CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

The relationship between corporate Governance and organizational performance has continuously attracted much attention and public interest all over the world as a result of its paramount importance in the economic health and growth of corporations. Organization of Economic Corporation and Development (2004), considered Corporate Governance standards as critical in helping emerging markets rebuild competitiveness, restore investor confidence, and promote sustainable economic growth.

Fisher and Lovell (2006) stated that corporate governance is essentially about leadership followed by the essential values that a leader should possess and display, and those corporate executives are required to run corporations in the interest of stakeholders. Corporate governance concerns the exercise of power in corporate entities, as it is the key foundation for firms to be more productive and have a long product life cycle. The levels of institutional collapse and firm's failure worldwide from unforeseen circumstances, confirmed through past researchers by Black, Jang and Kim (2003) observed that the management of firms and survival of companies are associated with the type of management that is in place in the organization, and the global competitive environment. An OECD (2004) study considers that corporate governance is the system by which business corporations are directed and controlled.

Nigeria which was the largest producer of crude oil palm world over, beginning from 1950s till 1970 and had a market share of 43% supplying 645,000 metric tons of palm oil, on annual basis after the civil war decline. Particularly, in the southern part of Nigeria which was the seat of oil palm plantations. Today, from being the largest producer of oil palm, Nigeria is now a net importer of oil palm according to index Mundi (2013). Nigeria today produces only 1.7% of the world consumption of palm oil which stands at 2.7%. This non performance exposed many organizations in Nigeria; while many went under, some find it difficult to fulfill their obligation to the stakeholders especially the shareholders, yet few others were able to fulfill their obligations, even when others find it very difficult to remain in existence. Many business organizations in the southern part of Nigeria which was the seat of oil palm plantation that was involved in the crude oil palm industries have collapsed, while few of these industries have survived.

Therefore, the question of what went wrong to those ones that collapsed notably some of these includes: Adapalm, Akwapalm, and Risonpalm Limited in Rivers State; a company owned by the Government in the area of oil palm which after the European union discontinued the funding in 1995 to 1997, the plantation was abandoned as it failed to produce results. Later it was revitalized in 2003, however, in 2010, the State Government decided to invest no further in the plantation as it was not producing the desired results. The Government decided to appeal from the private sector to put money on the plantation and support the distressed oil palm industry.

Therefore, this study was to determine the relationship between Corporate Governance and performance of oil palm producing firm's in the Southern part of Nigeria. According to Thompson (1967) as cited by Onwuchekwa (2002) that the need to evaluate organizational performance of business organizations is to know how they can improve their future growth opportunities. Organizational performance is achievable only if there effective process of continuous developments. Eziegbo (2007) expressed that organizational performance is the ability of an organization to utilize its resources efficiently and to generate outputs that are consistent with its goal and objective, relevant for its client and stakeholders. Organizational performance is also seen as measuring the results of a firm's policies and operations in practical terms. These results are reflected in the firms customer satisfaction, competitive advantage, innovativeness, etc. this research conducts empirical analysis to examine all these. This makes it very crucial to study corporate governance on the performance of selected Oil-Palm Producing Firm's in Southern Nigeria.

PROFILE OF ORGANIZATIONS UNDER STUDY

Presco Plc

Presco is one of the largest employers of labour in Edo and Delta states, with a total of about 350 employees.

Indirectly, Presco's operations positively impact on the livelihoods of many people through transport contracts, construction contracts, fresh fruits bunches and kernel purchases from farmers, as well as by the company being a large consumer of goods and services.

In keeping with its aspiration of maintaining a leading position in the oil palm sub-sector of the agro-industry in Nigeria, Presco palns to continue it's forward looking vision of plantation expansion and development in oil palm cultivation.

Currently the total planted area is 11,537hectares of oil palm plantations.

The planting of Ologbo is ongoing. So far 3,562 have been planted.

The palm oil mill capacity has increased from 48 to 60 tonnes fresh fruit bunches (FFB)/hour. The palm kernel crushing plant operates at 45 tonnes/day. The refinery has recently been increased to 100 metric tones per day and fractionation plant capacity and refined products to 60 tonnes/day.

To create a healthy environment for our operations, and in an effort to ensure that our presence has positive impact on the lives and social well-being of our host communities, our public Relations Department handles all aspects of community relations. More specifically we focus on employment, educational infrastructure, road rehabilitation, and scholarships for students, provision of electricity, water supplies and other essential facilities.

Presco firmly believes in environmentally friendly and sustainable production. All waste oil from the mill factory is recycled into the plantation or used as fuel to generate green process steam and electricity. As a member of the Siat Group of Companies, presco is actively involved in a joint research programme with CIRAD. (Center de Cooperation Internationale en Recherche Agronomique pour le Developpement (French Agricultural Research Centre for International Development).

This research programme focuses on developing criteria for sustainable and environmentally responsible plantation development and management.

Presco is a public limited liability company incorporated on September 24 1991 under Nigeria law. Its corporate head office is at the company's Obaretin Estate near Benin City.

Presco holds the Obaretin Estate (a concession of 7,000 hectares) and the Ologbo Estate (a concession of 11,000 hectares), both located in Edo State, and the Cowan Estate, a concession of 2,800 hectares in Delta State.

Presco today consists of:

- Oil palm planatation of 11,760 hectares of which 8,347 are mature
- A palm oil mill with a capacity of 60 tonnes fresh fruit bunches/ hour
- A refinery/ fractionation plant with a capacity of 100 tonnes/day
- A palm kernel crushing plant with a capacity of 60M tones/day

Presco is a subsidiary of Siat s.a, a Belgain agro- industrial company specialized in industrial as well as smallholder plantations of tree crops, mainly oil palm and rubber, and allied processing industries such as palm oil mills, palm oil refining/fractionation, soap making and crumb rubber factories.

Siat diversified its activities into cattle ranching. Siat has as its shareholders agronomists and economists with experience in the development of agro-industrial ventures in the tropics, **(http://www.siat-group.com)**

Besides Presco, Siat has a major stake in the Ghana Oil Palm Development Compnay (GOPDC) in Ghana **(http://www.gopdc-ltd.com/**), in Siat Gabon **(http://www.siatgabon.com/**) in Gabon and in the Companie Heveicole de Cavally in Ivory Coast.

During the seventies, the Government of the then Bendel State of Nigeria (which is now divided into two states: Edo State and Delta State) initiated a programme for the development of oil palm cultivation with the financial support of the World Bank.

In a recently published list of Nigeria's Top Companies, Presco is shown as the 67th biggest company by turnover in the company. The listing published by the leading in the Nigerian vegetable oil industry, but also the leading agricultural enterprise.

We employ only adults and comply with the rules and regulations in force.

Company incorporated in 1991 and went public in 2002. Divided paid every year since going public.

2.1.2 Siat Nig.Ltd

In addition Siat also holds 100% of Siat Nigeria ltd (SNL). SNL acquired from the Rivers State Government the assets of Risoplam, which comprise 16,000 hectares of old oil palm hacton, plus the entire social and industrial infrastructure of such an industrial oil palm complex. The plantations are due for replanting over the next 10 years.

Siat is an agro-industrial group of companies specialized in the establishment and management of industrial as well as small holders' plantations and allied processing and downstream industries. The main focus remains on oil palm and rubber, while cattle ranching are gaining importance in the group. Siat seeks majority equity participation in the capital of private agro-industrial companies and provides management and engineering services.

2.1.3 Okomu Oil Palm Ltd

Okomu oil Palm Plc develops oil palm plantation, mills palm oil and processes palm kernel. The company also develops rubber tree plantation.

Okomu oil palm was established in 1970 as a federal government pilot project aimed at rehabilitating oil palm production in Nigeria. At inception, the pilot project covered a survey area of 15,580 hectares of which 12,500 hectares could be planted with oil palm. It was incorporated on December 3rd 1979 as a limited liability company.

As part of effort to shore up its revenue base, the company acquired and installed a 1.5 to tone fresh fruit bunches/hour mill in 1985 to being to process its FFB. Prior to the installation of the mill, the company denied its revenue from the sale of FFB. By December, 31, 1989 5,055 hectares of land was used to begin infrastructural developments on the estate at that period. Thye facilities include office blocks, workshops/ stores, staff member's residence. This company has consistently posted profits in the last 10years a period during which most other agricultural companies in the country had either folded up or were performing sub-optimally Okomu is ranked 10th among listed companies with the largest turnovers quoted on the Nigeria stock exchange(NSE). It is the only agric business in the NSE'S top 16 companies with the largest turnovers.

1.2 STATEMENT OF THE PROBLEM

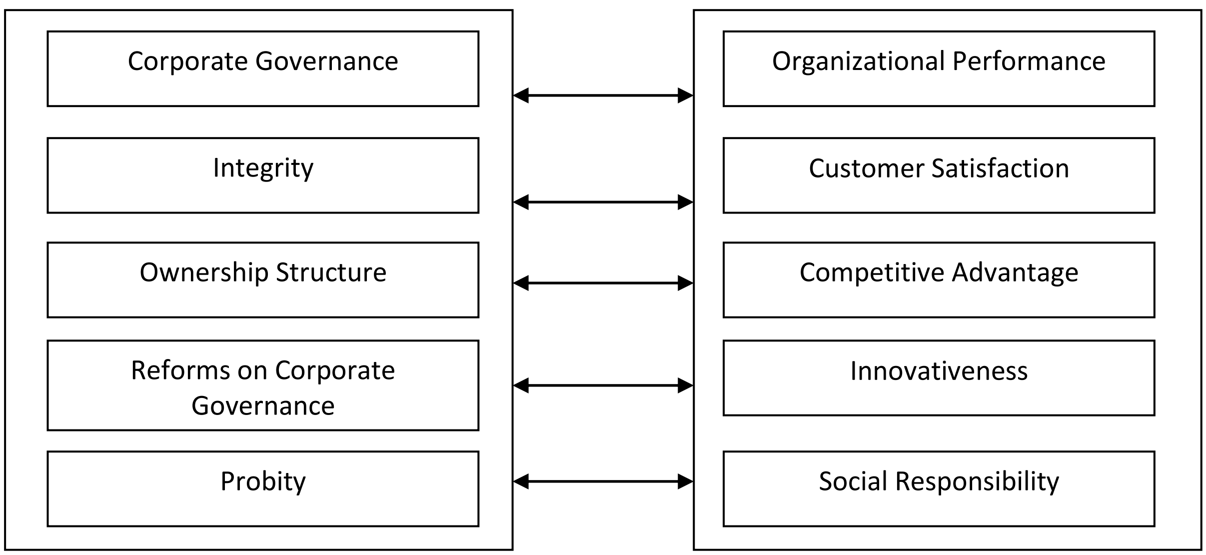
Oil-palm producing firms in southern Nigeria are established to fulfill oil-palm production objectives as conceived by their owners. A poor approach towards the application of corporate governance in business, has to a great extent put a threat on the existence of corporate governance and organizational performance of these firms. Many oil-palm producing firms in southern Nigeria have faced the problem of lack of integrity and customers satisfaction in the management of the firms. Giving the fact that corporate discipline which is the commitment by the firm's senior management to adhere to behavior that is universally recognized and accepted to be correct and proper is missing. Lack of integrity has enable bribery, acquaintance and corruption to flourish and has suppressed sound and sustainable economic decision. The effect of this is that management has not considered the firms obligations to its customers. Because maintaining customer satisfaction is the key to retained customers and profitability. Therefore, customer satisfaction gives room for customer loyalty, retaining existing customer, increase in sale, expansion and growth. The customers who are unsatisfied with the received service would not be expected to have long run relationship with the company.

Also, problem of ownership structure and competitive advantage on firm's performance. Firm with higher state ownership have low market value, this is because the executive do not seek to maximize shareholders return. Given that they must also seek to satisfy social goals placed on them by government. The problem of how firms top level manager's decisions and actions affects the implementation of strategies. This is because governance did not align manager's decisions with shareholders interests and can't help produce a competitive advantage for the firm. The causes of some oil palm firm's failure depend basically on the ownership structure of the sector and competitive forces affecting them. And that competitive advantage stems from company ownership of specific resources which is capable of generating value. Competitive advantage was measured by use of market share; therefore, ownership structure has wide implication for organizational performance of the firms. And that ownership by institution, being usually in block can exercise voting rights that did not ensures the protection of shareholders from poor and unwholesome management performance.

The problems of reforms on corporate governance and innovativeness have affected oil-palm producing firms in southern Nigeria. The fact that some of the reforms does not necessarily transit into good corporate governance. Because the wide spread adoption of this code was mere conformance, which does not necessarily mean commitment to sound and ethical business practices., reforms on corporate governance was to monitor and ensure compliance to the codes that are suppose to regulate and supervise all corporation related maters in Nigeria. But because of the agencies weakness the issue of enhancing business ethics failed. When the agencies failed to protect the interest of shareholders and other stakeholders from corporate exploitation and mismanagement, as this has resulted to lack of innovation which indeed affected the creative and sustain competitive edge. Innovativeness was measured through new products introduced to the market, developing new markets and emphasis on research and development techniques.

Finally, the problem of probity and social responsibility has not defined the firm’s reputation and image. As they did not create goodwill with its stakeholders. Given that social responsibility arise from the impacts of corporate actions. The problem of probity present accountability to management of firms. And that lack of continuing commitment by the firms to behave ethically and contribute to economic development, while improving the quality of the workforce became a challenge for the firms.

Ethical consideration has been a problem in business behavior, so probity is what is strictly legal, understanding the limits of their authority and power. Therefore, failure by management to uphold proper standards of conduct and probity has consciously affected their performance. Probity is measured though the setting of values, and implementation, while social responsibility was measured through provision of education, employee welfare, housing and health. The variables of corporate governance and organizational performance were decomposed as corporate governance was independent variable and organizational performance dependent variable.



It is in view of these problems that the researcher was motivated to carry out a study on corporate governance and organizational performance, a study of selected oil-palm producing firms in southern Nigeria.

1.3 OBJECTIVES OF THE STUDY

The general objective of this study was to examine corporate governance and organizational performance. The specific objectives are:

1. To determine the extent to which customer satisfaction affects integrity in the studied oil-palm producing firms in southern Nigeria.

2. To ascertain the extent of relationship between competitive advantage and ownership structure of the studied oil-palm producing firms in southern Nigeria.
3. To identify the extent of relationship between innovativeness and reforms on corporate governance of the studied oil-palm producing firms in southern Nigeria.
4. To examine the nature of the relationship between social responsibilities and probity in the studied oil-palm producing firms in southern Nigeria.

1.4 RESEARCH QUESTIONS

For the purpose of this research, the following research questions were asked:

1. To what extent does customer satisfaction affects integrity in the studied oil-palm producing firms in southern Nigeria

2. To what extent does competitive advantage affects ownership structure of the studied organizations?

3. To what extent does innovativeness affect reforms on corporate governance of the oil-palm producing firms in southern Nigeria?

4. What is the nature of the relationship between social responsibility and probity in the studied Oil-palm producing firms in southern Nigeria.

1.5 HYPOTHESES

HO1: There is no significant relationship between customer satisfaction and integrity of the studied firms.

HO2: Competitive advantage does not significantly affect Ownership structure of the studied oil-palm producing firms in southern Nigeria.

HO3: Innovativeness does not significantly affect Reforms on corporate governance in the studied oil palm producing firms in southern Nigeria.

HO4: There is no significant relationship between social responsibility and probity in the studied oil-palm producing firms in southern Nigeria.

1.6 SIGNIFICANCE OF THE STUDY

The significance of this study will cover a wide spectrum. Firstly, this study will be significant to all corporate organizations and managers in the Nigerian business environment.

The study is significant because it will provide solutions and assistance to the understanding of the dynamics of the elements of corporate governance and how it affects performance of business organizations positively or negatively.

The study intends to find out what is likely the cause of good performance of these few companies especially when their contemporaries were performing badly.

The study will particularly be significant because it will assist Siat, Okomu and Presco and its management in understanding the nature of relationship between corporate governance and organizational performance. Aside these, the study will be of great significant to students, researchers and business managers of various corporate business organizations as it is an attempt at studying corporate governance and performance. Finally, the study will add to the growing literature in the area of business management and will also provide a veritable source of reference and research materials within the subject areas.

