria), this research relies on the resource dependence theory to address two questions - what are the prerequisites for effective reforms; and, what reforms yield robust corporate governance?

Design/methodology/approach - The study adopts a qualitative methodology comprising semi-structured interviews with 21 executives in publicly-listed Nigerian firms. The interviews were analysed using the content analysis technique.

Findings - This article proposes two sequential reforms (i.e., the upstream and downstream). The upstream factors highlight the preconditions that support corporate governance reforms, i.e., government commitment and enabling environment, while the downstream reforms combine elements of awareness and regulation to proffer robust corporate governance interventions.

Originality/value - This research further stresses the need to consider a bottom-up approach to corporate governance in place of the dominant top-down strategy. This strategy allows agents to participate actively in corporate governance policy-making rather than a top-down model, which imposes corporate governance on agents.

Keywords: Corporate governance, reforms, awareness, regulation, upstream, downstream, bottom-up.

Paper Type: Research paper

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1. Introduction

Interest in corporate governance continues to grow at an exponential rate (Solomon, 2021) due to two primary factors. The first draws from the widely-reported positive impact of corporate governance on firm performance (Bhatt & Bhatt, 2017; Usman & Yakubu, 2019), while the second focuses on the enduring incidences of corporate governance-inspired failures (Hsu & Wu, 2014) and their damaging effects on stakeholders. These factors induce policymakers to establish corporate governance systems. Indeed, major corporate crises provoke corporate governance reforms (Mees & Smith, 2019). It is, therefore, unsurprising that governments and scholars propose reforms to deal with hitherto-unaddressed corporate governance issues.

The escalating interest in corporate governance reforms notwithstanding, the effectiveness of these reforms varies across countries. While this inconsistency stimulates growing research in this space, much of the literature (Andreasson, 2011; Mees & Smith, 2019) admits that institutional variations influence reform outcomes. This view challenges corporate governance's 'one-size-fits-all' reform model that underrates the value of context-inspired regulations (Andreasson, 2011). In recognising problems of a 'one-size-fits-all' reform agenda, this research extends the corporate governance reform scholarship by studying a less-researched setting (i.e., Nigeria). The country is Africa's largest economy in terms of nominal Gross Domestic Product (GDP). Tsamenyi and Uddin (2009) note that most Anglophone African countries share economic and institutional characteristics. Therefore, a robust corporate governance system in Nigeria could trigger similar structures across the region.

Nigeria has had its share of corporate governance reforms. Following the introduction of the first corporate governance code (SEC Code) in 2003, various reforms prompted the revision of the code in 2011 and 2018. Stakeholders, notably practitioners and academics, called for these reforms (Adekoya, 2011; Okoye, 2014; Daodu, Nakpodia & Adegbite, 2017). Despite these interventions, the state of corporate governance in Nigeria suggests that the reforms have underachieved. While scholars offer various factors to explain the reforms' ineffectiveness, the lack of the necessary empirics is noteworthy. Consequently, this research takes a different path to investigate reform implementation. Relying on semi-structured interviews with 21 executives, we examine two issues: *what are the prerequisites for effective reforms;* and, *what reforms could inspire robust corporate governance in Nigeria*?

Drawing insights from the resource dependence theory (RDT), this study articulates a sequential corporate governance reform agenda. The first set of interventions – the upstream

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reforms – uncovers the preconditions that support robust corporate governance. The governance reform literature often overlooks these prerequisites. These upstream reforms include government commitment and an enabling operating environment. Once these preconditions are established, they provide the foundation to implement the next set of reforms, i.e., the downstream reforms. While the upstream reforms enhance the effectiveness of downstream reforms, the downstream interventions comprise reforms targeted at corporate governance mechanisms. These downstream reforms are classed into two areas, i.e., awareness-related (AR) and regulation-related (RR) reforms. Awareness-related reforms involve education and enlightenment programmes and the promotion of corporate governance at the micro-level. The regulation-related reforms entail whistle-blowing, governance scorecard and the monitoring of regulators. This research also recommends a bottom-up strategy to corporate governance regulation that accommodate greater stakeholder participation in corporate governance policy-making.

The rest of this paper proceeds with a discussion of corporate governance in Nigeria, focusing on corporate governance regulation and the challenges confronting it. Next, we present the theoretical anchor for this research (RDT) and review the corporate governance reform literature. We then describe the research methodology, followed by the presentation and analysis of the study's findings. To conclude, we reflect on the practical implications of the findings, present the research's limitations, and suggest areas for further scholarly inquiry.

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2. Corporate Governance in Nigeria

The drive towards sound governance practices among Nigerian firms commenced approximately three decades ago with the enactment, in 1990, of the Companies and Allied Matters Act (CAMA). Inyang (2009) notes that the need to curtail growing unethical practices among firms accelerated CAMA's introduction. CAMA signalled a comprehensive attempt at addressing various corporate management issues in Nigeria, offering an extensive regulatory framework for corporate Nigeria (Ogbuozobe, 2009). However, CAMA was criticised for its weak enforcement mechanism, as corporate infractions persist. This challenge contributed to unprecedented corporate failures, notably in the banking sector (Nworji, Olagunju, & Adeyanju, 2011). These concerns, coupled with global developments, heightened calls for a dedicated corporate governance regulation.

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In response, corporate governance regulation in Nigeria took off in 2003 with the Securities and Exchange Commission (SEC) Code of Corporate Governance. The SEC Code (2003) primarily recognises directors and shareholders' roles in establishing corporate governance systems. The code also addresses critical governance areas such as the roles of non-executive directors and the features (i.e., the composition and qualifications) of audit committees. Despite its positives, Ofo (2010) argues that the code did not sufficiently provide its implementation and enforcement. Adegbite (2012) also observes that the code relied on inputs from other countries. Nakpodia et al. (2018) explain that adopting corporate governance guidelines intended for western and less 'corrupt' countries poses significant challenges during implementation. These concerns prompted subsequent revisions of the code in 2011 and 2018.

The 2018 code, renamed the Nigerian Code of Corporate Governance (NCCG), unveiled a novel regulatory model. It introduced the 'apply and explain' principle to replace the 'comply or explain' model. The 'apply and explain' principle requires the application of all principles and obliges entities to explain how the principles are applied. NCCG (2018) also responded to calls for a code that recognises sectoral differences. It is crucial to note that there are industry-specific corporate governance codes in addition to NCCG (2018). These include the Central Bank of Nigeria's (CBN) Code of Corporate Governance (2006), the National Pension Commission's (NPC) Code of Corporate Governance for Pension Operators (2008) and the National Insurance Commission's (NAICOM) Code of Corporate Governance (2009).

While these regulations have increased governance consciousness among stakeholders, multiple challenges continue to plague Nigeria's corporate governance (Osemeke & Osemeke, 2017; Nakpodia, Adegbite & Ashiru, 2021). These challenges can be classed into three categories – regulatory, business environment and normative. The regulatory problems highlight concerns triggered by the existing regulatory frameworks. These include ineffective regulatory structure (Adegbite, 2012; Nakpodia et al., 2021), weak protection of minority shareholder rights (Areneke & Kimani, 2019), and multiple regulations (Bello, 2016; Nakpodia et al., 2018). In addition to regulatory challenges, corporate governance in Nigeria suffers from a disruptive business environment. As a result, institutionalised corruption (Adekoya, 2011), overbearing political leadership (Nakpodia & Adegbite, 2018) and a flawed corporate ownership structure (Ahunwan, 2002) stifle the country's corporate governance prospects.

Yet, perhaps the most critical effect on corporate governance in Nigeria is the normative conundrum. While more than 90% of Nigerians subscribe to religion, Adekoya (2011) notes

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that the collapse of moral values undermines its corporate governance. Nakpodia et al. (2020) show that the high religiosity among Nigerians has not ignited the desired corporate governance, as stakeholders engage in a rational ordering over religious principles. Another normative challenge is the inefficient deployment of social capital (e.g., religion, ethnicity, culture) networks and relationships (Booth-Bell, 2018). Instead, social capital is used in ways that frustrate corporate governance (Osemeke & Osemeke, 2017; Nakpodia et al., 2021). Adekoya (2011) adds that the falling standard of education intensifies normative concerns.

While scholars (e.g., Green & Homroy, 2018; Arslan & Alqatan, 2020) show that directors' educational qualification impacts firm performance, Adegbite, Amaeshi and Nakajima (2013) explain that corporate governance understanding in Nigeria is in flux, pulled in multiple directions by stakeholders. As the preceding suggests, reform (in)effectiveness derives from practitioner application, especially corporate executives. Given its institutional environment, executives in the country engage their external resources (social capital) to influence reform outcomes. Therefore, it is critical to understand how external resources affect executive attitude relative to governance reforms. This informs the use of RDT in this research.

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3. Theory and Literature Review

3.1 Resource Dependence Theory

Firms not only operate within an environment, but their performance and survival depend on the resources derived from that environment. Consequently, access to external resources represents a fundamental theme in the strategy and operations of any organisation. The RDT explores how organisations' external resources affect their behaviour and performance (Pfeffer & Salancik, 1978). In essence, the RDT seeks to identify and develop the connections between firms and their external resources (Sutton et al., 2021). To facilitate the above, the RDT perceives corporate boards as the linchpin between firms and the resources it needs to achieve its objectives (Bhatt & Bhatt, 2017; Tricker, 2019).

Furthermore, Nakpodia, Ogunyemi and Ashiru (2020) explain that the RDT derives from two fundamental propositions. First, it explores the linkage between firms and their immediate environment, as organisations could use such connections to minimise transaction costs associated with environmental interdependency. Improved interactions with the environment could also facilitate the development of exchange relationships between organisations in that

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environment. The second theme driving the RDT is the power of corporate agents to maximise the potential resources that organisations can access from their business environment. It highlights how corporate agents connect firms to the external resources needed to achieve their corporate objectives. This view is instrumental in contexts where agents wield considerable influence over external corporate governance instruments.

According to the RDT, organisations depend on resources that originate from their environment. These resources are supplied by other organisations in that environment. For example, the government and its agencies generate resources such as corporate regulations. Therefore, it could be reasoned that other organisations have a sizeable influence on an organisation's key success factors (resources). While this highlights RDT's relevance in this research, we contend that corporate reforms constitute an external resource that shapes organisations' behaviour, performance, and survival.

Given that resources are a basis of power (Raven, 2008), regulators can leverage reform to improve corporate governance. However, the capacity of regulators to compel organisations to implement reforms may depend on the extent to which organisations value the resource (i.e., reforms). Several factors affect the nature of this dependence, including the importance of the resource(s) and the relative shortage of the resource(s), among others. This implies that the regulator's influence over organisations is contingent upon the extent of those organisations' dependence on the regulators' resources (i.e., reforms). In many cases, resource relevance (or irrelevance) has meant that organisations pay inconsistent attention to corporate reforms. This concern is more pronounced in developing economies where institutional challenges tend to frustrate the good intentions of regulators (Waweru, 2014).

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3.2 Corporate Governance Reforms

Corporate governance has been severally defined. These definitions draw from regulation, performance, institutional environment, boards, institutional investors, and stakeholders (OECD, 2004; Solomon, 2021). Consequently, scholars and practitioners focus on these areas to reform corporate governance. To frame the need for corporate governance reforms in emerging economies, Reed (2002) reflects on India's growing adoption of the Anglo-American regulatory model, noting that increased international economic and political pressures trigger its implementation. While these external pressures emphasise the firm-environment link (see, the RDT), Reed (2002) concludes that the model has not been promising, owing to laxity in

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applying corporate laws, weak protection of small investors, poor accountability and transparency practices, and non-engagement with wider stakeholders. Reed (2002) adds that India's fragile institutional environment accelerated these challenges and used these concerns to propose regulatory reforms that emphasise India's dominant institutional features.

Goergen, Martynova and Renneboog (2005) extend the debate regarding Anglo-American governance model adoption. They investigate whether takeover regulation reforms across Europe would harmonise national legislations towards an Anglo-American regulatory convergence. They find evidence of convergence among European countries, stating that such a policy may result in dispersed ownership, which is central to the Anglo-American idea. But they equally report that the move towards regulatory convergence reinforces the blockholder-based system, which the Anglo-American model opposes. While admitting that differences in regulations across Europe inform the divergence, they opine that the effectiveness of takeover regulation depends on the corporate governance structure regulating such a takeover. Their results suggest that European regulators must consider country-level governance practices when crafting reforms, consistent with Reed (2002).

Corporate governance reforms have also focused on the principal-agency relationship. Whereas principal-agent conflicts dominate studies exploring developed contexts, Young et al. (2008) and Agyemang and Castellini (2015) argue that principal-principal disputes abound among less-developed economies. They enlighten that such conflicts originate from institutional characteristics such as concentrated ownership, extensive family ownership and weak legal protection of small shareholders. As pointed out in the RDT, economic agents' power over institutional elements heightens these conflicts (Nakpodia et al., 2020). Thus, Young et al. (2008) contend that addressing the preceding challenges requires interventions that depart from those prescribed for principal-agent tensions. Areneke, Yusuf and Kimani (2019) report similar findings, noting that, in the presence of certain environmental complementarities, corporate governance regulatory reforms should move away from a 'one-size-fits-all' strategy to one that considers organisational and environmental contexts.

Beyond institutional environments, recent corporate governance reforms assign significant attention to corporate boards. These reforms recommend guidelines relating to diversity, independence, size, and committees. Using the Enron case, Gillan and Martin (2007) question whether increasing Enron's board independence would have changed its strategic direction or averted its collapse. Instead, Gillan and Martin (2007) advise regulators to channel greater

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resources to establishing more robust internal controls that minimise external auditors' potential conflicts of interest. Such reforms broaden the regulator's horizon of interest and help firms develop frameworks that address changes in their external environment.

Still on corporate boards, Howard (2011) examines the effects of groupthink, when directors succumb to their peers' persuasive power in their decision-making, thereby overriding realistic appraisal of alternative courses of action (Maharaj, 2008) and undermining cognitive conflict (Mooney, Holahan & Amason, 2007). Howard (2011) asserts that stringent penalties and increasing board independence (see also Gillan & Martin, 2007) are inadequate to deter directors from groupthink. Howard (2011) advocates comprehensive reforms that focus on board structure and board members' informal behaviour. While such reforms must encourage board diversity (and minimise groupthink), Howard (2011) counsels that ceding more powers to institutional investors and creditors will break up the homogeneity that may exist among board members. Like Howard (2011), Mees and Smith (2019) reflect on the institutional investor role in provoking corporate governance reforms in Australia. They credit much of the country's corporate governance reforms to institutional investors' pressure in reaction to traditional governance failings and social and environmental concerns.

Having examined the literature that identifies the leading areas of corporate governance reforms and drivers of such reforms, we turn our attention to corporate governance reforms in Nigeria. While the literature on corporate governance reforms in Nigeria is sparse, Adekoya (2011) admits that corporate governance concerns in Nigeria reinforce reforms' inevitability. The commonly reported problems (see, Adegbite, 2012; Adedeji et al., 2020) include corruption, weak institutional environment, political patronage, and weak regulatory mechanism. Nakpodia et al. (2018) add that poverty, high unemployment rates and an ineffective whistle-blowing culture, among other economic and social concerns, incite the identified corporate governance challenges. Hence, Adekoya (2011) proposes reforms that primarily delineate responsibilities among key corporate governance stakeholders. First, Adekoya (2011) recommends isolating corporations from politics, arguing that politicians take advantage of systemic poverty and unemployment to manipulate executives. Second, Adekoya (2011) notes that politicians' overwhelming authority stifles justice dispensation, endorsing the use of independent tribunals to prosecute offenders. Adekoya (2011) and Grant and McGhee

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(2017) also encourage corporates to invest in moral education, insisting that poor governance practices reflect declining societal morals.