1.7 SCOPE OF THE STUDY

This study covers the subject of corporate governance and organizational performance. This study was limited to some companies within the south-south geographical zone of Nigeria which include Siat Limited in Ubima of Rivers State, Okomu Plc in Udo, Edo State and Presco Plc in Benin, Edo State, although the organizations are very similar in nature, these companies practice corporate governance.

1.8 LIMITATIONS OF THE STUDY

There were some limitations in course of carrying out this research which are stated thus:

1. The difficulty in getting certain information and materials about corporate governance and organizational performance in the oil-palm producing firms in the southern Nigeria.
2. The unavailability of adequate time and funds necessarily required to adequately prosecute this research study.
3. The attitude of most respondents was not encouraging as a result of fear in divulge of their organizational profile, when questionnaire copies were administered.
4. Financial constraint was another inherent factor that affected the researcher not to have extended the study to oil-palm producing firms in other parts of the countries.
5. Time constraint, time availability for the study was shaved with other academic programmes of the university.

However, it is to be noted that these limitations did not affect the process and outcome of this study.

CHAPTER TWO
REVIEW OF RELATED LITERATURE

This chapter presents a review of literature that is related to the present study. The chapter is organized under various sub-headings that are associated with corporate governance and organizational performance. It reviewed the concept of corporate governance and empirical studies that were conducted on the effect of corporate governance mechanisms on the performance of organizations. The chapter also focuses attention on the research problems that were investigated by the studies, the hypotheses that were formulated, and tested. This chapter establishes the gaps in the literature.

2.1 CONCEPTUAL REVIEW

According to Mayer (1997), corporate governance is concerned with ways of bringing the interests of investors and managers into line and ensuring that firms are run for the benefit of investors. Corporate governance is concerned with the relationship between the internal governance mechanisms of corporations and society's conception of the scope of corporate accountability (Deakin and Hughes, 1997). Ahmed (2004) sees the term as the arrangement between the managers of the firm and the owners of the organizations, particularly, addressing the issue of how managers report the financial health of the firm to the owners. In the wake of notorious corporate failures and accounting scandals, there has been increased awareness about corporate governance, especially in the issue of organizational performance.

The United State of America in 2001 enacted the Sarbanes – Oxley Act as a response and other countries have responded with similar legislation. Thus, the concept is defined and understood differently in different parts of the world on the relative power of owners, managers and providers of capital. Craig (2005) view corporate governance from two contrasting angles: the shareholder and the stakeholder model. Corporate governance in its narrowest sense, (i.e. shareholder model) is used to describe the formal system of stewardship of the board to the shareholders. In contrast, in its widest sense (i.e. stakeholder model) corporate governance is used to describe the network of relationships between an organization and its various stakeholders. Therefore, what is clear about the above definitions is that in directing and controlling the affairs of a company, the board has to ensure that it takes due care of the interests of the various stakeholders of the company.

The typical arrangements and processes that constitute a corporate governance system such as board composition and functioning, risk management and auditing are all merely the means to ensure that the corporation act in a manner that is fair, accountable, responsible and transparent to all stakeholders.

John and Senbet (1998) proposed the more comprehensive definition that corporate governance deals with mechanisms by which stakeholders of a corporation exercise control over corporate insiders and management such that their interests are protected. They include as stakeholders not just shareholders, including non-financial stakeholders such as employees, suppliers, customers and other interested parties. Hart (1995) closely shares this view as he suggests that corporate governance issues arise in an organization whenever two conditions are present. First, there is an agency problem or conflict of interest, involving members of the organization these might be owners, managers, workers or consumers. Second, transaction costs are such that this agency problem cannot be dealt with through a contract.

Roe (2004) define corporate governance as the relationships at the top of the firm, the board of directors, the senior managers, and the stockholders. In his opinion, institutions of corporate governance are those repeated mechanisms that allocate authority among the three and that affect, moderate and control the decisions made at the top of the firm.

Thus, the corporate governance framework also depends on the legal, regulatory and institutional environment. And factors such as business ethics and corporate awareness of the environmental and societal interests of the communities in which it operates can also have an impact on the reputation and the long term success of a company. McRitchie (1999) posits that corporate governance is most often viewed as both the structure and the relationships which determine corporate direction and performance. And that the board of directors is typically shareholders and management is critical. In view of the above, the international chamber of commerce defined corporate governance as the relationship between corporate managers, directors and the providers of equity, people and institutions who save and invest their capital to earn a return. It ensures that the board of directors is accountable for the pursuit of corporate objectives and that the corporation itself conforms to the law and regulations.

Recent, high profile corporate failures in Asia, America, UK, South Africa, Nigeria and other western countries have brought renewed focus on the importance of good corporate governance, and have heightened global interest in the topic. The resulting international debate has shown that underlying principles of fairness, transparency, accountability and responsibility reflect minimum standards necessary to provide legitimacy to the corporate sector, reduce financial crisis vulnerability, broaden and deepen access to capital by creating investor confidence. The concept of corporate governance is quite difficult to define because it potentially has wider economic and social implication.

Governance on its own can be defined as the use of institutions, structures of authority and collaboration to allocate resources and coordinate or control activity within an entity.

Etete (2010), Corporate governance often used by corporate entities to describe the manner in which boards of directors or their equivalents direct the affairs (structures of authority and collaboration deployed in allocating resources and coordinate or control activity) of the corporation and the laws and culture that guide them.

Etete states that corporate governance is the system by which business corporations are directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among different participants in the corporation, such as, the board, managers, shareholders and other stakeholders, and spells out the rules and procedures for making decisions on corporate affairs. By doing this, it also provides the structure through which the company objectives are set and the means of attaining those objectives and monitoring performance. Standard (2001) defined corporate governance as the way a company is organized and managed to ensure that all financial stakeholders (shareholders and creditors) receive their fair share of a company's earnings and assets. The new emphasis on corporate governance is perhaps not surprising as evidence exist that consideration of corporate governance issues is increasingly part of the investing and decision making process. There is also evidence that good governance can enhance shareholder value and reduce risk. Lynch (2006) posits that corporate governance is the influence and powers of the stakeholders to control the strategic direction of the organization in general and, more specifically the chief executive and other senior officers of the organization. The corporate governance relationship with stakeholders arises from the opportunities given to senior managers to influence the future purpose of the organization.

Shleifer and Vishny (1997) define corporate governance as a way in which suppliers of finance to corporations assure themselves of getting a return on their investment. Irrespective of the particular definition, the importance of corporate governance arises in a firm because of the separation between those who control and those who own the residual claims. Osisioma and Osisioma (2009) describe corporate governance as the structures and practices of boards, the overall import being to monitor corporate performance and oversee the conduct of management on behalf of shareholders and/or other stakeholders. And that the concept of corporate governance has its roots in the legal structure giving companies' unique status with an allocation of powers among owners, managers, customer and society.

While Okeahalam and Akinboade (2003) as cited by Osisioma and Osisioma (2009) put the definition in context, thus corporate governance refers to the private and public institutions, including laws, regulations and accepted business practices, which in market economy, govern the relationship between corporate managers and entrepreneurs (corporate insiders) on one hand, and those who invest resources in corporations on the other. And further, refers it as the manner in which the power of a corporation is exercised in the stewardship of the corporation total portfolio of assets and resources, with the objective of maintaining and increasing shareholder value, and satisfaction of other stakeholders in the context of its corporate mission. Corporate governance implies that companies not only maximize shareholders wealth, but balance the interests of shareholders with those of other stakeholders, employees, customers, suppliers and investors so as to achieve long term sustainable value. It is about managing an enterprise while ensuring accountability in the exercise of power and patronage by firms. The significance of corporate governance for the stability and equity of society is captured in the broader definition of the concept offered by Cadbury (1992) corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individual, corporations and society.

The above discussion revealed that, views differ on the content and boundaries of corporate governance for some; the essence is the exercise of power by shareholders or stakeholders. While for others it is the formal structure of relationship that involves the control and direction of companies. Nevertheless, there is still absence of consistent definition of corporate governance, Black (2006).

There is no united view on what elements corporate governance incorporates, what characteristics the elements have, what type of relationship that are between them and where the borders of the concept lay. The reason behind that confusion is the extremely broad issues which are related to corporate governance. Perhaps the most commonly used for economic cooperation and development (OECD) (2004), Trieker (2009), Rezaee (2002), Sifuna (2012) and Shleifer and Vishny (1997) which defines corporate governance as a system by which corporations are directed and controlled. The governance structure specifies the distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators and other stakeholders) and specifies the rules and procedures for making decisions in corporate affairs. And that corporate governance provides the structure through which corporations set and pursue their objectives, while reflecting the context of the social, regulatory, and market environment. As governance is a mechanism for monitoring the actions, policies and decisions of corporations, it involves the alignment of interests among the stakeholders. They also viewed corporate governance as a system of law and sound approaches by which corporations are directed and controlled focusing on the internal and external corporate structures with the intention of monitoring the actions of management and directors and thereby mitigating agency risks which may stem from the misdeeds of corporate officers, Abubakar (2013).

What is clear from the above definitions is that in directing and controlling the affairs of a company, the board has to ensure that it takes due care of the interests of the various stakeholders of the company. The typical arrangements and processes that constitute a corporate governance system such as board composition and functioning, risk management and auditing are all merely the means to ensure that the corporation act in a manner that is fair, accountable, responsible and transparent to all stakeholders.

In other words, the corporate governance system incorporates participating actors and institutions designed for the achievement of the company's objectives.

Therefore, corporate governance describes how companies ought to be run, directed and controlled. Cadbury committee (1992) as stated viewed it as supervising and holding to account those who direct and control the management. The problems faced by researchers is not only on defining the term, but also what level of corporate governance results to good or bad corporate governance.

Furthermore, the study addresses the issue of organizational performance, which over the years has also receive wide range of interpretations. Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). According to Richard (2009) organizational performance encompasses three specific areas of firm outcomes:

a. Financial performance (profits, return on assets, return on investment, etc)
b. Product market performance (sales, market share, etc) and
c. Shareholder return (total shareholder return, economic value added, etc).

The term organizational effectiveness is broader. In recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as, financial performance, e.g. shareholder return), customer service, social responsibility (e.g. corporate citizenship, community outreach) and employee stewardship. Organizational performance increased indirect proportion to increase efficiency and effectiveness. While Ezigbo (2010) defined organizational performance as the ability of an organization to utilize its resources efficiently and to generate outputs that are consistent with its goals and objectives, relevant for its clients and stakeholders. Organizational performance comprises the real output or results of an organization as measured against its goals and objectives and intended outputs.

According to Shahrukhalid (2010) organizational performance as the ability of an organization to fulfill its mission through sound management, strong governance and a persistent rededication to achieving results. Effective non-profits are mission driven, adaptable, customer – focused, entrepreneurial, outcomes oriented and sustainable. Therefore, organizational performance involves the recurring activities to establish organizational goals, monitor progress towards, the goals and make adjustments to achieve those goals more effectively and efficiently. Organizational performance is to properly create and sustain healthy and effective results–oriented culture, public organizations have a greater challenge to define and measure results than private sector organizations, whose results are almost exclusively tied to financial goals, Wrong (2004). Public organizations are also required to comply with complex regulations that govern their performance management programmes. Thus, management of any organization, regardless of the level, changing and significantly increasing demands for programs, products and service among others are several of the many reasons public and private organizations demands for accountability and good governance in order to perform as efficiently as possible all the activities needed to provide goods and services to customers, o' Donovan (2003). Ezigbo (2010) defined performance as a measure on how efficiently and effectively managers' uses resources to satisfy customers and achieve organizational goals.

Okere (2004) each organization has to some degree a unique environment in which it operates which will affect it in a unique way.

The ability of departments and managers to, develop the skills they need to manage the segment of the environment they are responsible for and cooperate with other departments to get products to customers in a timely fashion determines organizational performance. Jones and George (2003) defined organizational performance as a measure of how efficiently and effectively managers use resources to satisfy customers and achieve organizational goals. Brown and Eisenhardt (1998), argue that the most important challenge facing managers is not just the need to respond quickly to changing conditions in the environment but to time their respond to those needs.

Presco Plc, for example, has shown itself to be the oil palm company that can best sense what customers are looking for in a competitive environment. Vandebeeck (2012) stated that

"He has been to Ghana, Ivory Coast, Gabon, Cambiodia and other places. He has come to the conclusion that you have to be in Nigeria because this is the place where you can make money and that is the place where you can grow and have an impact; particularly when you are friendly and understand your business environment in the area of human resource management, respect your corporate social responsibility, key into government policies and stay away from politics, then your organization will not only post profit but must be quoted in the stock market".

Therefore managing the match between the organization and its environment, so that the organization's structure responds well to the forces in the general environments is a vital management task and is one key factor that separates high performing from low performing organizations. Thus, managerial actions and styles should aim at effectively matching the opportunities and demands of the environment with the strengths and weakness of the organization's resources (human, financial, physical, system and technological).

The understanding is that except an organization learns to adapt to maintenance of effective corporate governance and its elements that influence its performance, it would continue to lose its power of relevance and impact in the market place. Therefore corporate governance becomes necessary according to Shleifer and Vishny (1997).

Corporate governance is essentially about leadership, followed by the essential values that a leader should posses and display. Shleifer and Vishny (1997) defined corporate governance as a way in which supplier of finance to corporations assures themselves of getting a return on their investment. Irrespective of the particular definition, the importance of corporate governance arises in a firm because of the separation between those who

control and those who own the residual claims (Epps and Cereola 2008). Further more, agency theory assumes an opportunistic behaviour that is individuals want to maximize their own expected interests and are resourceful in doing so. (McCullers and Schroeder 1
982). Therefore, there will be a conflict of interest between managers and stakeholders. Marcus (2008) argues that the basic issue from an agency perspective is how to avoid such opportunistic behaviour. Since, stakeholders hire managers to apply their investment in firm's activity; an information asymmetry occurs because management has the competitive advantage of information within the company over that of the owners (Zubaidah 2009). It can provide management with the opportunity to expropriate firm wealth in their benefit. Hence, agency theory suggests corporate governance as a mechanism to reduce these conflicts by monitoring manager's performance and aligning management's goals with those of the stakeholders (Brickley and James 1987). In Nigeria, the Securities and Exchange Commission in conjunction with the Corporate Affairs Commission set up a 17-man committee headed by Atedo Peterside, on June 15, 2000. The report of that committee with the subsequent amendments resulted in the publication in October 2003, of the code of corporate governance in Nigeria. Okeahalam and Akinboade (2003) stated that good corporate governance seeks to promote the following objectives:

1. Efficient, effective and sustainable corporations that contribute to the welfare of society by creating wealth, employment and solutions to emerging challenges.
2. Responsive and accountable corporations, legitimate corporations that are managed with integrity, probity and transparency.

3. Recognition and protection of stakeholder rights an inclusive approach based on democratic ideals, legitimate representation and participation.

Good corporate governance helps the firms to attract investors both locally and internationally, creates competitive and efficient companies and business enterprises, enhances the accountability and performance of those entrusted to manager corporations, and promotes efficient and effective use of limited resources. Osisioma and Osisioma (2009) stated that the drivers of good corporate governance are both internal and external to the firm. They include the membership, size and functions of boards of corporate bodies, the functions of non-executive or outside directors, the nature and role of board chairman, the independence of the board, the role of the audit committee and the communication policies of the firm. On the external front, a good legal framework for competition policy and for enforcing shareholders right, elaborate systems for accounting and auditing, a well-regulated financial and bankruptcy system and the market for corporate control are some of the institutions that discipline corporations to be at their best. Foreign institutional investors, the government, the regulatory agencies, the accounting profession and the stock exchange are some of the external drivers.

Alugbuo (2004) sees corporate governance as the apex managing organ of the corporation, in corporate governance the elements of leadership, which focuses on influencing the behaviour of people in the organization, stewardship that includes transparency, integrity and honesty in financial transactions. He also stated that corporate governance includes ethics and social responsibilities, vision, direction, corporate culture and values. The overriding and resultant concern of corporate governance should be the protection and maximization of stakeholder’s interest in the organization. The new emphasis on corporate governance perhaps not surprising as evidence exists that consideration of corporate governance issue is increasingly part of the investing and decision making process.