Whereas Adekoya (2011) offers multiple reform strategies, Okoye (2014) emphasises the revamp of the regulatory machinery. Okoye (2014) acknowledges that widespread corruption in the country frustrates corporate governance regulations, arguing that resolving the corruption puzzle is crucial to building robust corporate governance. Daodu, Adegbite and Nakpodia (2017) and Areneke et al. (2022) propose a different reform route that stresses the significance of institutions and institutional structure. They insist that transplanting corporate governance regulations from foreign contexts hinders regulatory effectiveness as such regulations overlook local institutional logic. While this highlights the role of 'institutions' in corporate governance (Aguilera & Jackson, 2010), it equally reinforces the link between firms and their environments (Judge et al., 2008), consistent with the resource dependence proposition. Building on the preceding view, Daodu et al. (2017) counsel that Nigeria's corporate governance reforms should blend global best practices and the country's peculiar institutional environment. These proposals are consistent with those recommended in contexts that share economic and social characteristics with Nigeria (e.g., Andreasson, 2011; Filatotchev, Jackson & Nakajima, 2013; Arslan & Alqatan, 2020).

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4. Research Methodology

Despite several regulatory interventions, corporate governance in Nigeria falls short of global best practices (Adegbite, 2012). As this study seeks to propose corporate governance reforms in Nigeria, we adopt a qualitative research methodology. Consistent with the research objective, qualitative research helps to understand underlying motivations that persuade specific practices (Hammarberg, Kirkman & de Lacey, 2016). By recognising the underlying motivations, this approach facilitates reforms that link directly to the identified motivations. Furthermore, we embrace the qualitative methodology because it enables a rigorous exploration of discrete or bounded phenomena without focusing on the causal processes involved in the investigation (Buchanan, Chai & Deakin, 2014).

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4.1 Data Collection

Despite the plethora of data collection techniques available for qualitative studies, Bryman (2015) indicates that the interview technique is the leading data collection instrument among qualitative researchers. We collected our data using semi-structured interviews. Three factors informed our choice of semi-structured interviews. It allows the collection of rich, open-ended data that could be subjected to various levels of analysis. The interview method permits the exploration of participants' thoughts and feelings regarding the issue under investigation. Lastly, semi-structured interviews provide opportunities to delve into sensitive areas.

The interviews were conducted in two phases. The first phase was in the second quarter of 2013 (as part of a PhD project). To ensure that this study engages with an appropriate number of participants and generate insights that reflect current developments in the Nigerian corporate governance space, additional interviews were conducted in the third and last quarters of 2018. To collect the data, we used an interview guide (see Appendix 1), comprising the interview questions. The questions, which reflect the study's objectives, commenced with general questions to more specific queries, in conformity with established interview protocols (Bryman, 2015). We pretested the interview guide through a pilot that involved three participants. Based on comments from pilot participants, we improved the questions and extended the interview time as the pilot interviews lasted beyond the initially allocated time.

Following the pilot, we sent letters (including the study objectives) to identified participants. A 'no obligation' clause was inserted in the letter, allowing participants to decline if uncomfortable. The average duration of the interviews was 55 minutes, ranging between 38 to 67 minutes. Except for two interviews conducted over the telephone, all interviews were conducted face-to-face by one of the authors. We used a pre-interview protocol (Bryman, 2015) to begin the interviews. The protocol focused on four areas: an assurance of anonymity, the purpose of the interview (research), our interest in the interviewee's experience, and a request to tape-record the interview. All participants permitted the tape-recording of the interviews. Aside from the two telephone interviews, the other interviews took place in Lagos (Nigeria's commercial capital) and Abuja (Nigeria's administrative capital).

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4.2 Sampling Strategy

As qualitative investigations explore phenomena in-depth, the literature (e.g., Öberseder, Schlegelmilch & Gruber, 2011) recommends a small but diverse sample. Our review of the literature (e.g., Beta & Storey, 2019; Liedong, 2020) suggests that a sample size of 15 to 40 participants is appropriate in a qualitative study. To recruit diverse participants, we adopted theoretical sampling. This sampling technique helped identify and recruit research participants, especially where selection relies on defined characteristics (Bryman, 2015). Robinson (2014) explains that theoretical sampling takes place during the collection and analysis of data. This provides opportunities to articulate the research topic and question, and profile participants that possess the desired attributes. This was critical in this study, as we matched participants to the research objectives.

Given the research focus, the authors agreed that participants must possess two characteristics. First, they must be board members for a minimum of five (5) years (see also Luiz & Stewart, 2014). Second, their companies must be listed on the Nigerian Stock Exchange (NSE). Compliance with corporate governance codes is mandatory for firms listed on the NSE. Besides, an organisation's long-term strategy includes good corporate governance, which board members supervise. These criteria have been used to recruit research participants for corporate governance-related research (see Adegbite, 2015; Nakpodia et al., 2018).

Considering our participants' economic and social positioning, it is necessary to reflect on access problems. Securing access to participants is challenging in qualitative research (Shenton & Hayter, 2004). The authors contacted potential participants once the selection criteria were agreed upon but struggled to secure interview appointments. The letters sent were not acknowledged. Several telephone calls did not help. To negotiate access, Johl and Renganathan (2010) recommend formal and personal strategies. As formal methods (letters, telephone calls) proved less helpful, we resorted to a personal approach. One of the authors had extensive working experience in Nigeria, during which time he developed professional relationships with corporate leaders. We reached these individuals, and some agreed to participate in the study. However, to engage an appropriate number of participants, we leverage our relationship with the initial interviewees to reach additional participants. Using this snowballing strategy, our initial participants introduced us to other individuals with appropriate profiles.

As noted earlier, the interviews were conducted over two periods. The first set of interviews involved 12 executives, while the second round of interviews included nine. As Table 1 shows,

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the interviewees represent eight out of 11 industrial sectors on the NSE. The participants include six female board members. The majority of the participants (72%) are independent, non-executive directors.

Insert Table 1 about here

4.3 Procedure for Analysing Data

To ensure a systematic data analysis, we used a four-step process (i.e., data immersion, coding, creating categories, and identifying themes) suggested in Green et al. (2007). This procedure is not linear, as we had to go back and forth during the analysis. The data immersion stage commenced with repeated listening of the interviews. This helped generate rich data as the researchers detected salient body cues such as hesitations, confidence in answering questions, and the varying tone of interviewees to questions. Thereafter, the interviews were manually transcribed, followed by rounds of reading the interview transcripts to enhance data immersion.

As Green et al. (2007) propose, the next three stages were undertaken with the aid of qualitative data software, i.e., NVivo. Bazeley and Jackson (2013) note that, beside providing tools for classifying, sorting, and arranging data to identify themes and patterns, NVivo minimises errors associated with analysing large chunks of unstructured data. These advantages are critical to this study. We uploaded the transcribed data, of approximately 187 pages, to NVivo. Consistent with Green et al. (2007), we embarked on a coding procedure to explore the data. One researcher undertook the coding to ensure consistency. The coding process helped in labelling and organising the data to detect themes and relationships. To achieve this objective, we used the 'explore' and 'word frequency' functions in NVivo to generate a word cloud that identifies the most referenced themes in the data (see Figure 1). Before generating the word cloud, we used the 'stop word' function in NVivo to eliminate conjunctions and prepositions used in regular communication (e.g., for, and, but, at) that did not add value to our research. As Figure 1 shows, themes such as regulation, education, institution, scorecard, and whistle-blowing, among others, attracted substantial interest among participants.

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Insert Figure 1 about here

Following data coding, Green et al. (2007) propose creating categories from emergent themes to find a 'good fit' between related codes that explain observations in the data. To create categories that accommodated our initial codes, we reviewed and revised those codes and combined some in certain cases. For instance, we merged codes such as education, awareness, and training as we note that participants used these terms to refer to similar ideas. Based on our understanding of the themes from the data, we uncovered two essential preconditions and formulated two concepts (i.e., awareness-related and regulation-related) that underpin the themes (see Figure 2) critical to corporate governance reform in Nigeria. These two categories tie sufficiently the various themes from the coding procedure. According to Green et al. (2007), the final stage allows an abstraction process where the categories created address the central research question. We opine that Nigeria's governance stakeholders must pay attention to awareness and regulatory matters in reforming its corporate governance system.

Insert Figure 2 about here

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5. Findings and Discussion

As Figure 2 shows, our data unpacks two areas critical to Nigeria's corporate governance reforms, i.e., the upstream and downstream reforms. The upstream reforms emphasise the necessary conditions that support the downstream reforms.

5.1 Upstream Interventions (Preconditions for Reforms)

The corporate governance literature (Judge et al., 2008; Aguilera & Jackson, 2010) indicates that certain conditions support corporate governance systems. Our data endorse this view, identifying two elements critical to Nigeria's corporate governance, i.e., increased government commitment and an enabling business environment.

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5.1.1 Increased Government Commitment

Adelman (2000) informs that the government's role in economic development signifies the degree to which it can shape, or is inevitably shaped by, the society to which it belongs. This implies that both society and the government have 'powers,' the extent of which determines 'who shapes what'. Ahunwan (2002) and Adegbite (2012) claim that the Nigerian corporate space is government-driven, as the government controls public utilities and infrastructure, and is a key player in corporate ownership.

The above is consistent with our data. Interviewees acknowledge the overbearing power of government on the economy. E8 explains that:

> *Unlike some countries that look to forces of demand and supply, the government call the shots here. The economy mirrors its economic and political desires.*

E14 adds that:

> *I think that corporate governance in Nigeria reflects the wishes of those in government.*

However, the data suggest that the Nigerian government has not shown enough commitment to corporate governance, as it has failed to offer the requisite leadership. This view attracted interest among interviewees. E19 offers that:

> *Politicians and government officials must set the pace. Nobody will take corporate governance seriously if they consistently engage in practices that contradict corporate governance. They must serve as role models.*

Aghion et al. (2010) argue that increased government commitment is vital in low-trust countries, stressing that agents in such countries desire more government intervention even when the government is corrupt. Despite the unfavourable perception of the government, greater government engagement supports the rise of a sound governance system. Aghion et al. (2010) and Adegbite (2012) assert that distrust creates demand for government intervention via regulation. Participants discuss how government can participate more in corporate governance. E7 suggests that:

> *Political leaders and government (officials) must buy into and believe in corporate governance. They must see it as (critical) to the country's economic development.*

E2 explains further:

> *Government establishments must take the lead. The government must compel its agencies to implement acceptable corporate governance practices.*

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Wilson (2006) acknowledges E2's concern, suggesting that the government exhibits minimal interest in corporate governance, as its agencies lack basic corporate governance structures. Poor government interest denies firms the opportunity to maximise an external resource (government support) to enhance their business performance. Similar to E7 and E2's comments, E1 highlights a knowledge gap, stating that government officials are ignorant of the value of corporate governance:

> *Government officials must understand the benefits of corporate governance. The government needs enlightenment regarding the value of corporate governance.*

Bridging the knowledge gap would enhance government officials' willingness to operationalise corporate governance. Besides, the flawed governance system among government agencies creates diverse challenges. For instance, it exposes government agencies to excessive political interference (Schnyder, 2010; Adegbite et al., 2013). E17 acknowledges this concern:

> *These problems restrict government corporations' ability to offer leadership and inspire good corporate behaviour in the business environment.*

Considering the government's influence on society, an isomorphic problem arises. The government's apathy to corporate governance resonates among businesses, as stakeholders fail to acknowledge corporate governance value. Efforts to address these concerns must explore the capacity to depoliticise government organisations.[1] Giurca-Vasilescu (2008) recommends depoliticising decision-making and establishing 'firewalls' between government and management of state firms. Such moves protect minority shareholders and enhance property rights protection.

5.1.2 Enabling Operating Environment

According to resource dependence theorists, external environments are key for firms' success. The data indicate that an extreme operating environment intensifies corporate governance challenges in Nigeria. Interviewees suggest that establishing a sound corporate governance system demands an enabling business environment. Participants note that the informal nature of the operating environment frustrates governance principles. E12 explains that:

[1] It is important to note that depoliticising does not mean less government intervention.

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> *The business environment is rudimentary. Global best practices are at a premium in many sectors. There is little or no job security, poverty is rife, labour laws are weak, corruption is widespread, and so on. These problems (frustrate) corporate governance.*

Sanda, Mikailu and Garba (2010) acknowledge these concerns, stating that Nigeria's business environment dissuades good corporate governance. According to E3, E8, and E19, countries where corporate governance is relatively effective (developed economies) operate business environments that allow corporate governance to thrive. E3 maintains that:

> *Good corporate governance relates to specific infrastructure. Societies where corporate governance succeeds usually have effective regulatory systems that punish offenders when they commit infractions.*

Corporate governance is a regulative mechanism; hence regulatory effectiveness is core to its operationalisation. As Nakpodia et al. (2018) explain, Nigeria does not lack the requisite corporate governance legislation; rather, its implementation and enforcement framework is incoherent. This problem points to regulators and those that appoint them (the government). To address the issue, E14 calls for more stakeholder involvement in policy-making:

> *You do not make laws without asking for the input of those the law is supposed to regulate. If relevant stakeholders participate in policy-making, it could positively affect the implementation and enforcement of governance codes.*

The above comment links with Nakpodia et al. (2018), which recommends a multi-stakeholder co-regulation strategy that permits government and firms to share responsibilities for drafting governance codes. Regarding co-regulation, interviewees reflect on policy inconsistency. E1 and E10 trace inconsistent policies to the unstable political environment. E10 explains that:

> *There are situations where a new government changes policies to stamp their authority and promote their party's selfish interest to the economy's detriment. Business interests are typically secondary during such policy-making.*

While Nigeria is experiencing its longest uninterrupted democracy since independence (in 1960), its political institution suffers from corruption and power rotation that incite regional and ethnic tensions. This stifles prudent governance, as government officials engage in egoism. To address this, E1 recommends that:

> *The government should not influence corporate policies. The constitution should be updated to provide greater autonomy to relevant agencies in policy formulation. Once the legislature passes a policy, the basis for altering or updating such policies must be stringent and informed by market developments, not a change in political leadership.*

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5.2 Downstream Reforms

In addition to upstream preconditions, our data suggest that downstream reforms should emphasise two areas. The first addresses a knowledge gap among stakeholders (awareness-related reforms), while the second focuses on legislation to enhance corporate governance's capacity to regulate agents (regulation-related reforms).

5.2.1 Awareness-Related (AR) Reforms

The data uncovers a dearth of corporate governance knowledge, consistent with the literature (e.g., Wilson, 2006; Ofo, 2010), suggesting that corporate governance knowledge among Nigerian stakeholders is narrow. Jimoh and Iyoha (2012) note that consistent corporate governance breaches reflect a lack of knowledge. Therefore, corporate governance reforms must seek to deepen corporate governance understanding.