Thus, Standard and Poors (2001) analyzed four key component of governance:

1. Ownership structure
2. Financial stakeholder relations including shareholders rights
3. Financial transparency and information disclosure standards and
4. Board structure and process

The fact that corporate governance is the system used by the board of directors to administer a company's strategies and policies so that stakeholder wealth can be maximized. The practice of good corporate governance can yield good benefits to companies as investors would always react favorably in the stock market, while the reverse is true for companies indulged in questionable corporate governance practices. The quality of the board is very important in achievement of good governance.

2.2 THEORETICAL FRAMEWORK

Theoretically this study is based on agency theory. Ross (1973) and Mitnick (1973) as first scholars to propose, explicitly, that a theory of agency be created and to actually begin its creation. Ross is responsible for the origin of the economic theory of agency, and Mitnick for the institutional theory of agency, though the basic concepts underlying those approaches are similar.

Ross (1973) introduced the study of agency in terms of problems of compensation contracting agency was seen, in essence, as an incentive problem. Mitnick (1973) introduced the now common insight that institutions from around agency, and evolve to deal with agency, in response to the essential imperfection of agency relationships. Behaviour never occurs as it is preferred by the principal because it does not pay to make it perfect. But society creates institutions that attend to these imperfections, managing or buffering them, adapting to them, or becoming chronically distorted by them.

Thus, to fully understand agency, we need both streams – to see the incentives as well as the institutional structures. In economic agency, the problem is one of selecting a compensation system that will produce behaviour by the agent consistent with the principal's preferences. Thus, the focus is on the nature of the incentive system and the contracting system that guides the distribution of those incentives, as well as the conditions of risk and information that condition the choices of the actors.

For Ross, however, the problems are still within the realm of decisions and sequences of decisions regarding incentives, the contexts that actually constitute the agency relationship are removed from the analysis and are reduced to their contributions of incentives or contractual constraints or risk/uncertainty conditions to decisions.

The existence of costs of control, however, suggested to Mitnick that a theory of control centered on agency, not just a theory of exchanges might generate new insights into common social institution. The agent's problems of selecting what the principal wants without knowing the principals preferences Mitnick believed that institutions and social mechanisms exist to guide such behaviours. Mitnick developed the argument that institutions are shaped by the rational choice of the principal to not create perfect agency, when such creation would not be worth it.

Corporate governance includes the relationship among the many stakeholders involved and the goals for which the corporation is governed. The principal stakeholders are the shareholders, management, and the board of director. Other stakeholders include employees, customers, creditors, suppliers, regulators, and the community at large. Good corporate governance helps, to ensure that corporations take into account the interests of a wide range of constituencies, as well as of the communities in which they operate, and that their boards are accountable to the company and to the shareholders. Therefore, the application of agency theory in the corporate governance becomes important as to ensure the accountability of certain individuals in an organization through mechanisms that try to reduce or eliminate the principal agent problem.

According to agency theory when a chairman assume the role of chief executive officer (CEO), namely acting as decision maker and supervisor at the same time, the function of the board to minimize agency cost could be weaken tremendously, in the end, corporate performance goes down. (Jensen and Meckling, 1976, Fame and Jenson, 1983, Patton and Baker, 1987). Empirical studies by Daily and Dalton (1993) and Dahya, Lonie and Power (1996), unveil that CEO duality could bring about negative effects for corporate performance. Nevertheless, according to stewarding theory; executive's responsibility may neutralize self interest behaviours derived from CEO duality, and they are even much more devoted to advance corporate performance; Boyd (1995) agrees to that CEO duality brings in positive effects for corporate performance. Peace and Robinson (2003) stated that whenever there is a separation of the owners (principals) and the managers (agents) of a firm, the potential exists for the wishes of the owners to be ignored. This fact, and the recognition that agents are expensive, established the basis for a set of complex but helpful ideas known as agency theory. And that whenever owners (or managers) delegate decision-making authority to others, an agency relationship exists between the two parties. Agency relationship, such as those between stockholders and managers can be very effective as long as managers make investment decisions in ways that are consistent with stakeholder’s interests.

However, when the interest of managers diverge from those of owners, then managers’ decisions are more likely to reflect the managers’ preferences than the owners’ preferences. It is on this note that agency theory argues, self interested managers act in ways that increase their own welfare at the expense of the gain of corporate stockholders, then owners who delegate decision making authority to their agents will incur both the lose of potential gain that would have resulted from owner-optimal strategies and/or the costs of monitoring and control systems that are designed to minimize the consequences of such self-centered management decisions.

However, there are five different kinds of problems that can arise because of the agency relationship between corporate stockholders and their company’s executives.

1. Executives pursue growth in company size rather than in earning.
2. Executives attempt to diversify their corporate risk.
3. Executives avoid risk.
4. Managers act to optimize their personal payoffs.
5. Executives act to protect their status.

However, there are solutions to the agency problem. According to Pearce and Robinson (2003), that in addition to defining an agent’s responsibilities in a contract and including elements like bonus incentives that help align executives and owner’s interests, principals can take several other actions to minimize agency problem.

1. The owners to pay executives a premium for their service. This premium helps executives to see their loyalty to the stockholders as the key to achieving their personal financial targets.
2. Executives to receive back loaded compensation. This means that executives are paid a handsome premium for superior future performance.
3. Finally, creating teams of executives across different units of a corporation can help to focus performance measures on organizations, rather than personal goals.

In agency theory, in which the directors of a company are seen as agents of the owners and who are duty bound to act so as to maximize the interests of those owners. Mullins (2005) viewed this as being the reason for owners having made the investment in the first place. In agency theory, a business is principally for the shareholders and its actions should mainly be judged on the criterion of maximizing their interests. Actions by a firm that is consistent with this aim and which satisfy the additional tests of common decency (e.g. refraining from stealing, cheating, coercision and so on) and distributive justice. (I.e. ensuring that rewards are proportional to contributions made) are ethical.

Agency theory and stakeholders theory proposes a paradigm that helps explain the following certain aspects of a firms strategic behaviour.

1. Certain aspects of a firms strategic behaviour
2. The structure of management – stakeholders contracts
3. The form taken by the institutional structures that monitor and enforce contracts between managers and other stakeholder and
4. The evolutionary process that shapes both management – stakeholder contracts and the institutional structures that police those contracts.

Stakeholder theory is a theory of organizational management and business ethics that addresses morals and values in managing an organization. Based on the agency theory, the importance of corporate governance is to reduce agency conflicts between those who control and those who own the residual claims in a firm. Agency theory assumes an opportunistic behavior that is; individual want to maximize their own expected interests and is resourceful in doing so, McCullers and Schroeder (2008).

Therefore, there will be a conflict of interest between managers and stakeholders, Macus (2008) argue that the basic issue from an agency perspective is how to avoid such opportunistic behaviour. Since, stakeholders hire managers to apply their investment in firms activity, an information asymmetry occurs because management have the competitive advantage of information within the company over that of the owners Zubaidah (2009). It can provide management with the opportunity to expropriate firm wealth in their benefit. Hence, agency theory suggests corporate governance as a mechanism to reduce conflicts by monitoring manager's performance and aligning management goals with those of the stakeholders. Goergen (2012) posits that corporate governance deals with the conflicts of interests between the provider of finance and the managers, the shareholders and the stakeholders, and the prevention or mitigation of these conflicts of interests. Therefore, of prime importance of corporate governance are those mechanisms and controls that are designed to reduce or eliminate the principal agent problem. The greatest problem in Nigeria firms was the absence of private ownership and the ability to meet the standards of information disclosure, shareholder rights, board structure and procedures, and about benefits associated with implementing these standards, Yuguda (2012).

Thus, the major consequences of poor corporate governance practices, which today persist in Nigeria are low utilization of employed resources (e.g. due to the lack of appropriate incentive system, underdeveloped trust, wrong control and accountability system, etc). And as a result, inability of companies to attract investment, implementation and enforcement of proper corporate governance practices is vital for enhancing the development of firms. Much of the contemporary interest in corporate government is concerned with mitigation of the conflicts of interests between stakeholders. Ways of mitigating or preventing these conflicts of interests include the process, customs, policies, laws and institutions which have impact on the way a company is controlled. Therefore, an important theme of corporate governance is the nature and extent of accountability of people in the business. However, agency theory focuses on the impact of a corporate governance system on economic efficiency, with a strong emphasis on shareholders welfare. Hart (1995) reviewed that in large firms where there is a separation of ownership and management and no controlling shareholder, the principal agent issue arises between upper management (the agent) which may have very different interests, and by definition considerably more information, than shareholders (the principals). Rather than overseeing management on behalf of shareholders, the board of directors may become insulated from shareholders and beholden to management.

Desai and Yetman (2004) identified two areas of agency problems that made human ability to make allocative decision imperfect, the cognitive and behavioural limitation. The cognitive limitation is hidden information, also known as bounded rationality. This prevents investors from knowing a prior whether the managers, whom they have employed as their agents, allocate resources in the most efficient manner. The behavioural limitation, also known as opportunism, is hidden action that reflects the productivity, inherent in an individualistic society of managers as agents to use their positions for resources allocation to pursue their own selfish interest and not necessarily the interest of the firm’s principals. This makes it very crucial and important to study the existence of the influence of corporate governance in the performance of firms.

Thus, an important theme of corporate governance is to ensure the accountability of certain individuals in an organization through mechanisms that try to reduce or eliminate the principal – agent problem. A basic conclusion of agency theory is that the value of a firm cannot be maximized because managers possess discretions which allow them to expropriate value to themselves.

Principal agent theory Jensen and Meckling (1976) is widely used to explain why closely held firms have better economic performance than publicly owned firms. This theory tends to suggest that public enterprises are inefficient due to the fact that there is lack of capital market discipline.

Because of lack of market monitoring, managers attempts to pursue their own interest at the expense of enterprises interest. Thus, agency theory views that there is relationship between ownership structure and economic performance: the cost of monitoring makes private or closely held firms economically more efficient than publicly owned firms.

To enable organization comply with good corporate governance, King Report on corporate governance for South Africa 2002 in Nwosu (2012) outlined seven characteristics of corporate governance. First, there should be corporate discipline which is the commitment by the company's senior management to adhere to behaviour that is universally recognized and accepted to be correct and proper. Secondly, procedure, process and authority structure must be strictly followed as established by the organization. There should also be transparency which is the ease with which an outsider is able to make meaningful analysis of company action, its economic fundamentals and the non-financial aspect pertinent to the business. This involves the measure of how good management is at making the information avoidable in candid, accurate and timely manner, not only the audit data but also the general report and press releases. It reflects whether or not investors obtain a true picture of what is happening inside the company. The third characteristics is independent, which is the extent to which mechanisms has been put in place to minimize or avoid potential conflict of interest that may exist, such as dominance by a strong chief executive or large share owner. The fourth characteristic is accountability on the part of individual and groups in the company. Those who made decisions and take actions on specific issues need to be accountable for their decisions and actions.

This provides investors/shareholders with the means to query and assesses the actions of the board and its committees. Another characteristic is responsibility which means that the board and the management are required to act responsibly to the organization and the stakeholders. The social responsibility is another characteristic which implies that a well managed company will be aware of, respond to social issues placing a high priority on ethical standard. A good corporate citizen is seen as one that is not discriminatory, non exploitation, and responsible with regard to environmental and human right issues. Corporate governance refers generally to the legal and organizational framework within which, and the principles and process by which, corporations are governed. Nwosu (2012) posits that corporate governance is the process, accountability and relationship of those who participate in the direction and control of a company. And that the participants are the directors and management while the other aspect of corporate governance regime has an impact on the relationship between shareholders and the company.

The conflict between agency and stakeholders theories of the firm has long been entrenched in organizational and management literature. It is argued that agency theory must include:

1. Recognition of stakeholders.
2. Requires a moral minimum to be upheld, which places four moral principles above the interests of any stakeholders, including shareholders.
3. Consists of contradictory assumptions about human nature and which give rise to the equally valid assumptions of trust, honesty, and loyalty to be infused into the agency relationship. In this way, stakeholder theory is argued to be the logical conclusion of agency theory.

Agency theory according to Ross (1973) explains the relationship between principals, such as a shareholders, and agents, such as a company's executives. In this relationship the principal delegates or hires an agent to perform work. The theory attempts to deal with two specific problems.

First, that the goals of the principal and agent are not in conflict (agency problem), and second, that the principal and agent reconcile different tolerances for risk.

The recent spate of corporate scandals in the United States and elsewhere has dramatized, once again, the severity of the agency problems that may arise between managers and shareholders. These scandals remind us that even if we adopt an extremely narrow concept of managerial responsibility, such that we recognize no social responsibility beyond the obligation to maximize shareholder value. There may still be very serious difficulties associated with the effective institutionalization of this obligation. It also suggests that if we broaden managerial responsibility, in order to include extensive responsibilities to various other stakeholder groups, we may seriously exacerbate these agency problems, making it even more difficult to impose effective discipline upon managers. According to Elsenhardt (1989) principal and agent problem, this concerns the difficulties in motivating one party, the agent to act in the best interest of another, the principal rather than in his or her own interests and asymmetric information (the agent having more information), such that the principal cannot directly ensure that the agent is always acting in its (the principals) best interests, particularly when activities that are useful to the principal are costly to the agent, and where elements of what the agent does are costly for the principal to observe. Moral hazard and conflict of interest may arise. Indeed, the principal may be sufficiently concerned at the possibility of being exploited by the agent that he chooses not to enter a transaction at all, when that deal would have actually been in both parties best interests, a suboptimal outcome that lowers welfare overall. Alchian (1965) stated that the deviation from the principals interest by the agent is called agency costs and that various mechanisms may be used to align the interests of the agent with those of the principal. In employment, employers (principal) may use, piece rates/commissions, profit sharing, efficiency wages, performance measurement (including financial statements), the agents posting a bond, or the threat of termination of employment.

A basic conclusion of agency theory is that the value of a firm cannot be maximized because manager’s poses discretions which allow them to expropriate, would sign a complete contract that specifies exactly what they could do under all states of the world and how profits would be allocated. The problem is that most future contingencies are too hard to describe and foresee, and as a result; complete contracts are technologically unfeasible, Shleifer and Vishry (1997).

As a result, managers obtain the right to make decisions which are not defined or anticipated in the contract under which debt or equity finance is contributed. This raises the principal’s problem Ross (1973) and agency problem stated who can publicly traded firms, with such incomplete contracts, with their managers be effective in efficiently raising funds. The agency problem focus on ownership where corporations do not have a supervisory board or what Monks (1994) describes as a relationship investor. When all shareholders own small minority interests to create diverse ownership it is not rational for any investor to spend time and incur costs to supervise management as this provides a free ride for other investors. In any event, small shareholders may lack the power and influence to extract information which could reveal expropriation or mismanagement.

Therefore, this study will look at corporate governance and organizational performance. The essence of this study was to examine if there is significant relationship between the two variables (independent and dependent variables).

2.2 INTEGRITY AND CUSTOMER SATISFACTION

Integrity exists when your organization does what it sets out to do. Integrity experienced in a variety of situations and concerned to both goods and services. It is a highly personal assessment that is greatly affected by customer expectations. To be competitive and survive, firms need to produce products and services of very good quality that yield highly satisfied customers.

Integrity: Ethics has everything to do with management; therefore it is as much an organizational as a personal issue. Managers who fail to provide proper leadership and to institute systems that facilitate ethical conduct share responsibility with those who conceive, execute, and knowingly benefit from corporate misdeeds. Managers must acknowledge their roles in shaping organizational ethics and seize this opportunity to create a climate on which their company's success depends. Integrity all strive to define companies, guiding values, aspirations and patterns of thought and conduct. When integrated into the day to day operations of an organization; such strategies can help prevent damaging ethical lapses. Giving that when management seem not to have considered the company obligations to its customers or to have thought about the potential harm of disclosure could put the company and its top management at risk of criminal liability. More often, when organizations reveal a culture that is insensitive or indifferent to ethical considerations or one that lacks effective organizational systems. Because exemplary conduct usually reflects an organizational culture and philosophy that is infused with a sense of responsibility. Thus, managers must emphasize the prevention of unlawful conduct; there should be penalties for wrong doers. They must establish compliance; avoid delegating discretionary authority to those likely to act unlawful, effectively communicate the company standards and procedures through training or publications.