5.2.1.1 Education and Enlightenment

Our data propose that stakeholders undergo regular education and enlightenment programmes that espouse corporate governance values. Eighteen interviewees identified education and enlightenment as fundamental to building credible corporate governance. E5 notes that:

> *The first thing is to educate stakeholders on the benefits of adopting corporate governance standards.*

E8 also suggests that:

> *There is a need to drive awareness and knowledge regarding corporate governance principles because there is a considerable knowledge gap.*

E5 and E8 views illustrate the importance of educating and enlightening stakeholders. Corporate governance is not new in Nigeria. Since SEC introduced the first governance code in 2003, regulators and firms have implemented awareness programmes. However, there remains a disconnect between the rate of internalising governance ideals and corporate governance outcomes. Consistent with resource dependence theorisation, a sound understanding of governance principles places firm directors in a stronger position to maximise external resources for corporate benefit. Therefore, it is pertinent to revise the awareness strategies. Many Nigerian firms organise programmes and encourage employees to attend external seminars (locally and internationally). However, this training approach is based on

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models developed in foreign countries and, unfortunately, the extreme institutional context continues to impact the effectiveness of such training methods. Respondents add that the mode and frequency of training and trainers compound the corporate governance problem. E2 expresses that:

> *I believe that (operators) need to be tutored. Tutored not at Harvard but in Africa, where the problem resides. Because some of the issues we have here, (they) don't have them abroad. They may appear similar but not as pronounced as we have here. They should attend (seminars and conferences) here, where the problem resides.*

While E2's comment is noteworthy, attending local training programmes may not be sufficient to understand contemporary issues in corporate governance. Instead, emphasis should be placed on programme content. Such training programmes should satisfy two requirements: they must incorporate global best practices; and, recognise country-defined institutional peculiarities (Rwegasira, 2000).

Moreover, corporate governance correlates with sound values and ethics. Training must be designed to include these elements. This is essential considering the erosion of societal values that respondents highlight when discussing corporate governance problems. E2 reinforces the need to impart values:

> *In our organisation, we have what we call core values. We teach those core values (i.e., those longstanding values: spirituality, capacity building, integrity, responsibility, sacrifices. We want people to internalise these values. Once they internalise these values, it is easier to relate to corporate governance principles.*

Educating stakeholders must also embrace a different approach. E21 notes that available training modes emphasise the psychomotor and cognitive elements that focus on developing the 'head' (mental or knowing) and the 'hands' (doing) (Marzano, 2001). Unfortunately, this strategy ignores the affective domain, *i.e.,* the heart (feeling), a core element of Bloom's Taxonomy. The heart represents the building block for embracing and manifesting values and principles. This is crucial as the 'heart' drives 'hands' and 'head'. Forbes and Milliken (1999) find that training that focuses on the affective domain fosters board effectiveness. Therefore, an enlightenment programme that isolates the heart, focusing only on hand (cognitive) and head (psychomotor) coordination, may not stimulate sound ethics. When an enlightenment programme accommodates these three elements, agents are more likely to internalise and exhibit good values (Macfarlane & Ottewill, 2004). This expectation is fundamental to a corporate governance system.

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5.2.1.2 Promoting Corporate Governance at the Micro-Level

The micro sector in many countries is critical to their economic development (Ayyagari, Beck & Demirguc-Kunt, 2007). While corporate governance appeals more to corporates and multinationals, Abor and Biekpe (2007) and Abor and Adjasi (2007) argue that corporate governance principles are equally important to small and medium enterprises (SMEs). Our participants share similar sentiments. E6 proposes that:

> *Establishing sound governance practices in the micro sector is another objective that regulators must pursue vigorously.*

Despite the benefits of good governance among SMEs (Ayyagari et al., 2007), they are often overlooked during corporate governance discourse. For instance, there is no dedicated governance code for Nigerian SMEs. Even the recent NCCG (2018) did not make specific provisions for SMEs. The lack of SME regulation weakens their governance practices (Osotimehin et al., 2012). Our data suggest that improving governance consciousness among stakeholders requires a deliberate strategy to institutionalise good governance culture across organisations. According to E15:

> *Good governance is behavioural. Small companies must be supported to imbibe governance practices in their businesses. The SME sector in Nigeria is overdue for its (dedicated) regulation. Its continuous neglect by regulators sends a wrong signal to SMEs regarding corporate governance.*

The above comment is critical to building a robust corporate governance culture. Many listed firms commenced as SMEs. Therefore, acquiring corporate governance knowledge early helps to embed corporate governance ideals in their businesses. Such businesses will find it easier to transform into a public firm if they seek stock exchange listing. Tauringana and Clarke (2000) and Adedeji et al. (2020) explain that SMEs will subject themselves to corporate governance principles if it improves their business and enhances their prosperity. We contend that SMEs' failure to leverage good governance reinforces the knowledge gap regarding corporate governance.

Consequently, regulators must implement policies to educate and enlighten SME operators. In addition to developing dedicated SME governance legislation, compliance with key corporate governance requirements must be part of the company registration process. These proposals should be implemented in phases, with the first phase focused on medium enterprises. Outcomes from the initial phase will form the basis of developing guidelines for the next stage (focused on small enterprises). Activities at these stages will remain ongoing.

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5.2.2 Regulation-Related (RR) Reforms

As part of a two-pronged reform strategy, our data identify regulatory factors key to Nigeria's corporate governance. While we identify the need for greater awareness, our data also indicate that addressing regulation-related challenges will improve corporate governance in Nigeria. Respondents suggest that regulatory reforms can minimise external (e.g., political) pressures that plague the country's corporate governance. These regulation-related (RR) reforms are discussed next.

5.2.2.1 Legislation-Backed Governance Scorecard

Respondents called for greater use of governance scorecards. Views concerning the scorecard's potential impact were positive. E6 remarks that:

> *Scorecards will help organisations measure their corporate governance performance and promote its (CG) awareness.*

E1, E2, E7 E9, and E11 expressed similar positive views, hinting that scorecards will help firms assess their corporate governance performance and help predict likely problems (Donker & Zahir, 2008). Conversely, some participants expressed reservations regarding scorecards. For instance, E21 informs that:

> *Theoretically, it is good, but its workability is difficult to assess. With the sort of problems we have, especially corruption, scorecards could be manipulated. It (scorecard) may not even gain acceptance.*

Nevertheless, some participants concur that, if specific measures are implemented, concerns such as those of E21, above, could be managed. E5 states that:

> *If it is given the teeth of the law and there is punishment for low scores or 'naming and shaming', it could be a good tool.*

E2 agrees with E5:

> *If an agreement is reached with the regulatory body and a law is enacted to enforce it, I think it will be useful for corporate governance.*

These comments suggest that scorecards will require legislative support and government commitment. Such regulation must include an effective adoption and enforcement plan. It should also set expected benchmarks with commensurate sanctions for poor performance.

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Unlike the SEC Code that suffers from irregular reviews, a refinement and validation programme must be established for scorecards. Market developments must inform the frequency of refinement to ensure its long-term relevance (Northcott & Smith, 2011).

5.2.2.2 Effective Whistle-blowing Mechanisms

Whistle-blowing offers a fundamental regulatory mechanism (Agnihotri & Bhattacharya, 2015). The desire to improve governance has encouraged a growing number of firms to implement whistle-blowing policies. According to Miceli et al. (1999), these policies fulfil two objectives, i.e., promoting whistle-blowing and protecting whistle-blowers. While its implementation globally is inconsistent, its benefits are well-documented (Schmidt, 2005; Uys, 2008). However, the use of whistle-blowing in Nigeria is negligible, and participants allude to this position. E8 states that:

> *The poor whistle-blowing culture has contributed to corporate misgovernance among Nigerian companies.*

While Adekoya (2011) contends that poverty and unemployment hamper whistle-blowing, participants reflected on the impact of ethnic and cultural affiliations. E14 maintains that:

> *Our culture and ethnicity get in the way of whistle-blowing. Some people will not report the wrongdoing of other people from their (area) or village. It is as if there is a code to protect such ethnic interests.*

The NCCG (2018) offers a model for implementing whistle-blowing, but whistle-blower protection remains a concern. E6 emphasises that:

> *The goal of whistle-blowing in Nigeria should be how to protect the whistle-blower. Most times, an individual 'blows the whistle', but then, the whistle-blower's identity is exposed.*

Hwang et al. (2008) note that the fear of retaliation discourages whistle-blowing. Drawing on E6's comment, E13 explains that such protection incentivises whistle-blowing:

> *If I can report my colleague's wrongdoing without fear of molestation or losing my job, I will likely report.*

The NCCG (2018; S19.2 and S19.5) entrusts whistle-blowers' protection to boards. Interviewees note that such an approach undermines whistle-blowers' anonymity, especially when a whistle-blower wants to report board members' infractions. Thus, E3 suggests that:

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> *The reporting mechanism for whistle-blowing must be made anonymously to external bodies, e.g., regulators. Reporting infractions to boards is not best practice.*

This is an appealing proposal, particularly in a society where ethnic, religious, and cultural affiliations dominate social and economic engagements (Osemeke & Osemeke, 2017; Adegbite et al., 2020). Regulators should reinforce the 'independence' and 'objectivity' of whistle-blowing (Agnihotri & Bhattacharya, 2015). Such reports could be made to industry regulators or relevant professional bodies. Also, such communication should be anonymised.