Jenifer (2002), defined corporate governance as a set of inters locking rules by which corporations, shareholders and management govern their behavior. In our country, this is a combination of a legal system that sets some common standards of governance and systems of behavior determined by firms themselves.

According to Wright (2003), corporate governance is the manner in which the power of an organization is exercise in the stewardship of the corporation's total portfolio of assets and resources, with the objectives of maintaining and increasing shareholders value with the satisfaction of other stakeholders in the context of its corporate mission.

Institution of corporate governance of Rivers State (2000), noted that lack of integrity has enabled bribery, acquaintance and corruption to flourish and has suppressed sound and sustainable economic decision.

Maintaining customer satisfaction is the key to retaining customers and profitability, it has become a paramount factor. An important tool to create and maintain loyal customers. Satisfied customers contribute towards high repeated purchases. Therefore, customer's satisfaction is vital factor in achieving organizational goals. Customer satisfaction gives room for customer loyalty, retaining existing customer, increase in sales, expansion growth and large customer base. The customers satisfaction paves way for company's to constantly watch, monitor and improve the 4ps of marketing which are product, price, place and promotion. The customers who are unsatisfied with the received service would not be expected to have long run relationship with the company (Lin and Wu, 2011).

2.2.1 OWNERSHIP STRUCTURE AND COMPETITIVE ADVANTAGE

One of the most striking differences between countries corporate governance systems is the difference in the ownership and control of firms that exist across countries. The basic conflict of interest is between strong managers and widely dispersed weak shareholders. The basic conflict is between controlling share holders (block holders) and weak minority shareholders.

There are reasons for expecting efficiency levels across different ownership and control in fewer hands makes it possible for majority owner to punish inefficient managers. The presence of both fuzy corporate objectives and conflicts of interest in the political process will leave managers with no single criteria to take a decision. It makes the process of decision taking more difficult. Politicizes the corporation, and allows the managers to exercise their own preference at the time of spending the firm resources. The effect of ownership structure on competitiveness of organization could be the ability to transform inputs into corporate goals. Firms with higher state ownership term to have low market value and more validity across time, this is because of agency conflict in the firms and because the executive do not seek to maximize shareholders return. Given that they must also seek to satisfy social goals placed on them by government. This suggest a potential conflict between the principles, particularly, the state owner and the private equity owner of the state own enterprise. Research shows that due to the weaker institution, firms with fairly CEO's experience have more positive financial performance than others without the fairly influence. Corporate governance is a relationship among stakeholders that is used to determine a firm's direction and control its performance. How firms monitor and control top level manager's decisions and actions affects the implementation of strategies. Effective governance that aligns manager's decisions with shareholders interests can help produce a competitive advantage for the firm. Therefore, the use of internal governance mechanisms in the corporation is the ownership concentration. Effective governance mechanisms ensure hat the interests of all stakeholders are served. Thus, strategic competitiveness results when firms are governed in ways that permit at least minimal satisfaction of customers and shareholders.

Porter (1980), establishes that the causes of business success depend basically on the structure of the industrial sector and competitive forces affecting them.

Wernerfelt (1984) and Barney (1991-2001) stipulates that the original cause of competitive advantage sterns from company ownership of specific resources which are both capable of generating value and scare or difficult to imitate or substitute. Ownership structure defines the institutional basis for power relationship between individuals within the organization and dealings with other organizations. We can measure competitive advantage using market share i.e. total sales and sales growth.

Bowels (1984) based on ownership structure; firms can be classified as cooperative companies and capitalist companies. Thus, in the capitalist company, the underlining motivation is the possibility for owners to obtain benefits on the investment made in the business. However, in a cooperative company, the main incentive is the satisfaction of common socio-economic necessity. The competiveness of companies in the future depends largely on how they respond to the needs of the customers at the end of a supply chain better than their competitor. When firms reduce their time to market, manage risks in their supply chains, reduce the total supply chain costs and ensure provision of quality services to the customers, the firms are likely to be rewarded through an increased market share.

Control and ownership structures refer to the types and composition of shareholders in a corporation. In Nigeria, ownership structure has wide implications for effective corporate governance in that ownership by institutions, being usually in block can exercise voting rights that ensures the protection of shareholders from poor and unwholesome management performance. However, domestic institutional ownership is slightly less than foreign institutional ownership Dahya and Mcconnel (2003).

Therefore, ownership is typically defined as the ownership of cash flow rights whereas control refers to ownership of control or voting rights. Control and ownership structure is measured by using some observable measures of control and ownership concentration or the extent of inside control and ownership.

In the ownership of the company, empirical studies have established a strong relationship between the companies that have its directors owning and that the company that has not. Therefore, those companies whose directors have sort of ownership to the company are believe to perform better.

Therefore, we use the number of shares owned by the directors of the company for the definition of the ownership. Kao, Chiou and Chen (2004) concerning ownership structure, inside ownership has a positive and significant relation with firm performance, suggesting that higher insider ownership may reconcile authorities and outside shareholders interests consequently making firm performance better. They also posits that the deviation between right and cash flow right is negatively and significantly related to firm performance, implying that the larger gap between voting rights and cash flow rights, the more incentives controlling shareholders could have, thus they may embezzle firm asset, causing damage to small shareholders interest and deteriorating firm performance.

2.2.2 BOARD SIZE

Board size refers to the number of directors on the board. Chang (2008) in his article suggest that larger boards are less efficient and slower in decision making because it is more difficult for the firm to arrange board meetings and for the board to reach a consensus.

Chang argues that when the board size is higher it will be easier for CEO to have a dominant on the board and increase the CEO owner in decision making, Jensen (1993). In addition, some studies document a negative association between board size and firm performance, Yermack (1996). Board size has a number of implications on the one hand; a smaller board is manageable from the CEOs point of view. A smaller board size is viewed as an indicator of the CEOs profound influence on proceedings in board meetings. On the other hand, a larger board, although potentially unmanageable, may be valuable for the breadth of its services pool of expertise and resources for the organization. From an organizational dynamic perspective, however, a larger board is more likely to develop factions and coalitions that can increase group conflicts.

The first step in structuring an effective board is to shrink it, probably because a large board is more difficult to coordinate. A large board is less likely to become involved effectively in the strategic decision making process. A smaller board seems to be more effective than a larger board in the sense that it allows the board to support the strategic decisions of managers without frequent interruptions and to take decisive governance actions in a coordinated fashion. However, from an agency theory perspective, previous research has argued that CEOs may easily exert their influence on small boards but find it difficult to influence large ones. Firms with large boards, CEOs would experience greater difficulty to influencing all board members to agree and make decision. O'Donovan (2003) is of the view that board needs a range of skills and understanding to be able to deal with various business issues and have the ability to review and challenge management performance. It needs to be of sufficient size and have an appropriate level of commitment to fulfill its responsibilities and duties.

2.2.3 BOARD INDEPENDENCY

Since the board of director is the most important device to monitor the management, independency of board members become a significant issue, Abdullah (2004). Board independency means the proportion of independent non-executive directors relative to the total number of directors. It is argued that boards with the more non-executive directors will control the opportunistic behaviour of managers and protect the shareholders interest better than boards with dependent members, Zubaidah (2009).

In addition, Dahya and McConnel (2003) and Dehaene et al (2001) found a significant relationship between the ratio of independent directors and return on equity among companies. The board of a publicly owned corporation should have a substantial degree of independence from management. Board independence, depends not only on directors individual relationship personal, employment or business but also on the boards overall attitude toward management. Providing objective independent judgement is at the area of the boards oversight function, and the board's composition should reflect these principles. Board independence, a substantial majority of directors of the board of a publicly owned corporation should be independent of management, with in fact and appearance as determined by the board.

Assessing independence, an independent director should be free of any relationship with the corporation or its management that may impair or appear to impair the director's ability to make independent judgement. The listing standards of the major securities markets relating to audit committees provide useful guidance in determining whether a particular director is independent. The proportion of outside directors in a company is used as a proxy for board independence which is a measure of good corporate governance. This was also used by studies such as the work of Hermalin and Bach (1991) and that of Bhagat and Black (2002).

2.2.4 Chief Executive Duality (CEO) and Board Management Relationship

Another crucial monitoring mechanism based on agency perspective is the separation; the CEO also serves as the chairman. This situation known as CEO duality is problematic from the agency perspective where the CEO chairs the group of people in charge of monitoring and evaluating the CEOs performance. In companies with CEO duality approach, the crucial question is who monitors management or who will watch the watchers? Zubaidah (2009), this situation provides CEOs with the opportunity to have a dominant influence on the boards decisions. Therefore, CEO duality will weaken board's independency and make them unable to monitor management effectively. In addition, the basic problem discussed in agency theory is the separation of ownership from control and different mechanisms are suggested to mitigate the costs associated with the conflict of interests among this separation. When the board of director owns part of the firms share, their interest aligns the interests of other shareholders and they are less likely to engage in opportunistic behaviour, Zubaidah (2009).

Also, boards should not manage the enterprise. Holden et al 1981 as cited by Ejiofor (1987) opine that if a company relies on its board to manage, then the company needs to obtain some new management people. They warn that any time a board of director's tries to run a company you have trouble. The functions of boards have already been described earlier. Boards should concentrate on these functions and leave day-to-day administration to career officers. A board that remains aloof of enterprise operations abdicates its responsibility as a representative, agent and trustee of shareholders. Specifically:

1. A director must not without the consent of his company make a profit out of his position in the company.
2. He should disclose all his transactions with his company before the transactions.
3. He should disclose all his personal interest in all contracts affecting the enterprises.
4. He should not allow his personal interests to interfere with his duties as director.

A director of a public and private enterprises should always ensure that under him, the enterprise survive, grows and prospers. In short he should treat the institution as if it is his own, founded with his own sweat and blood. Therefore, CEO duality formally entrenches a CEO at the top of an organization, challenging board's ability to effectively monitor and discipline top management. CEO duality reduces the board's ability to fulfill its proper governance function as an independent body. It signals the absence of separation of decision management and decision control, the organizations suffers in the competition for survival. Cole (2004) stated that in Nigeria there is a clear separation of both functions. And that there are two key tasks at the top of every public company, the running of the board (the chairman's role) and the executive responsibility for the operation of the company's business (the chief executives role). He equally posits that there should be a clear division of responsibilities between the two roles, so as to ensure a balance of power and authority, and thus avoid a situation where one person has unfettered powers of decision.

2.2.5 Corporate Accountability and Audit Independence

The use of audit independence is a measure of good corporate governance. The board of directors has primary responsibility for the corporation's external financial reporting functions. The chief executive officer and chief financial officer are crucial participants and boards usually have a high degree of reliance on them for the integrity and supply of accounting information. They oversee the internal accounting systems and are dependent on the corporation's accountants and internal auditors.

Financial reporting fraud, including non-disclosure and deliberate falsification of values also contributes to users' information risk. To reduce this risk and to enhance the perceived integrity of financial reports, corporation financial reports must be audited by an independent external auditor who issues a report that accompanies the financial statements. One area of concern is whether the auditing firm acts as both the independent auditor and management consultant to the firm they are auditing. This may result in a conflict of interest which places the integrity of financial reports in doubt due to client pressure to appease management. Supply of accounting information financial accounts form crucial link to enabling providers to finance to monitor directors.

Imperfections in the financial reporting process will cause imperfections in the effectiveness of corporate governance. This should ideally be corrected by the working of the external auditing process. It is also the responsibility of the independent accounting firm to inform the board, through the audit committee, of any concerns the audit or may have about the appropriateness or quality of significant accounting treatments, business transactions that affect the fair presentation of the corporation's financial condition and results of operations, and weakness in internal control systems. The auditor should do so in a forthright manner and on a timely basis, whether or not management has also communicated to the board or the audit committee on these matters. The board, through its audit committee, should periodically consider the independence and continued tenure of the auditor.

2.2.6 Poor Corporate Governance and Efficient Managerial System

Oyebode (2009) posited that corrupt practices and inefficient rubber-stamped board are combined to signal the absence of or failure of existing corporate governance structure in Nigeria. Also, window dressing of accounts in some companies, compromised board and as well as the concentration of power in the hands of managing directors/chief executive officers, weak audit committee and poorly attended annual general meetings and the possibility of wind dressing annual reports and the prevalence of corruption in Nigeria encouraged the government and other nations to formulate policies and programmes that will address the problem of poor corporate governance. Odia (2005) opined that the Asian crisis, the recent financial distress in the banking sector, and the experience in the study areas in Nigeria has been linked either directly or indirectly with lapses in corporate governance structures of those companies and institutions. This is the extent of the study, to examine those structures, processes, mechanism and procedures of corporate governance that if violated may affect the financial and organizational performance of companies under study. Good corporate governance standards would provide a framework for both board of directors and management to pursue objectives that are in the best interest of shareholders.

Saidu (2012) stated that poor governance structures may bring about improper risk management, possibility of window dressing and creative accounting, weak internal control, questionable ethical standards, unethical behaviour at the top, aggressive earnings dispositions of management, improper share dealings and inadequate disclosures capital markets. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society, O'Donovan, (2003).

In Nigeria, the statutory enactment regulating the corporate governance is the code of corporate governance (2003) for companies issued in 2003, under the aegis of the Securities and Exchange Commission and the Corporate Affairs Commission. The existence of institutional regulatory framework in Nigeria is constrained with lack of enforcement mechanism to properly implement laws and ensure corporate governance practices. The principles of corporate governance are bedrock for efficient managerial system. It shows the role of management recognition and management of risk, aligning and embedding values and strategies and so on. Corporate governance structures also show that management is not accountable to the board of directors, because board members are too subservient to management and the chief executive officer, therefore the board must be restructured. Management is not accountable to the employees and cognizant of employee needs because employees have no voice in management, therefore, employees must be represented at some level in corporate governance. Also, in most companies today there is a huge imbalance between the effective power of the CEO on one hand, and the nominal authority on the other hand of the board by which the CEO is appointed and to which he or she is legally accountable. In addition, the CEO's delegated authority becomes absolute power, and the boards authority vested in it by status and laws, becomes effectively powerless. One way by which board effectiveness can be enhanced and the most important is to separate the roles of chairman and the CEO, Adamu (2009).

Adamu (2009) stated the following as variables that causes poor corporate governance and causes of corporate failures in many companies:

1. Poor risk management
2. Fraudulent accounting and reporting (window dressing).
3. Weak or non-existence of internal controls.
4. Questionable ethical standards.
5. Unethical behaviour at the top.
6. Aggressive earnings dispositions of management.
7. Lack of audit queries.
8. Hiding of corporate debts.
9. Improper share dealings.
10. Lack of audit committee report and disclosures.

The implication for publicly quoted companies in Nigeria is that hath the level of corruption and all forms of sharp practices in both public and private life, companies in Nigeria should be made to see compliance with codes of corporate governance 2003 as mandatory and not a voluntary exercise.

2.2.7 ACCOUNTABILITY

The Oxford Advanced Learners Dictionary defines accountability as a requirement to come and give an explanation of one's actions, expenditure, etc. public officers whether in the private or public sectors should ordinarily be expected from time to time to give an explanation for their activities. Otunba (2000) posits that the business leader particularly in companies whose shares are widely held (quoted on the stock exchange) is required by law to report on the activities of the business annually to both the shareholders and the regulatory authorities. And that accountability is what cannot be wished away in today's world except where the individual is running a family owned enterprise. At the public sector level, accountability has long been recognized as an important attribute or element of good governance. What is true of the public sector is also true of the private sector. Without accountability, the modern corporate executives who oftentimes, are employees of the organization could be susceptible to the temptation of wanting to benefit more than their fair from the business. There is no gain saying that the lack of accountability as it is in the public or private sectors are a recipe for corruption, and there are many adverse consequences of this.

Lack of accountability can result in lack of efficiency. The quality goods and services and the overall welfare of consumers could be adversely impacted where there is lack of accountability. Private sector organizations awards contracts to organizations that only bribe their ways through the organizations, performance will itself be seriously harmed as it is unlikely to get value for money from such contracts. It is better to cancel a contract than compromise the integrity of the system. Lack of accountability can lead to mismanagement and total economic or business collapse. At the private sector level, it is widely believed that the distress in the Nigerian financial sector in the early 1990s could be partly traced to the unethical practice of the operators. Steinberg (1994) argued that it is in the interest of the business organization to behave in a way that recognizes the need for moral and ethical content in managerial decisions because, it will ultimately benefit business. He further, argued that when business organizations behave ethically, they are helping to create a society that is imbued with such virtues as honesty, integrity and fairness, which will ultimately benefit them in many important ways. Apampa (1999) defined accountability as knowing what has been set to be done or what has been assigned and accepted to be done and going about that task with a sense of probity. This usually refers to a stewardship responsibility owed to a constituency or an employer.

However, in ethics and governance accountability are answerability, blameworthiness, liability and the expectation of account giving. As an aspect of governance, it has been central to discussions related to problems in the public and private sectors. Accountability is the acknowledgment and assumption of responsibilities for actions, products, decisions and policies including the administration, governance, and implementation within the scope of the role of employment position and encompassing the obligation to report explain and be answerable for resulting consequences. Amimi (2011) defined accountability when an employee performs to the satisfaction of the employer and it requires reward for performance, such reward should be accountable in accordance with the organizations accounting system. Accountability, in general, has the following characteristics:

a. It degree of obligation is greater.
b. It is more specific (although it can also be implies)
c. It should be measurable.

d. It often involves two parties (i.e. higher authority and subordinates and therefore, implies the existence of authority, responsibility and control.

Essentially therefore sound accountability is a reflection of good governance. Accountability is about establishing criteria to measure the performance of public officials as well as oversight mechanisms to ensure that standards are met.

Accountability is necessitated by stewardship. A steward is expected to be accountable. The executive and all staff in the management authorities are actually stewards. Consequently, it is expected that the stewards should be accountable for the resources that have been committed to go their use for the public interests. To be accountable according to Oladipupo and Izedonmi (2011) therefore, is to be able to furnish satisfactory explanation of one’s actions in the process of discharging one’s responsibilities. Accountability wants assurance concerning compliance, performance, waste and probity. Therefore, corporate governance means being accountable for both results (performance) and process (conformance) elements. Oladipupo and Izedonmi (2011) stated that accountability places two obligations upon a steward. The steward must render an account, of his dealings with the resources committed to his use and then must submit such account for an examination (usually known as audit) to whom he is accountable. The steward must not only allow the audit to take place but must provide evidence from which the auditor can independently verify the account rendered and express his professional opinion on these financial statements. Therefore, accountability necessitates auditing and control. We can therefore say no effective accountability and without accountability there can be no true control.

Governance and accountability in both public and private sectors are fundamental to the well being of any society. Accountability is part and parcel of good governance.

Accounting evidence consists of the source documents and accounting records underlying the financial information and all other information which is pertinent to the financial statements.

By section 53(61) of Companies and Allied Matters Act (CAMA (1990) it is compulsory for all companies to keep and maintain accounting records, which should be sufficient to show and explain the transactions of the company. Therefore, to obtain accounting evidence, inspection, observation, inquiry and confirmation, re-performance vouching, retreating and analytical review, etc. All these procedures for obtaining accounting evidence are targeted to examining accounting data such as documents, records, reconciliation and reports evidence that a particular control procedure has been applied.

In a situation like this, the answers to high performance, transparency and accountability are good corporate governance mechanisms. These are processes and systems by which a country's company laws and corporate governance codes are enforced. The mechanisms incorporate the means for monitoring compliance by corporations. The emphasis on corporate governance notwithstanding, corporate governance mechanisms also include those that frame duties and powers of management in public and private establishments like the companies under study to deliver benefits to stakeholders in goodtime.

Bolujoko (2011) defined efficiency as the output to input ratio and focuses on getting the maximum output with minimum resources. Efficiency is refereed to doing things in a right manner. Effectiveness, on the other hand, refers to doing the right things; it always measures if the actual output meets the desired or expected output. Since efficiency is all about focusing on the process, importance is given to the means of doing things whereas effectiveness focuses on achieving the end goal. Efficiency is concerned with the present state, the status quo. Finding ways of eliminating any resources that might disturb the current state or standards. It requires discipline and rigor.

This can be a source of inflexibility into the system. Effectiveness on the other hand, believes in meeting set objectives and therefore takes into consideration any variables that may change in the process. A focus on effectiveness according to Bolujoko (2011) keeps the long term strategy of organizations in mind and is thus more adaptable to the changing environment.

The private sector performance model drives businesses to make profits in a competitive market.

Competitions therefore, sharpen company executives. Industry demands this efficiency, otherwise the enterprises would fail. In contrast, the performance model in the public sector is based on effectiveness, public sector organizations are usually monopolies. The power holding company of Nigeria, for example, is charged with the provision of electricity in the country and no alternative organization performs that function. Efficiency should be a concern for officials as they spend public funds, but effectiveness for them is paramount because there is no competition. In Nigeria, we worry because corruption has made our public service less effective than we desire. Adebayo (1981) defines efficiency as the input –output relationship that is maximum work achieved for a minimum input or energy or resources. However, according to the encyclopedia of the social schemes, efficiency in the sense of a ratio between input and output, effort and results, expenditure and income, cost and the resulting pleasure is a relatively recent term. Therefore, to improve efficiency in public enterprises, the board of public enterprise, being a policy making organ; should be composed of men of suitable educational qualifications, ability, experience and integrity, and need not be primarily selected on the basis of their political standing or affiliation. Also, board members should have security of tenure for at least a fixed period of several years which should be staggered so that they do not all leave the board at the same time. This would allow for policy stability and effective continuous control, monitoring and supervision of these organizations.

Optimum autonomy should be given to management of public enterprise to help them perform. The functions of the different authorities under which enterprises operate should be clearly stated. Number of authorities under which the enterprises operate need to be reduced to avoid conflict and make for easy consultations. Financial autonomy should be granted to the enterprise while recruitment and promotion and rention of employees should be based on merit.

2.2.8 Transparency

Transparency means accountability of company's management to its financial stakeholders. It involves the timely disclosure of adequate information concerning company's operating and financial performance and its corporate governance practices. The higher standards of timely disclosure and transparency a corporation has the more it enables shareholders, creditors and directors to effectively monitor the actions of management and the operating and financial performance of the company. Strong transparency means that financial reporting facilitates a clear understanding of a company's true underlying financial condition. Transparency is really part of probity and the equalization of appropriate disclosure with levels of scrutiny demanded by a particular stakeholder. It is not absolute rather relative to the particular stakeholder making an observation. And stakeholders are those people or groups to whom we owe certain responsibilities. Not all stakeholders are owed the same responsibilities. The people or groups to whom we owe the greatest responsibility are our principal stakeholders. We accept such responsibility by virtue of what we represent to those people or groups and whenever responsibility is accepted; accountability is demanded. Transparency is a principle that allows those affected by administrative decisions and business transactions to know not only the basic facts and figures but also the mechanism and processes.

According to transparency international an entity is transparent if it enables others to see through it. Transparency works hand in hand with integrity. The more the integrity, the more transparent an entity or person will be. If a company is transparent enough to reports material facts in real time, stakeholders will have more confidence in the management. Consequently, they will be more willing to invest in the company, thereby reducing the cost of capital. Transparency also helps those in charge to avoid fraud and put measures in place against it. All these factors put together enable the firm's productive capacity and productivity to improve. Mechanisms for enhancing transparency include increase regulation on how financial reporting should be done and who should do it, the issue of auditing. This is in order for an independent knowledgeable entity to pass an opinion on the truth and fairness of the reports made by the corporations. Apart from these, regulations such as acts of parliament and codes of best practices are also playing a critical role in enhancing openness. Though, transparency is not sufficient to influence behavior. Its effectiveness is conditional in the credibility of the information disclosed. And that credibility can only be gained over time, through a correspondence between the information and the facts.

Mauro (1997) posits that various negative effects of non-transparent operations which often result in corruption and financial malpractices also militate against efforts to promote economic growth, investment and government finances. He further, stated that having caused the poor performance and folding up of many business enterprises, there has been a diminished incentive to invest in productive ventures, which thereby lowers investment in the private sector. Therefore, the need to put in place appropriate financial and accounting procedures, practices and controls to foster the desired transparency in both the private and public sector. Transparency must represent a clearly defined roles and responsibilities: openness and disclosure, no concealing of information, hence it is transparency verse confidentiality.

Organizations should clarify and make publicly known the roles and responsibilities of board and management to provide stakeholders with a level of accountability. They should also implement procedures to independently verify and safeguard the integrity of the company's financial reporting. Disclosure of material matters concerning the organization should be timely and balanced to ensure that all investors have access to clear, factual information.

2.2.9 Reforms on Corporate Governance and Innovativeness

The corporate governance reforms in Nigeria from the promulgation of the corporate and Allied matter Act of 1990, the introduction of the 2003 security and exchange commission (SEC) code of best practices in corporate governance to the 2006 Central Bank of Nigeria (CBN) code of corporate governance for banks in Nigeria. It was discovered that some of the challenges to corporate governance reforms in Nigeria stem from the country's culture of institutionalized corruption and political patronage which is characterized by weak regulatory frameworks and refusal of government agencies to enforce and monitor compliance. The complexity of these challenges are compounded by the wide spread poverty and high unemployment which discourages a culture of whistle blowing. There has been renewed in Nigeria amongst public and private sectors organizations. Without good corporate governance, corporate performance cannot be measured; hence highlighten the importance of resolving the challenges of corporate governance reforms in Nigeria. Corporate governance aims at promoting corporate transparency and accountability. Its goals is to enhance the directors fiduciary duties and their ethical conduct in directing the affairs of a corporation but the recent happening in most private corporations in Nigeria have raise concerns about the effectiveness of the corporate governance reforms in Nigeria.

The security and exchange commission of Nigeria (SEC) management a code of best practices in corporate governance in 2003, three year later the Central Bank of Nigeria (CBN) established another code of corporate governance for Banks in Nigeria post consolidation in (2006). These codes were involved to supplement the company and Allied matters Decree (now an Act) of 1990 promulgated by a military administration to regulate all corporate affairs in Nigeria. Whilst both codes were aimed at promoting the tends of good corporate governance which include transparency, accountability, responsibility, integrity, independence and discipline in the private sector corporations. The Act remains the main law which regulates all corporate affairs in Nigeria. Despite all these legal and regulatory frameworks there have been shocking scandals in Nigeria organized private sector since the Mid-1990s ranging from the failed and distress banks crisis, falsification of financial statements, sacking of board members or management, all these scandals indicate that there are challenges to the corporate governance reforms mechanisms in Nigeria Oyejide and Soyibo (2001). Roe (2003) posits that the existence of many corporate governance mechanisms does not necessarily translate into good corporate governance as many corporate scandals in Nigeria and other countries have proven, the wide-spread adoption of a country corporate governance code by private sector corporations often indicate mere conformance which does not necessarily mean that the corporations are committing themselves to sound and ethical business practices. A survey conducted by SEC in Nigeria indicates that 40 percent of countries quoted companies have adopted the corporate governance code, Olusa (2007), but the incidences of lack of transparency, accountability, integrity, social responsibility and environmental sustainability have not abated. Okhealam and Akinboade (2003) stated that it is important to note that the codes established in Nigeria are instruments for safeguarding the corporations against corruption, mismanagement and environmental abuse. And that those codes were invoked to promote corporate transparency and accountability, governance codes are social development. Corporate governance codes are documents which state the principle, rules and procedures for making strategic decisions and prescribe the frameworks for governing corporations and achieving corporate objectives. Alo (2003). The triple bottom line reporting adopted by the Kings. Report (2009) requires modern corporations to disclose their economic, social and environmental performances instead for better decision making.

Roe (2003) state that corporations are vital part of the society and as corporate citizens, they are expected to contribute actively to the development of society and protect the natural environment. Wilson (2006) affirmed that the mechanisms for ensuring good corporate governance exist in Nigeria but the will and capacity to enforce the laws, monitor and ensure compliance need to be strengthen because the corporate affairs commission as the main agency for regulating and supervising all corporation related matters in Nigeria is weak and perfunctory in performing its duties. Therefore, in Nigeria socio-political, economic and cultural factors create the dismal corporate governance environment in our country. The issue of corruption, weak regulatory framework, wide spread poverty caused by high unemployment, collapse of more values and falling. Standard of Education are challenges to corporate governance reforms in Nigeria. While the ways to address the issues are to, demarcate the boundary between business and government, establishment of a special corporate affairs tribunal, promoting the culture of whistles blowing and enhancing business ethics through moral education. To enjoy the benefits of good corporate governance in Nigeria, the institutional agencies in charge of best practices codes must effectively enforce and monitor compliance by corporations and should be able to impose sanctions of offenders and violator's confidence and public trust and make shareholders and other stakeholders feel protected from corporate exploitation and mismanagement.

Innovativeness has emerged as a firm's key non financial goal and as an important measure of organizational performance. In 1955, Drucker suggested that innovation is a firm's ultimate raison detre. Because to create a customer, the business enterprise need marketing and innovation; which are entrepreneurship functions. Innovation is considered as essential success factor for their firms, hence the survey revealed that executives consider innovation as essential success factor for their firms and see a strong correlation between innovation and performance. Innovation has indeed become probably the main non financial goal in many firms and is widely seen as essential to create and sustain a competitive edge.

Damanpour (1992) define innovation as adoption of an internally generated or purchased device, system, policy, process, product or service that is new to the adopting organization. Thus, innovativeness becomes the ability of a firm to continuously generate and implement innovations. However, two ways for measuring innovativeness input and output- oriented measures, which involves, measuring innovativeness of a specific product or services:

1. Management actively seeks innovative idea.
2. Innovation is readily accepted in project management.
3. Technical innovation, based on research results is readily accepted.
4. Innovation in our firms process is encouraged
5. In general, the top managers of any firm favor a strong emphasis on research and development techniques, leadership and innovation.

To recognize innovativeness, the output oriented measurement should focus on capturing the results or innovativeness in terms of number of new products introduced to the market. Another important aspect for being innovative is to be first in recognizing or developing new markets. Also, to determine the success of innovativeness the impact of new products on the company's profit is to be measured.

2.2.10 Challenges Facing Effective Corporate Governance in Nigeria

The challenges of corporate governance in Nigeria are quite enormous especially considering the development in the public and private owned companies. With particular attention on the study areas, it is obvious that the government owned companies even before and after privatization, the companies is very weak with poor corporate governance, and this affected customer's confidence in their operations, unlike their private owned companies.

This development posed serious challenges which the regulatory agencies acknowledged in its code of corporate governance. These challenges include:

- Technical incompetence of board and management

- Boardroom squabbles among directors.
- Malpractices and sharp practices.
- Insider abuses
- Rendering false returns and concealment of information from management.
- Ineffectiveness of board/statutory committees.
- Inadequate operational and financial controls, etc.

The NSE, BPE and code of corporate governance, seeks to address these major challenges and develop a sound board and management system on the corporate bodies. But the codes may be unable to accomplish this if the underlying legal institutional and regulatory frameworks for corporate governance in Nigeria are weak, inefficient and inadequate. The code of best practice SEC (2003) has commendable recommendations designed to enhance the development of effective corporate governance in the country. This code is voluntary and therefore self-compliance by companies is also very problematic. Yuguda (2012) maintained that the minimum that can be done is to make it mandatory for all these companies to show compliance with the code either in their annual returns to Corporate Affairs Commission or in the annual general meeting of the companies or make compliance part of the listing requirements of the Nigerian Stock Exchange while it is acknowledged that the institutions and the legal framework for effective corporate governance appear to be in existence in the country, the compliance and/or enforcement appear to be weak or non existence.