Another area attracting participants' interest is the whistle-blowers' incentive. E19 notes that:

> *Whistle-blowing may have a lifetime impact on the whistle-blower. Therefore, the motivation for whistle-blowing should be worthwhile. Whistle-blowers should be compensated to compensate for any damage suffered.*

Rapp (2007) and Hwang et al. (2008) concur that it is rational for whistle-blowers to assess their payoffs when blowing the whistle. This is vital as whistle-blowers pay a hefty price for exposing wrongdoing (Uys, 2008). Dyck, Morse, and Zingales (2010) agree that monetary incentives inform employee involvement in whistle-blowing. This is noteworthy given Nigeria's poverty levels (Adekoya, 2011), but Schmidt (2005) and Hwang et al. (2008) contend that incentives should be broader than monetary inducements.

5.2.2.3 Monitoring the Monitor

Another area that participants note is regulators' accountability, as it is critical to understand the rules by which regulators operate. Interviewees note that regulatory arrangements for firms are known, but the same cannot be said of regulatory institutions. Consequently, E20 asks:

> *Who monitors the monitor?*

E11 further notes:

> *Aside from whistle-blowing, I am unaware of any regulatory provision where regulators could be reported or penalised. This impacts their accountability.*

The literature (Kumar & Sivaramakrishnan, 2008; Rahman, 2012; Boone & Mulherin, 2017) acknowledges this concern. Monitoring could adopt internal or external mechanisms to check agents' activities (Jabotinsky & Siems, 2018). The literature suggests a preference for using internal tools such as independent boards (Kumar & Sivaramakrishnan, 2008), contractual arrangements (Rahman, 2012) and special committees (Boone & Mulherin, 2017). However,

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given the country's institutional challenges, participants emphasise the use of external mechanisms to monitor regulators. E4 suggests that:

> *The activities of regulators should be peer-reviewed. The government should engage governance regulators from other countries to peer-review our regulators. This would also keep our regulators updated in terms of new development and global best practice.*

The above comment is valid, as this could ensure objectivity and independence in monitoring regulators. Engaging a local body to monitor may undermine the monitoring goal, given the probable threats to independence, i.e., familiarity, intimidation, and self-interest (see Sobhan & Adegbite, 2021).

Some interviewees recommend the use of internal instruments. E3, for instance, extends the independence concern, focusing on the mode of funding regulators:

> *The reliance by regulators on government for funds obstructs effective regulation. Politicians must not be responsible for funding regulators.*

E10 also recommends the reworking of regulatory boards' composition:

> *The board composition of regulatory bodies must be re-evaluated. The practice of having political appointees on boards should be discontinued. These boards should be composed of industry professionals and sectoral representatives.*

6. Study Contributions to Practice

This study affirms that corporate governance benefits from effective institutions (Filatotchev *et al.*, 2013; Judge *et al.*, 2008). Institutions regulate stakeholders' behaviour (North, 1990) by imposing controls on agents (Judge *et al.*, 2008). Thus, the purpose of corporate governance is best served when stakeholders acknowledge their limits, as defined by institutions (Aguilera & Jackson, 2010). The corporate governance scholarship adopts this view (Aguilera & Jackson, 2010; Filatotchev et al., 2013). This understanding, depicted in Figure 3, underpins the top-down approach to corporate governance (Aguilera, Judge & Terjesen, 2018).

Insert Figure 3 about here

However, this study context offers in-depth but distinct insights. The data suggest that agents influence institutions in Nigeria. Consequently, we propose that reforms should address

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problems created by influential stakeholders in order to build institutions that support corporate governance. This proposal motivates the bottom-up approach (Aguilera et al., 2018) to Nigeria's corporate governance (Figure 4). The bottom-up framework introduces a governance system that, ab initio, educates and creates consciousness among individuals as a basis for building strong institutions. The RDT suggests that motivation is intrinsic to individuals, indicating that the capacity to generate external resources for firm benefit depends on a broad range of factors such as relationship with business, political and other societal networks, and elites (Tricker, 2019). Therefore, for reforms to be effective, regulators must initially seek to provide the appropriate conditions that increase the capacity of key stakeholders to comply with proposed reforms. Providing these conditions requires some engagement with these key stakeholders, which allows the agents to participate in reform formulation. Considering the intricacies of reforms, a bottom-up approach enables a constant exchange of ideas that enable firms to secure agents' buy-in of proposed changes (in this case, corporate governance policies).

Colyvas and Maroulis (2015) claim that the bottom-up process activates strong institutions. Like a co-regulation strategy (see Nakpodia et al., 2018), a bottom-up approach encourages wider stakeholder involvement in framing governance policies at the firm and country levels. Nakpodia et al. (2018) further note that greater stakeholder involvement in governance policies inspires self-regulation, which, in the long run, minimises governance cost and establishes new ways of thinking. This reform agenda challenges the dominant top-down method that has attracted significant scholarly interest, especially in studies exploring the role of institutions in corporate governance among developed economies.

Insert Figure 4 about here

From the preceding, it is apparent that education and awareness are critical to unlocking agents' potential to internalise sound corporate governance principles. This research proposes a novel education and awareness strategy for corporate governance in Nigeria - the affective approach. Earlier, two strands of reforms were revealed, i.e., awareness-related (AR) and regulation-related (RR) reforms. Regarding AR, the proposed reforms emphasise the use of education to create and sustain corporate governance consciousness. This study observed that existing education strategies rely on psychomotor and cognitive elements that focus on developing the

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'head' (mental) and the 'hands' (doing) (Anderson & Sosniak, 1994). However, corporate governance emphasises morals, values, and ethics (Nakpodia et al., 2020). Therefore, this research contends that the continued focus on psychomotor and cognitive elements may not produce the conduct that promotes corporate governance. The issues frustrating corporate governance in Nigeria validate this view. Thus, this research recommends that training and enlightenment programmes pay attention to an often-ignored component of Bloom's Taxonomy, *i.e.,* the affective domain. The affective domain seeks to enhance the capacity of the heart to internalise values that helps stakeholders' exhibit acceptable standards of behaviour. This is consistent with this research's core findings. The data suggest the need to improve the operators' capability to internalise corporate governance principles.

7. Summary and Conclusion

Given the numerous challenges confronting corporate governance in Nigeria, stakeholders must articulate and implement reforms that address these problems and respond to corporate governance developments in the global operating environment. While subsisting reform proposals traditionally concentrate on corporate governance, this study takes a different path. The data unearth key conditionalities (upstream interventions) that must precede corporate governance reforms. The findings indicate that government must show greater commitment to corporate governance in the business environment. In doing this, the government must cooperate with the private sector to create an enabling operating environment that incentivises (both carrots and sticks) corporate governance.