2.2.11 CORPORATE GOVERNANCE AND ORGANIZATIONAL PERFORMANCE

Corporate governance is the set of process, customs, policies, laws and institutions affecting the way a corporation or company is directed, administered or controlled. It also includes the relationships among the many stakeholders involved and the goods for which the corporation is governed. The principal stakeholders are the shareholders, management, and the board of directors. Other stakeholders include employees, customers, creditors, suppliers, regulators and the community at large. Corporate governance as an internal system encompassing policies, processes and people, which serves the needs of shareholders and other stakeholders, by directing and controlling management activities with good business savvy, objectivity, accountability and integrity. A good corporate governance regime helps to;

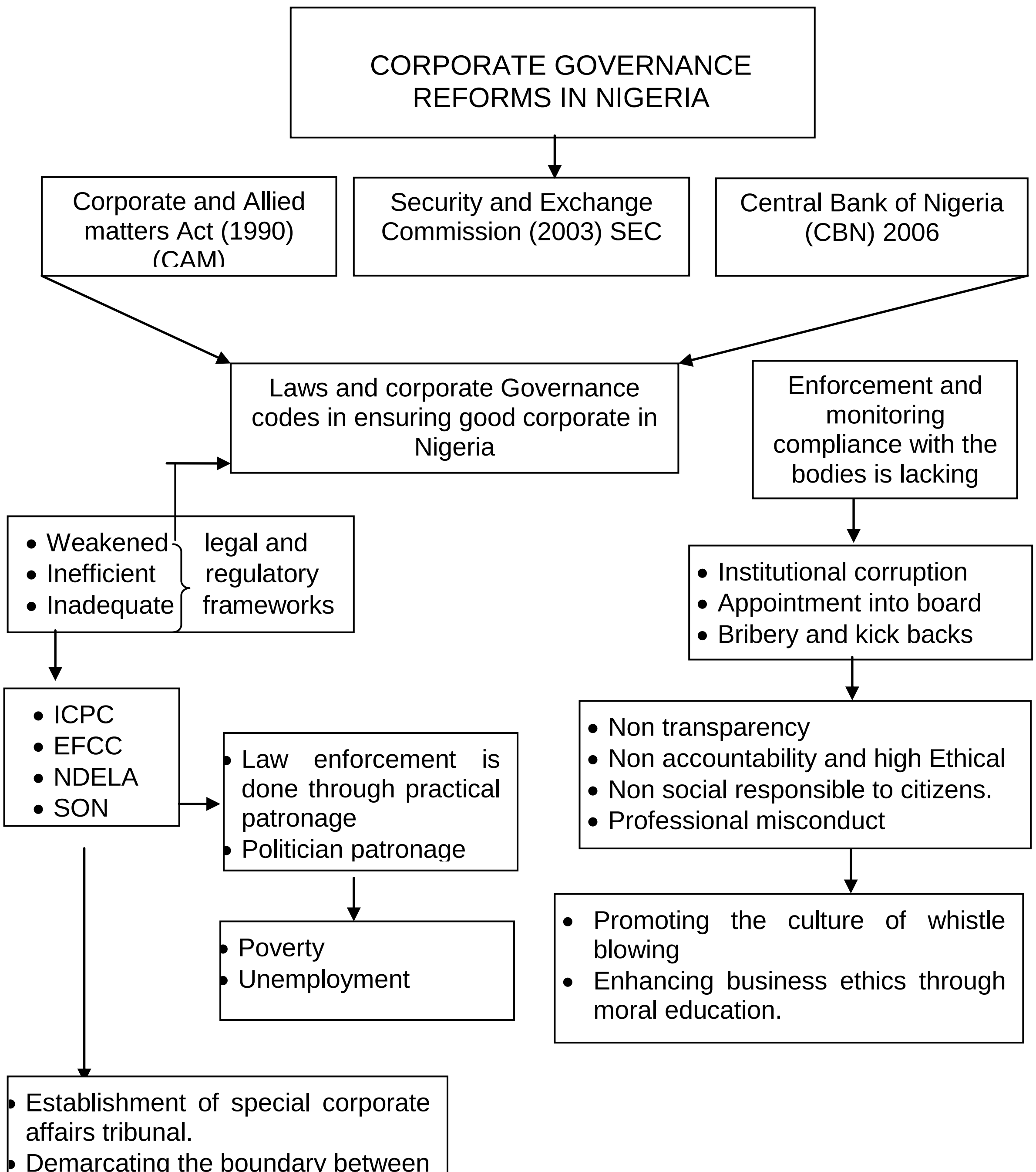
- Assure that corporations use their capital efficiently.
- Helps to ensure the corporations take into account the interest of a wide range of constituencies.
- Also the communities in which they operate, and that their boards are accountable to the company and to the shareholders.
- It helps to maintain the confidence of investors.
- To ensure the accountability of certain individuals in an organization through, mechanisms that try to reduce or eliminate the principal agent problem.

The positive effect of corporate governance on different stakeholders ultimately is a strengthened economy and hence good corporate governance is a tool for socio-economic development. It implies that companies not only maximize shareholders wealth, but balance the interests of shareholders with those others stakeholders, so as to achieve long-term sustainable value from a public policy perspective, corporate governance is about managing an enterprise while ensuring accountability in the exercise of power and patronage by firms. The importance of corporate governance lies in the power that is given to the senior officers to run the affairs of the organization. In recent times, this power has not always been used in the best interests of the shareholders, employees or society in general. More recent governance incidence is the one often related to the pay and other privileges that board members have awarded themselves to the detriment of other insider and outside the organization. Some company's board of directors gives themselves large share options and end up with vast fortunes at the expense of the nation. As a result of these and other matters, professional bodies, especially those in the accounting profession, set up standards to govern the ethical and professional conduct of the senior officers of organizations. The problem with so much power concentrated into the central management of the organization is that it needs to be used with responsibility.

This difficulty is made worse if poor quality information about the organizations performance is given to other stakeholders in the organization. Wrong doing will go unchecked as long as it remains unknown or unreported. Thus one of the key aspects of corporate governance is that of information and its availability, good quality information will encourage responsible conduct. It might be thought that the easy way to ensure governance would be to require that information should be freely available in all the main activities of the organization.

Beyond the matter of information availability, corporate governance is more a matter of the principles for conducting the organizations affairs than if had and fast rules. It is concerned with ensuring that the value added generated by the assets of the organization is distributed equitable among the stakeholders. The principal officers of the organization bear prime responsibility for this task, under the supervision of the main or supervisory board. Importantly, corporate governance often insists on a separation between the roles of chairman and chief executive of the organization.

FIG. 3: MODEL SPECIFICATION



Model: Researcher conceptualized model.

Indicators

- Weak internal control mechanism CGRN = F (w,ine,inad..leg,rfam..1)
- Ineffective monitoring and enforcement = (Enf, monit, compl…2)
- Inadequate legal, institutional and regulatory framework

2.2.12 Organizational Performance

According to Jones and George (2003) organizational performance is a measure of how efficiently and effectively managers use resources to satisfy customers and achieve organizational goals. Organizational performance increases indirectly proportion to increases in efficiency and effectiveness. Efficiency is a measure of how well or how productively resources are used to achieve a goal. Thus, effectiveness is a measures of the appropriateness of the goals that managers have selected for the organizations to pursue and of the degree to which the organization achieves those goals. Thompson (1967) as cited by Onwuchekwa (2002) stated that the need to evaluate performance of business organizations is to know how they can improve their future growth opportunities. Therefore, profit performance is very important for future growth and expansion. Onuoha (1994) stressed that measuring performance and the techniques used to depend to some extent on who is doing the measuring. The aim of this study is to measure the relationship between corporate governance and organizational performance of some selected private owned companies in Southern part of Nigeria. The study used primary data based on the staff perception and statements of the private companies chosen in the sample, which are randomly selected from the companies registered in the Stock Exchange list. To achieve this objective, the researcher used customer satisfaction, competitive advantage, innovativeness, and social responsibilities as the key variables that defined the performance of the firm. On the other hand to measure the performance of the chosen companies of the study will be in relation to the history of the firms and in relation to the industry. According to Onuoha (1994) ratio analysis is a devise to shed light on the results of the operations of the firm and its status reported in the income statement and the balance sheet.

The meaningfulness of the analysis is enhanced by comparing the current performance of the firm with past performance and with those of other firms in the same industry.

Ezigbo (2007) expressed that performance is achievable only if there are effective process of continuous developments. And that organizational performance is the ability of an organization to utilize its resources efficiently and to generate outputs that are consistent with its goal and objective, relevant for its clients and stakeholders. Organizational performance comprises the real output or results of an organization as measured against its goals and objectives and intended outputs. Performance management according to Ezigbo, is a process for establishing shared understanding about what is to be achieved, and an approach for managing and developing people in a way that increases the probability that it will be achieved in the short or longer times. Therefore, when organizations have satisfied the interest of all stakeholders, owners, management, employees, customers, suppliers and general public, then they can be measured as successful organizations. While Okere (2004) argued that profit should be used as a criterion for judging the performance of some organizations which are guided by price as a determinant factor. And that profitability of the running concerns should be the index of their performance. So organizations need strategically managed, purely to improve their profit performance. On the other hand, for the measure of corporate governance, the researcher will use the integrity, ownership structure, reforms on corporate governance and probity of the company.

According to Armstrong (2003) performance measurement offers performance information to stakeholders, develops internal and external accountability, supports strategic planning and goal setting; enhances decision making, clarifies and focuses long-term goals and strategies objectives. The aim of most business firms is to make profit. Profit is the excess of income over expenditure. As a result, the major decision facing management becomes how to minimize total cost and maximize total revenue. Hence, break even analysis is a management tool that throws more light on what might happen to the profit figure if a course of action is adopted.

The objectivity of financial measures of performance is the reason why so many managers use them to assess the efficiency and effectiveness of their organization. When an organization fails to meet performance standards such as ROI, revenue or stock price targets, managers know that they must take proactive action and rethink their corporate level strategies.

2.2.13 Probity and Social Responsibility

Corporations around the world are struggling with a new role, which is to meet the needs of the present generation without compromising the ability of the next generations to meet their own needs. Organizations are being called upon to take responsibility for the ways their operations impact societies and the natural environment. They are also being asked to apply sustainability principles to the ways in which they conduct their business. Social responsibility is an ethical theory that an entity, be it an organization or individual, has an obligation to act to benefit society at large. Social responsibility is a duty every individual has to perform so as to maintain a balance between the economy and the ecosystems.

A trade-off may exist between economic development and the material sense, and the welfare of the society and environment. Social responsibility means sustaining the equilibrium between the two. It pertains not only to business organizations but also to everyone who's any action impacts the environment.

This responsibility can be passive, by avoiding engaging in social harmful acts or active by performing activities that directly advance social goals. Businesses can use ethical decision making to secure their businesses by making decisions that allow for government agencies to minimize their involvement with the corporation. For instance, if a company follows the United States Environmental protection Agency (EPA) guidelines for emissions on dangerous pollutants and even goes an extra step to get involved in the community and address those concerns that the public might have; they would be less likely to have the EPA investigate them for environmental concerns. Corporate responsibility or sustainability is therefore a prominent feature of the business and society literature, addressing topics of business ethics, corporate social performance, global corporate citizenship, and stakeholder management. Management education can be an important source of new ideas about shifting towards an integrated rather than fractured knowledge economy. But this means also that the role and meaning of socially responsibility leadership needs to be updated.

Governance is based on a set of principles that has developed over time to meet new challenges in areas such as: risk, finance, quality, probity, commerce and reputation. The current "rules" and reactions to these challenges can usually be traced back to an initiating principle. Understanding these principles helps those tasked with developing appropriate governance to apply sensible solutions.

Corporate governance and corporate social responsibility are intertwined. Corporate governance and corporate social responsibility can help define a company's reputation and image and created goodwill with its stakeholders. Corporate social responsibility is generally more about the core business functions of a company. Shareholders will often be more understanding about a company spending money on corporate social responsibility related to the core activities, rather than on peripheral activities. The wide stakeholder community is also making increasing demands. Those companies are held accountable for the social and environmental impacts of their operations. Corporate governance has gained a much higher profile in the last two decades in the wake of various corporate scandals and collapse. Corporate social responsibility (CSR) is now becoming much more a part of mainstream corporate governance as there is a recognition that a company cannot in the long-term operate in isolation from the wider society in which it operates. Therefore, the broadest way of defining social responsibility is to say that the continued existence of companies is based on an implied agreement between business and society' and that 'the essence of the contract between society and business is that companies shall not pursue their immediate profit objective at the expense of the long-term interests of the community, Shahrukhalid (2010).

Corporate social responsibility is a fundamental issue that needs to be addressed in order to ensure any organizations long term success. The stakeholder theory state that the basic promise is that business organizations have responsibility to various groups in society –the internal and external stakeholders and not just the owners i.e. shareholders. The views that total social responsibilities are broader than economic responsibilities have become more compelling, more accepted by managers. The range of social programmes assumed by business has continuously expanded since the early years of the century. Today, corporation’s carryout a wide array of social actions. The span includes programmes for education, public health, employee welfare, housing and many others. The fundamental reason why the concept and range of social responsibilities have expanded is that accelerating industrial activity continuously changes society. Awswathappa (2006). In this situation, social responsibilities arise from the impacts of corporate actions on society. In this study corporate social responsibility is integrated through social accountability. Black (2006) social accountability is present when managers believe that the firm is accountable to stakeholders for social impacts and the firm accounts for its social performance, even when the news is not all favorable. Daggash (2008) state that corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of the workforce and their families as well as the local community and society at large. Robbins and Coulter (2002) asserts that socially responsible companies tend to have more secured long run profile and social responsibility will improve a company’s stock price in the long run. And that given political and societal pressures on business to be socially responsible, means that managers should take social goals into consideration as they plan, organize, lead and control. It is also noted that corporate social responsibility programmes have the capability to strengthen financial performance.

Cacioppe, Foster and Fox (2008) after the study carried out involving analyzing 95 studies in the link between corporate social responsibilities and financial performance, the conclusion was that majority of these studies pointed to a positive correlation between a company’s corporate social responsibilities and its financial performance. The world’s most ethical companies are the businesses that respond not with public relations. Campaign, but with real action, such as complete transparency for the public and significant effort given to fixing the core problem, Siao (2008).

Vandebeeck (2012) concluded after his empirical evidence on his study of Ghana, Ivory Coast, Gabon, Cambiodia and other places, found that in Nigeria, it is a place where companies can grow and have an impact, particularly, when you are friendly and understand your business environment in the area of human resource, management, respect your corporate social responsibility, key into government policies and stay away from politics, then your organization will not only post profit, quoted in the stock market but must increase productivity. Environmental factors affect the activities of business organizations either positively or negatively. And as such, in order to be effective and enhance performance, business organizations must continuously adapt to its environments.

Changing social values have affected our commitment to equality of opportunity and the regulation of industry altered our assessments of the costs and benefits of new technology which has increased the social and economic expectations of consumers. Stoner, Freeman and Gilbert (2008) stated that perhaps more important for managers is the way in which value affect our attitudes toward organizations and work itself. For example, employee participation in managerial decision making was once seen as simply a means of improving workers moral and productivity. Now it is regarded by some observers as an ethical imperative. One of the most prominent areas of "manager's environment one which businesses as well as all other kinds of organizations have been justly criticized is that of social attitudes, beliefs and values. Workers and employers are likely to have different attitudes as well to the people and so on. In organizations there are host of influences encountered in our environment, the family, school, friends, bosses and co-workers, political systems and everything else that touches our lives.

Since people respond to an environment it is important that a manager design an environment conducive to performance and satisfaction. The values and custom of a society establish the guidelines that determine how most organizations and their managers will operate. People in any given society hold many beliefs and values. Their core belief and values have a high degree of persistence. For example, the get rich fast of some Nigerians is capable of undermining the well being of a company in some organizations the guideline of acceptable boss – subordinate relationship is broad. It is normal for a subordinate to always answer yes to a superior or boss for any question or reason or no response. Again, different publics have expectations and values about what constitute ethical business practices, giving bribe to obtain contracts or political favour, promotion on the basis of favouritism, godfatherism or tribalism instead of competence are considered unethical. In some other societies, such practices as a result of differing socio-cultural backgrounds are seen as normal business practices and may be allowed to go on. Finally, socio-cultural factors affect the ways in which organizations can do business. Ethical considerations have become an increasingly importance influence on business behaviour, particularly among the larger, more high profile companies. One area where this has been manifest is in the demand for firms to act in a more socially responsible way and to consider the impact they might have on people, their communities and the natural environment.

Probity concern what is right, fair, just, or good about what we ought to do. It is what is strictly legal. For individual, probity is about understanding the limits of their authority and power and acting within those limits. Public servants need to be conscious all times of the need to uphold the highest standards of conduct in their dealings on the company's behalf, which includes acting with integrity and avoiding conflicts of interest. Public servants should also be aware of the need to avoid any perception of bias in their dealings. This requires an open mind in decision making and acting fairly and impartially in good faith. It is helpful to recognize what the impediments to ethical decision making are, and to know how to reach ethical decisions. So when making decision, management should think about whether the decision is consistent with their values and those of their organization.

A failure by management to uphold proper standards of conduct and probity has consequences. For organizations; probity is about setting values at an organization level, and then implementing those values through policies and codes of practice. It is then for managers to demonstrate those values through leadership, to positively reinforce the values and also to ensure compliance with and enforcement of the values. So first and foremost, management should establish an ethical culture. Then, they should set out to live that culture. For example, through the behavior of their managers through the promotion of the values. (For example; codes of conduct) by providing guidance, through activities such as training, induction and counseling. Also, through rewarding re cognizing and promoting staff who exemplify values and by enforcing compliance.

2.2.14 Changing Corporate Governance in Organization

To enhance governance in organizations the following plan must be developed

1. Explained training for both employees, top managers,
2. Improved communications
3. Enhance focus on talent and development
4. Balance performance appraisal and compensation
5. Strengthened controls, Okeahalam and Akinboade (2003).

It is obvious that companies something have the best corporate governance codes/ practices but at times the companies actions have put at risk their most precious commodity, such as the trust of their clients, the patience of their employees and the faith of their shareholders, Saidu (2012).

2.4 EMPIRICAL REVIEW

2.4.1 Real Research Works

The empirical literature shows that a lot of studies try to measure the corporate governance influence on firm performance. The group of researchers in this area is Ibru (2008), and Onwumaeze (2008). In their study, they carried out on the challenges facing effective corporate governance in Nigeria. The study found that deliberate accounting fraud is another serious problem of effective corporate governance in the country.

The study discovered that cases of inaccurate reporting and non-compliance with regulating requirements and the prevailing incidences of false and misleading financial reporting by some corporate organizations lead to corporate failures. A case in point is that of Cadbury Nigeria Plc, when in 2006 the company falsified its audited financial statements. The CEO and the directors of the company who were found guilty by Securities and Exchange Commission (SEC) that investigated the case were accordingly sanctioned.

Also, empirical studies on corporate governance and firm performance which supported positive impact include Tanko and Kolawole (2007) which carried out study to measure the relationship between corporate governance and the performance of firms in Nigeria. The study used Return on Equity, Net Profit Margin, sales growth, dividend yield and stock prices/values as key variables that defined the performance of the firm and on the other variables like board independence, board size, audit independence, ownership and progressive size of the companies were used to measure corporate governance. The study found that there is high relationship between size of the board of the companies used in the study and their performance, that independent board is a factor of good performance, that separation of the position of CEO from the board chairman positively affects performance, and the study finally recommended that since performance worsens when chief executive also serves as the board chairman, the two positions should be separated.

Chikioya (2009) carried out a study with intent to examine the link between corporate governance structure and firm performance in Nigeria. The researcher used the regression model to analyze publicly available data for a sample of 107 firms quoted in the Nigeria Stock Exchange. For the years 1998 – 2002, the empirical investigations showed that ownership concentration has a positive impact on performance. There is also significant evidence to support the fact that CEO duality adversely affects firm performance. Although the results revealed no evidence to support the impact of board composition on performance, it suggests that firm size can leverage impact on firm performance. The study also identify a new variable, identified as more than one forty members on the board, is found to have an adverse effect on the firm performance. More researchers argued further that better corporate governance will lead to higher corporate governance performance.

Based on a comprehensive survey primarily of studies by Gugler (2001) that owner controlled firms tend to significantly outperform managers – controlled firms. For a sample of listed German manufacturing firms, Thonet and Poensgen (2012) found manager – controlled firms to significantly out perform owner-controlled firms in terms of profitability, but that owner-controlled firms had higher growth rates. For the purpose of the empirical insight into the relationship between governance and performance.

Empirical researches on corporate governance use either market-based measures or accounted based measures to assess firm performance. Klein (1998) uses return on assets (ROA) and LO (2003) uses return on equity (ROE) as an operating performance indicator. Brown and Caylor (2005) use

ROE and ROA as their two operating performance measures. One of the primary reasons for operating a corporation is to generate income for the benefit of the common stockholders EPPS and Cereola (2008). ROE is a measure that shows an investor how much profit a company generates from the money invested from its shareholders. Bhagat and Black (2002) took the ratio of independent directors minus the ratio of inside directors as a proxy, and that the result disclose that board independence, significantly makes no difference in improving corporate performance. According to Agency theory, when a chairman assume the role of CEO, namely acting as decision maker and supervisor at the same time, the function of the board to minimize agency cost could be weaken tremendously, in the end, corporate performance goes down. Empirical studies by Daily and Dalton (1993) and Dahya, Lonie and Power (1996) unveil that CEO duality could bring about negative effects for corporate performance.

Zheka (2002) carried out study to investigate the influence of overall level as well as of separate elements of corporate governance on firms' performance for a large set of joint stock companies in Ukraine. He constructed overall index of corporate governance and sub-indices of corporate governance quality using 2 governance indicators describing such aspects of corporate governance as shareholder rights, transparency and accountability. And he used a data set of above 10,000 observations for companies of all sizes. He finds strong evidence, which was not available earlier, that corporate governance most likely casually predicts firm's performance. And that if a firm has a multiple ownership structure; it may result in corporate governance problems. The owners/investors want to ensure that the professional managers they hire run the company in line with the best interest of its owners working with greatest possible efficiency that consequently maximizes the added value of the firm and the welfare of all of the owners. On the other hand, the mangers or large shareholders want to maximize their own benefits. When interests of managers are not perfectly in line with those of owners or when some owners expropriate rights of other shareholders, there could be a substantial loss in firm's efficiency.

Therefore, the issue of corporate governance has become extremely important in the last decades in particular, because organizations have reached a remarkable output growth and at present produce more than 90% of all world output. On the background of well known bankruptcies of some corporations (e.g. Maxwell group, Enron, World com and Cadbury plc) the corporate governance issue is becoming one of the central issues in the aim of secure and continuous economic development in the world. It is on this premise that the researcher carried out the study on corporate governance and organizational performance, a study of selected companies in southern part of Nigeria. This study will examine how some companies are performing better than other because of the effective application of corporate governance.

According to Tanko and Kola Wole (2013) in their study stated that the recent collapse of the stock market, the massive fraud and window dressing accounts, the compromised board, as well as the concentration of power in the hands of managing director/chief executive officer, weak audit committee and the prevalence of corruption in Nigeria have encouraged the government and other corporate institutions to formulate policies and programmes that will address the problem of poor corporate governance.

Empirical studies have established a strong relationship between the companies that have its directors owning shares and that the company that has not. Therefore, those companies whose directors have sort of ownership to the company are believe to perform better.

2.4.2 Literal / Intellectual Works

On the need for effective corporate governance for economic development in Nigeria, Yuguda (2012) opined that it has become very clear that corporate governance institutions must put in place strong internal control mechanisms to provide checks and balance against the oversight responsibility of the boards. And that almost all reported cases of corporate failures indicate some level of failure on the part of directors to properly discharge their oversight functions and ensure that they receive all relevant information and demonstrate good faith judgement. Ahmed (2007) found that better corporate governance is highly correlated with better operating performance and that the internalization of effective mechanisms in the running of corporate organizations would encourage accountability and transparency and also discourage concealment of financial statements. Such internal mechanisms would help establish the concept of insider whistle blowers in form of honest staff of the companies to speak out on questionable practices without repercussions.

Soludo (2011) opined that the survival of bank, like every other corporations, is not necessarily just dependent on how much is the share capital, but how the capital and other fund within the system is managed.

Eng and Mak (2003) bear evidence of that insider ownership which has a positive relation with firm performance. And that in terms of firm performance, when ownership is highly concentrated, controlling shareholders may make use of their vantage to benefit themselves, for example, transferring profits to other firms totally controlled by them.

Oyejide and Soyibo (2001) remarked that for Nigeria to reap the benefits of effective governance there is need to strengthen the enforcement mechanism of the regulatory institutions. The roles of the courts are important in this regards. The judicial system must have the capacity to restore the confidence of the shareholder and help him to enforce his rights. Also, the Corporate Affairs

Commission (CAC) has the powers to receive annual returns from companies to know the state of affairs of such companies and identify areas the companies have failed in their responsibilities. The creditability discharge of these functions by CAC will definitely ensure the entrenchment of effective corporate governance.

Fubara (1982) noted that the environmental variables militating against organizational performance are technology, infrastructure and government ministerial interventions, particularly, state owned enterprises. The below data showed accurate shortage of technology and infrastructure. It also showed that government and ministerial intervention tend to militate against the performance of such businesses. Government intervenes constantly to set ground rules for operating these enterprises since they are financed with public funds.

Table 1: Environment of Business in Nigeria as perceived by the Chief Executives of Businesses

S/N	**Variables**	**Percentage (%)**
1	Technology/Infrastructure	38.42
2	Government/Ministerial intervention	28.48
3	Legal	14.48
4	Socio-cultural	13.26
5	Workers/union	5.36
	Total	***100%***

Source: Fubara, B. A. (1982) *Business Policy in Government owned Companies in Nigeria*, Port Harcourt, University Press

Peters and Waterman (1982) state that any set of criteria for excellence should include; the ability to effectively and speedily adapt changes by its management. Understanding therefore, that in the current economic climate, it is suicidal for a serious purpose driven business organization to exist and be managed without strategic planning, as it establishes companies on track, it serves as a guide for decision making on both the details of the business and its future. Hence, it is an essential tool for organizations in trouble who want to chart an effective turnaround.

For Siat Nigeria Limited, Okomu Plc and other related organizations like Presco Nigeria Limited, the difficulties and challenges of adaptation and adequately responding to their environment further compounded by the turbulent nature of their external business environment affected organizational performance of the firms. Ladoja (2013) states that oil palm establishments which succeeded in the country were the ones established with the World Bank intervention assistance; observed that funding, government problem and management have been the major constraint confronting the business sector in Nigeria. Thus, achieving an effective level of organizational performance amidst the business environment is imperative because as external environment changes rapidly, there is increasing pressure on organization to produce valuable outputs faster and more efficiently (Eisner 2003). Therefore, understanding this environment and its effects on business operations and performance is of vital importance to the study.

Today, different notions of corporate governance exist in different parts of the world. Issues relating to corporate governance have featured regularly through time. Since the early 1990s there has been increasing attention to corporate governance as a result of major corporate scandals such as Maxwell Communications, BCCI and Poly Peck in the late 1980s and in the early 2000s. Enron, World com, Global crossing and parmalat. And to address the issue of whether we should accept that corporate debacles as a fact of economic life of organizations or not. It is clear from the very brief overview above that concerns over corporate governance are not view, but reactions to corporate scandals of the 1990s and early twenty-first century by organizations. Such as the major stock exchanges, professional accountancy bodies, and government appears to have been more obvious and public than before.

In Nigeria, corporate debacles such as African Petroleum (AP), the banking sector, Cadbury Nigeria Plc and Nitel, etc. pose fundamental problems for security markets, investing in companies is a risky business and any investor must recognize and accept this fact. Thus, it is not the losing of money that is the problem. The problem is the failure of market mechanizing to provide the information and warning signals that the investing public has a right to expect. It is obvious that today, all the corporate failures referred to in organizations both in the developed and developing world, is that:

3 Corporations concerned gave little if any hint of the financial turmoil the corporations were experiencing.

4 The auditor's terms to be complicit in the deceit or their performances are more opaque.

And that whatever the reasons, the important market mechanism that the role of audit and accountant is supposed to play failed. Therefore, a more inclusive view of corporate governance sees the disregard for shareholder interests displayed by executives as but one of the corporate governance issues to be addressed. There is also evidence that good governance can enhance shareholder value and reduce risk.

One way this can be done is through the adherence of the basic policies, relating to the exercise of executive power. Poor corporate governance is often cited as one of the main reasons why investors are reluctant or unwilling to invest in, or companies in certain markets.

According to Poors (2001) poor corporate governance has increasingly been cited as a major contributory factor in a number of high profile corporate failures around the world. In Nigeria, majority of the banks failures in late 1990's and 2000s can be attributed to poor corporate governance. A recent case in Nigeria were the board was able to remove the managing directors of banks in Nigeria for what has considered as lack of good corporate governance has given a lot of credibility to the board of CBN. Yuguda (2012) stresses that the renewed interest in the Nigerian privatization programme and the reports of studies on performance of privatized firms in Nigeria are clear testimonies to the fact that ownership structure matters for firm's performance.

Ejiofor (1981) stated that the reports of many commissions of inquiry into the operations of top career officers of many public enterprises in Nigeria leaves one with the impression that while some boards erred on the side of meddling with details of management, others left their supervisory functions undone. Either way the organization suffered. On a different note one wonders why many boards in Nigeria tend to interfere with management. One major reason is questionable integrity on both sides. Aware that directors owe a fiduciary duty to their companies, they need exercise their powers bonafide for the purpose of which they are conferred and for the benefit of the company as a whole. And not to put themselves in a position in which their duties may conflict with their personal interests.

The Enron collapse is an example of misleading financial reporting. Enron concealed huge losses by creating illusions that a third party was contractually obliged to pay the amount of any losses, Freeman (2010) among those that argue in line are Wells (2001) and Zhawa (2003). It is the responsibility of the board and its audit committee to engage on independent accounting firm to audit the financial statements prepared by management to issue an opinion on those statements based on generally accepted accounting principles. The board, its audit committee and management must be vigilant to ensure that no actions are taken by the corporation or its employees that compromise the independence of the outside auditor. The independent accounting firm must ensure that it is fact independent, is without conflicts of interest, employs highly competent staff, and carries out its work in accordance with generally accepted auditing standard.

Oyejide and Soyibo (2001) as cited by Yuguda (2012) remarked that for Nigeria to reap the benefits of effective corporate governance there is need to strengthen the enforcement mechanism of the regulatory institutions. The roles of the courts are important in this regards. The judicial system must have the capacity to restore the confidence of the shareholder and help him to enforce his rights.

There is need for CAC to be restructured to make it independent and able to ensure that the provisions of the CAMA 1990 are effectively enforced. The challenge is for CAC to do more and prosecute companies that commit offences that under-mind the principles of effective corporate governance. Deliberate accounting fraud is another serious problem of effective corporate governance in the country. Cases of inaccurate reporting and non-compliance with regulatory requirements.

Also, the issue of friction between those appointed chairmen of board usurp the powers of the general manager, power struggle where the Chief Executive not only contend with government undue interference but also with that of the chairmen appointed by the same government to superintend the affairs of the enterprise. Besides, wherever there is any conflict between the chairman and the general manager of any company, many aspects of company’s operations are bound to be adversely affected.

Here the corporate performance or governance will not be efficient and effective. Particularly, with pivoted role they are expected to play in formulating policies that are supposed to influence the operations of the industries. The qualities of board members are essential component in the overall performance of any company.

Rummel and Heenan (1978) asserted the failure of executives to assess the political climate where they do business can have disastrous implications ranging from simple work stoppage to expropriation of property and loose of life. He further noted that political environment and its relationship with business include corruption and the level of transparency and openness of an economy. The political environment is primarily that complex of laws, regulations, and government agencies and actions which affects all kinds of organizations, often to a varying degree. Literature of business planning and policies of organizations seems dominated by the empirical evidence desired from the experiences both private and public enterprises with private having single objective of profitability. While Fubara (1982) has argued that public enterprises have responsibility for both socio-political and profitability- goals, responsibility goals of their society appear to distort the strategic planning and management focus of any enterprises.

Nambudiri and Sayadain (2009) compared India and Nigeria management practices on business environment prevailing in the two countries. The study concluded that the practice of long range planning is still in its infancy in Nigeria and that traditional values of loyalty and tight control on one hand, while modern industrial requirements of delegation of responsibility and the establishment of proper role relationship in the other.