Following these two conditions, participants propose specific corporate governance reforms. Unlike the widely reported reforms, respondents propose downstream reforms that could stimulate sound corporate governance practice in Nigeria. These reforms are categorised as awareness-related and regulation-related reforms. The awareness-related reforms emphasise enlightenment and micro-business governance, whereas the regulation-related reforms highlight three regulatory areas – governance scorecard, whistle-blowing mechanism, and monitoring regulators.

These findings allow us to make two specific contributions to practice. First, this research articulates a bottom-up approach that tolerates greater participation of stakeholders, especially at the operational level, compared to the top-down approach that often isolates low-level managers in corporate governance policy-making. Second, because of the need to deepen

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corporate governance awareness, this study recommends revising existing training models to focus on enlightenment strategies that accommodate the affective domain, i.e., the heart.

The preceding findings and contributions are subject to some limitations. Most of the data for this study were collected in 2013 as part of another project. While the data might appear outdated, we opine that Nigeria's corporate governance practices had not witnessed notable changes, hence the NCCG's (2018) introduction, effective in January 2019. We collected additional data in the second half of 2018. The latest data support our view that Nigeria's corporate governance has not improved significantly since 2013. Another limitation relates to the non-recruitment of executives in government establishments in this study. Given that our findings consider the government's role in embedding sound governance, we could have interviewed directors in state enterprises to understand their corporate governance practices.

These limitations provide opportunities for further research. This article suggests that economic agents account for the state of corporate governance in Nigeria. Despite efforts by institutional entrepreneurship theorists, this area deserves greater exploration among scholars. The literature in this space indicates that institutional factors inform agents' attitudes towards corporate governance. Future studies may investigate these agents' character, explore the various factors that inform such behaviours, and articulate how agents' characters impact corporate governance practice. This could help in broadening the understanding of institutional theorising.

Furthermore, this research pinpoints the need to promote good governance in the micro sector. Scholars have paid meagre attention to governance among SMEs, especially in developing economies. SMEs' economic importance demands that greater interest is channelled to their governance issues. Lastly, we observe that the corporate governance literature in many developing economies (such as Nigeria) ignores governance practices in state-owned enterprises. This neglect is worrisome because the government and their (state-owned) enterprises are critical influencers of corporate governance practices. Therefore, future research should evaluate the dynamics of corporate governance among government-owned firms to expose how it shapes corporate governance in the business environment.

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Notes

Compliance with Ethical Standards

Conflict of interest

The authors of this research declare that they have no conflict of interest.

Ethical Approval

All procedures performed in studies involving human participants were in accordance with the ethical standards of the institutional and/or national research committee and with the 1964 Declaration of Helsinki and its later amendments or comparable ethical standards.

Animal Rights Statement

This article does not contain any studies with animals performed by any of the authors.

Informed Consent

This study relied on publicly available data.

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Appendix 1

Interview Questions

- As a key stakeholder in Nigeria's corporate governance, what is your assessment of the present state of corporate governance in the country?
- How would you rate corporate governance performance among Nigerian companies?
- What do you think are the main problems confronting corporate governance in Nigeria?
- How would you assess the contributions of the SEC codes (2003 and 2011) to the practice of corporate governance in Nigeria?
- Which provision(s) of the code do you think would enhance corporate governance practice in the country?
- Which area(s) of the code would you say deserve better attention?
- What specific improvements would you have introduced in the code?
- In your opinion, do you think that a wholly rules-based regulation or a principles-based regulation is what is needed to improve governance among Nigerian companies?
- In your view, do you think that our institutional elements (e.g., religion, culture, ethnicity) impact the effectiveness of corporate governance and its codes in Nigeria?
- In your opinion, what are the main governance reforms you consider necessary to improve corporate governance in the Nigerian business environment?

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Figure 1: Themes from the Data (NVivo Wordcloud)

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Figure 2: Thematic Framework for the Data

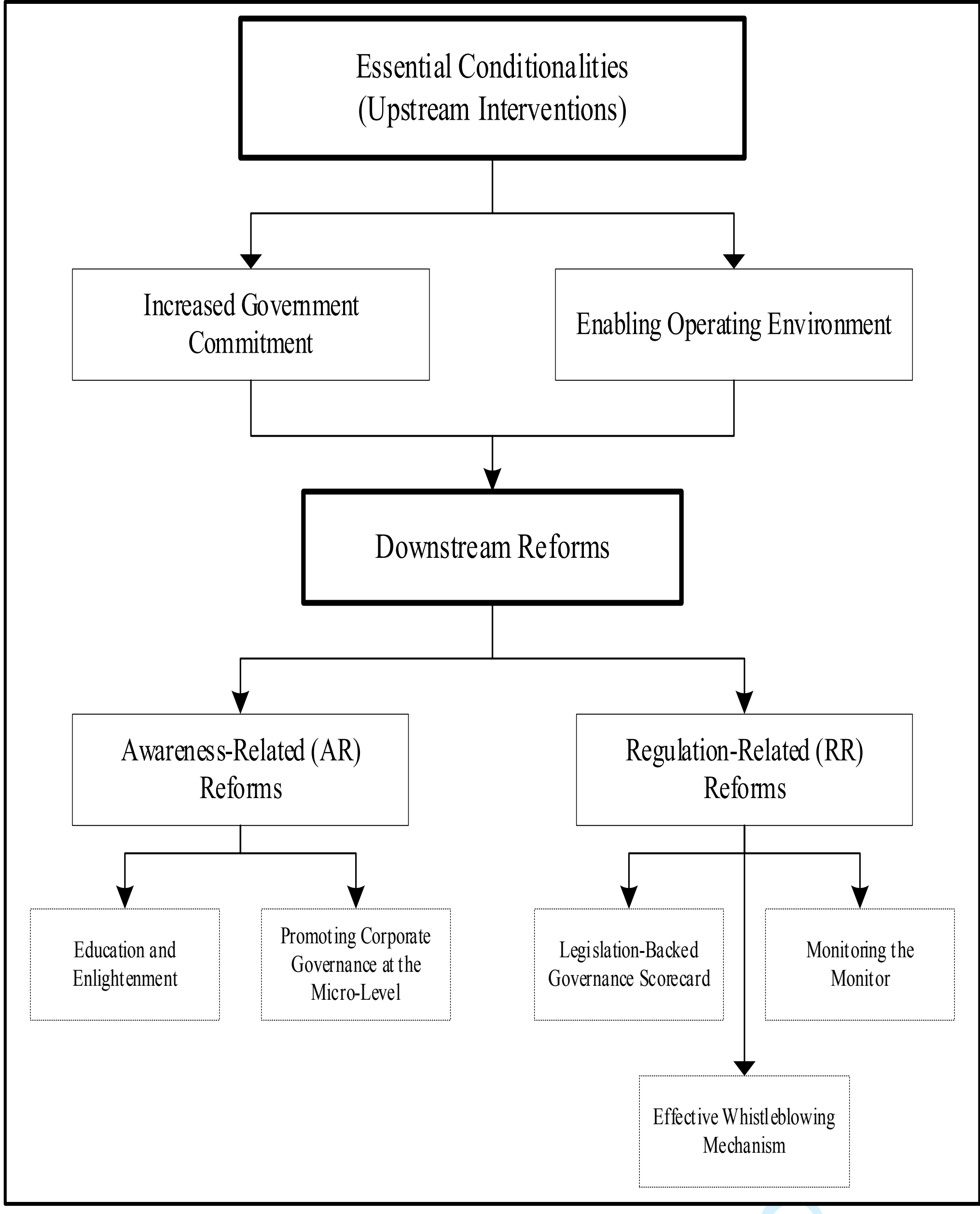

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Figure 3: Top-Down Model of Corporate Governance

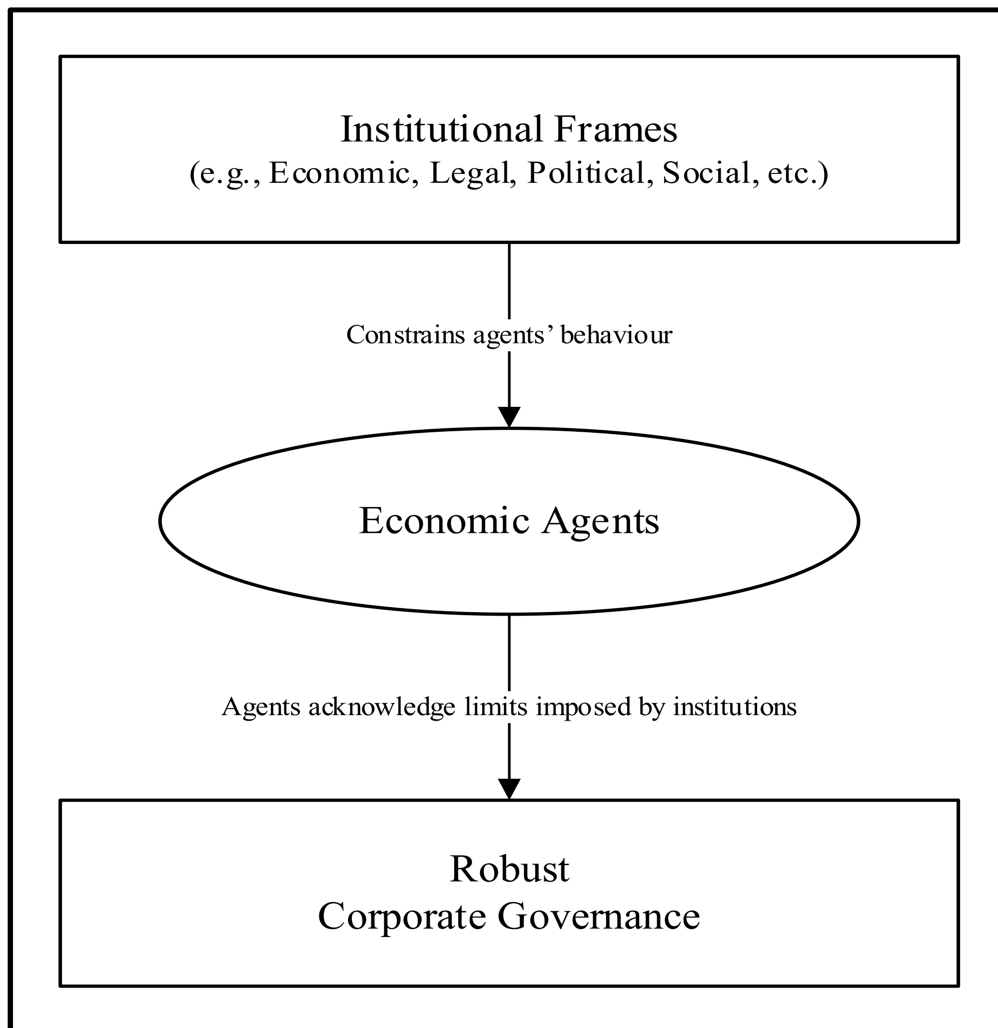

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Figure 4: Bottom-Up Approach to Corporate Governance

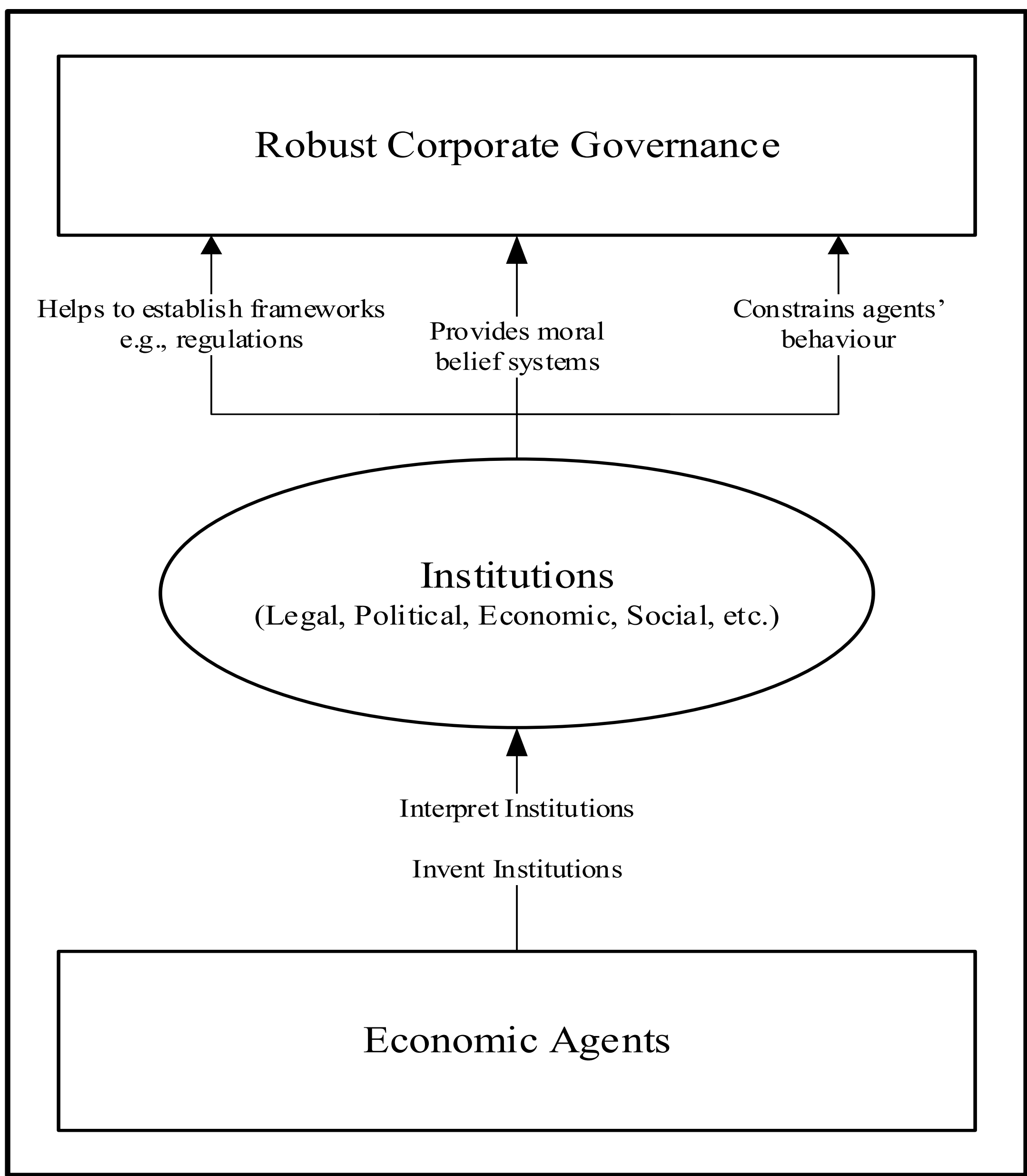

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Table

Table 1: Research Participants (Anonymised) and their Industry Affiliations

Participant	Industrial Sector	Gender
E1	Oil and Gas	Female
E2	Consumer Goods	Female
E3	Financial Services	Male
E4	Services	Male
E5	Utilities and Conglomerates	Male
E6	Oil and Gas	Male
E7	Industrial Goods	Male
E8	Financial Services	Male
E9	Healthcare	Female
E10	Oil and Gas	Male
E11	Financial Services	Male
E12	Information Communication Technology	Male
E13	Financial Services	Female
E14	Financial Services	Male
E15	Utilities and Conglomerates	Male
E16	Consumer Goods	Male
E17	Industrial Goods	Male
E18	Oil and Gas	Male
E19	Financial Services	Female
E20	Information Communication Technology	Female
E21	Financial Services	Male

Corporate Governance