According to Ladoja (2013) one of the biggest challenges faced by Nigeria's oil palm industry is the dispersed nature of the oil palm plantations. That is, small holders due to limited funds, which the farmers do not have access to, improved seedlings, and technological advanced methods of processing poor agricultural policies, the non access to government credit facilities. Import terms on fertilizers make manure out of the reach of small scale planters leading to low yields, the land use Act, Acts as an impediment in the growth path of palm oil plantation. It restricts acquisition of large areas of land in the palm belt of the country (southern part). The aging plantations, as no efforts to replant or extend the land under cultivation. This poor maintenance of plantations, low rate of extraction, obsolete methods of processing and paucity of funds in the agriculture sector serves as yet another deterrent to the growth of the oil palm industry.

Nigeria, which was the largest producer of crude oil palm world over beginning from 1950s till 1970 and had a market share of 43.0%, supplying 645,000 metric tons of palm oil, on annual basis after the civil war decline. Particularly, in the southern part of Nigeria which was the seat of oil palm plantations. The oil palm belts includes the states of Abia, Anambra, Bayelsa, Delta, Edo, Ebonyi, Ekiti, Enugu, Ondo, Ogun, Osun, Oyo, Imo and Rivers. The war in the region left behind a legacy of crippled oil palm industry.

Today, from being the largest producer of oil palm, Nigeria is now a net importer of palm oil, According to Index mundi, a data portal. This is visible in the chart below. Nigeria today produces only 1.7% of the world consumption of palm oil which is insufficient to meet its domestic consumption which stands at 2.7%.

Therefore, this study examine the problem of corporate governance and its effects on the performance of selected oil palm firms in the southern part of Nigeria, as to ascertain if the companies under study have produced result or failed to perform. And to identify possible strategies to revitalize them if any failed to produce results. This led to the study of Siat Company, Presco Nig. Ltd, Okomu Oil Palm Plc, listed companies on the Nigerian Stock Exchange (NSE). The findings from this study will be used to justify the reasons for the non-performance of Risopalm Limited; a company owned by the government in the area of oil palm which after the European Union discontinued the funding in 1995, in 1997, the plantation was abandoned as it failed to produce results. Later it was revitalized in 2003, however, in 2010, the state government decided to invest no further in the plantation as it was not producing the desired results. The government decided to appeal people from the private sector to put money on the plantation and support the distressed oil palm industry. Siat Plc a listed company on the Nigerian Stock Exchange (NSE) acquired Risonpalm from the Rivers State Government. The Abia Palm Oil Plantation has been converted into a company named Fri-El Green Power Holding. 80% stake and the remaining 20.0% owned by the state government. The Fri-El Green Power, an Italian Company, in 2007 signed an agreement with the government of Abia State to take over the management. The rehabilitation work; revised the old oil mill located at Mbaise putting it to use, the revival of the Adapalm Nigeria Ltd by the present government of Imo State government.

The mentioned factors forces one to question, if the will not to augment the production of oil palm within the southern part of Nigeria connected to the ownership and management structures of both the companies where foreign stakeholders control majority stakes or that the high import tariff projects from competition and hence they do not feel an urgent need to increase output. For example, Okomu and Presco have constantly maintained to build the largest oil palm plant in Nigeria and to expand its production capacity.

The issue of business planning and policies of organizations seems dominated by the evidence derived from the experience of private enterprises like Siat, Okomu and Presco Nigeria Plc, with a single objective of profitability. Fubara (1982), has argued that public enterprises have the responsibility for both socio-political and profitability goals of their society. Since the existence of this dual responsibility would appear to distort the planning and management focus of any enterprises. The goals of public enterprise seem complicated, unlike the private enterprises which lay emphasis on financial profit. Yet, they are expected to make profit the way private enterprise do in order to survive, Ejiofor (1987). This situation makes the setting of objectives a rather difficult task and the operation and evaluation of their performance, a complex process. In Nigeria, the view of the government is that public enterprises may be established either for strategic reasons or to fill a gap left by private enterprises in order to minimizes Nigeria's dependence on foreign goods. They are expected to attain instrumentation, as well as business objectives, Nigeria industrial policy and strategy (1980).

2.5 Gap in Knowledge

Given the importance of good corporate governance to a country's economic system and national development, it is evidence that corporations are vital part of the society and as corporate citizens; they are expected to contribute actively to the development of society and protect the natural environment. It can be seen that the challenges of corporate governance in Nigeria have not been overcome, due to the operating mechanisms and environment factors shaped by Nigerian moral values and weakend corporate governance environment.

The Gap in knowledge literally is for firms to adopt complimentary internal disciplinary devices in order to minimize their total agency costs. And these internal devices include the composition of the board of directors, inside owner, large shareholders, compensation packages and financial policies.

Therefore Gap in Empirical literature found that corporate governance is not highly correlated with better operating performance. Given that internalization of effective mechanism in the running of corporate organisms would encourage probity and also discourage concealment of financial statement. It would help establish the concept of insider whistle blowers in form of honest staff of the companies to speak out questionable practices without repercussions.

In human and strategic management, works on corporate governance and firm's performance have been carried out at the micro levels and narrowly focused on single aspects of governance, such as the role of directors or that of stakeholders, while omitting other factors and interactions that may be important within the governance framework. In this study, a broad macro level of analysis is considered on the corporate governance and organizational performance. The corporate governance analysis depended on the reforms which includes; regulatory, and institutional environment. Also, variable such as integrity which impact on the reputation and the long term success of firms. Business ethics and social responsibility of the communities in which firms operates can also affect organizational performance. Therefore, the gap in knowledge is the assembled system of principles that are intend to assist private and public organizations in their efforts to evaluate and improve the legal, institutional and regulatory frame work for corporate governance in the country, and to provide guidance and suggestion for investor; corporations and other parties that have a role in the process of developing good corporate governance. Thus, corporate governance framework should ensure the equitable treatment of all shareholders, protect the shareholders rights, all shareholders should have the opportunity to obtain effective redress for violation of their rights; it should encourage active cooperation between corporations and stakeholders increasing wealth, jobs and the sustainability of financially sound firms; the effective monitoring of management by the board, and the boards accountability to the firms and the shareholders. The gap is then corporate governance is then primarily intended to provide assistance to governments in economies transition. Also most of the existing works by Sanda and Garba (2005), Ibru (2008), Onwumaeize (2008), Gugler (2001), and Ogbechie (2006) where not relating to the evolving economic sector of the societies within the scope of corporate accountability as standard for creating value for general public. This study is not restricted to the framework of the organization for economic development. But analyzed the level of compliance of code of corporate governance; code of corporate governance were aimed at promoting the tenets of good corporate governance which include, integrity, probity, accountability, independence and discipline. The codes of corporate governance are documents which state the rules and procedures for governing and managing corporations. Since corporate governance is a process by which corporations are governed and controlled with a view to increasing shareholders values and meeting the expectations of other stakeholders, the codes categorically state the rules principles and best practices for governing corporations properly. The responsibility for adopting and implementing the code lies on a corporation’s board of directors. Codes of corporate governance were established as instruments for safeguarding the corporations against corruption, mismanagement and environmental abuse. The level of compliance of code of corporate governance which organizations should comply to enhance performance, include, increase shareholders value, protect stakeholders interest, contribute to society’s wellbeing, preserve the environment and to prepare accurate financial reports.

These variables are employed to address the gap. Given that corporate governance has a leadership dimension; as it provide directional leadership to organizations by creating an enabling environment which integrates and systematize various collaborative efforts for setting objectives and achieving corporate goals. However the variables were raised because it will help to prioritizes organizational objectives, achieves good corporate performance, enhance ethical decision making within organization where shareholders concerns and stakeholders interest and are addressed properly. While other employed the accounting operating performance variables to investigate the relationship if any that exists between corporate governance and performance of organization in Southern part of Nigeria as to cover the missing gap.

Therefore, the Gap in knowledge is to improve the empirical insight into the relationship between governance and performance. In the wake of a literature survey it dissolver that corporate governance matters for economic performance. That the Nigeria's reforms enforcement and regulatory framework are weakened and made inefficient by institutionalized corruption has been widely accepted as the bane of poor corporate governance in Nigeria but this alone cannot be blamed for the persistent corporate governance failures in Nigeria. There are other socio-political, economic and cultural factors which create the dismal corporate governance environment in a country.

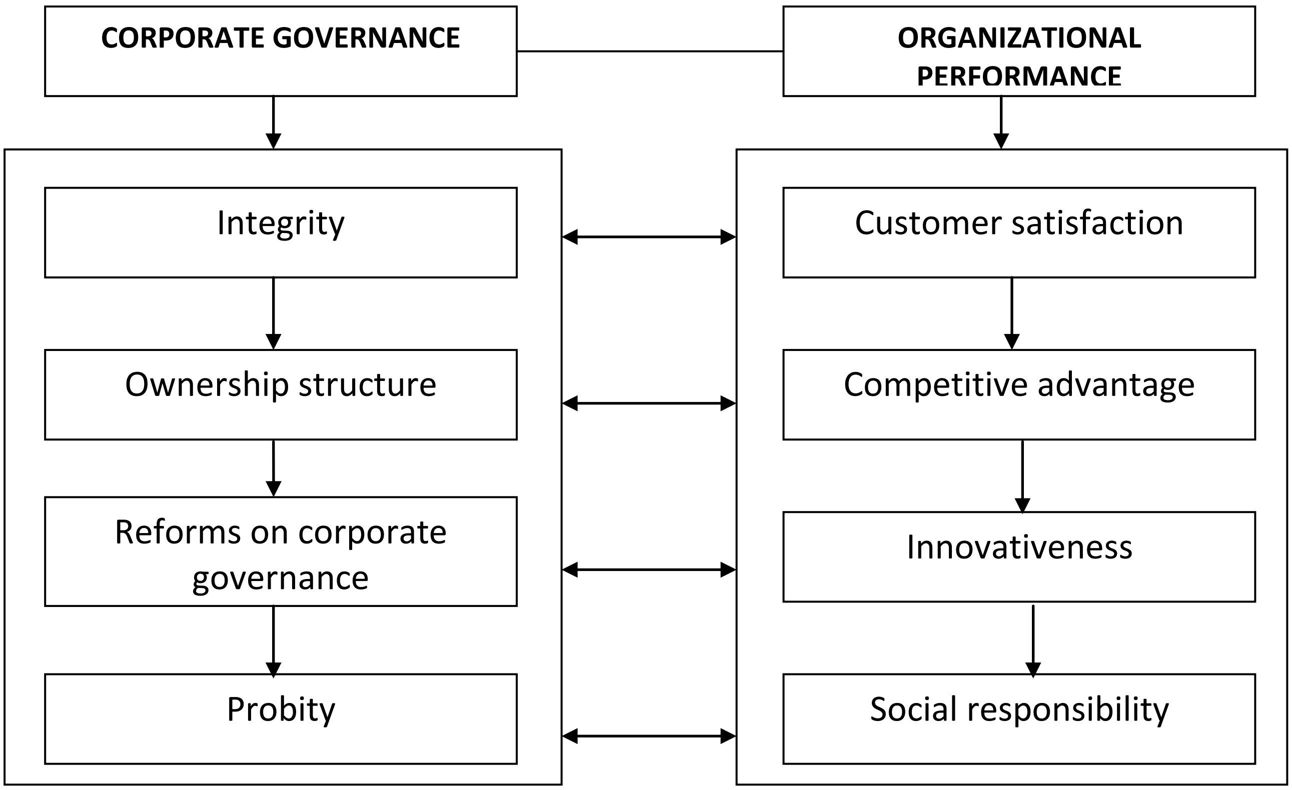
CHAPTER THREE

METHODOLOGY

The methodology was devoted to outlining the design and methods to be adopted in carrying out the research. It is a framework or plan that is used as a guide in collecting and analyzing the data of a study; and this which among other things include: Research design, Study population, Sampling and sampling techniques; Instrumentation, Validity of the Instrument, Reliability of the instrument, and Method of data collection and Method of data analysis.

3.1 RESEARCH DESIGN

Survey research design was adopted in this study for gathering information and data through questionnaire instrument administered on the respondents. The method appealed to the researcher more because it is aimed at describing the data in a systematic manner, about a population. In this study the identified independent variable is the corporate governance and the dependent variable is the organizational performance. The independent variable was decomposed as integrity, ownership structure, reforms on corporate governance and probity. While dependent variable was customer satisfaction, competitive advantage, innovativeness and social responsibility.



The interrelationship between integrity and customer satisfaction gave the need for firms to be conscious all times of the need to uphold the highest standards of conduct in their dealings on the company's behalf. The paired variable is correlated as integrity is a highly personal assessment that is greatly affected by customer expectations. To be competitive and survive, firms need to produce products and services of very good quality that yield highly satisfied customers. Problem of lack of integrity can enable bribery and corruption which can suppress sound and sustainable economic decision. Therefore maintaining customer satisfaction is the key to retaining customers and profitability.

Ownership structure and competitive advantage are interrelated because the effect of ownership structure on competitiveness of organization could be the ability to transform inputs into corporate goals. Therefore, the correlation is that the efficiently levels across different ownership and control of firms is important. The problems of corporate objectives and conflict of interest in the process will leave managers with no single criteria to take a decision. Ownership that aligns manager's decision with shareholders interest can help produce a competitive advantage for the firm. Ownership structure correlates with the power relationship that deals with organization which allow for competitive advantage using market share.

Reforms on corporate governance and innovativeness were interrelated given that some of the problems stem from the country's culture of institutionalized corruption which has characterized by weak regulatory framework. And this has compounded to wide spread poverty and high unemployment. Thus, the enforcement and monitoring compliance of government agencies to this reform on corporate governance will create a customer, which the business will require and innovation will be then essential success factor. There is a strong correlation between innovation and reforms for performance. This is because it has created and sustained a competitive edge of the firm's through the impact of new products on the company's profit.

The interrelationship between probity and social responsibility pointed a positive correlation between a company's corporate social responsibilities and its financial performance. Given that most ethical firms are the businesses that respond not with public relations campaign but with real action, such as complete probity and transparency for the public and significant effort given to fixing the core problem. As failure by management to uphold standards of conduct and probity have consequences. They must set values and implement those values through policies. Probity and social responsibility is a duty every organization has to perform as to maintain a balance between the economy and the ecosystems.

3.2 POPULATION OF THE STUDY

The population for the study was made up of the total number of persons covered by the study which is 1000. The companies are made up of Presco Plc, Siat Plc and Okomu Nigeria Limited. The target populations of the study were the workers of different levels of management and staff viz top managers, lower managers and officers (including supervisors and staff in the various departments of those organizations). These groups of people were sampled and data relating to corporate governance and organizational performance of oil palm producing firms in southern part of Nigeria were extracted from them. The total population for is one thousand (1000) in the three firms selected as the focus and the number is distributed among the companies, as done in table 3.1. The population is finite one as the size and number is known.

However the reason for the choice of the firms was as a result of their involvement in the oil-palm producing sector within the geographical area that have survived in the amidst of challenging corporate governance frame work among their counterpart that has gone moribund.

Table 3.1: Distribution of the population

S/NO	COMPANY'S NAME	POPULATION
1	Presco Plc	300
2	Siat Plc	300
3	Okomu Nig. Ltd	400
	Total	1000

Source: Firms records, 2014

3.3 SOURCES OF DATA

Primary data was used for the collection of information. However, the primary data was obtained through the administration of questionnaires. While for secondary data the instrument used were textbooks, journals, company's bulletin, annual reports of the company and newspapers etc. The characteristics of the study are cross sectional and of time series. Therefore, correlational survey study was used to establish the relationship that exists between the two and more variables. It also indicated direction of magnitude of the relationship between the variables.

3.4 SAMPLE SIZE AND SAMPLING TECHNIQUE

To draw a sample from the population, Taro Yamane (1964) formula was adopted and it states.

Thus:

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

Where:

n	=	the sample size
N	=	the finite population
e	=	level of significance (limit to tolerable error)
i	=	unit (a constant)
N	=	1000
e	=	(0.05)
n	=	1000

Therefore substituting into the formula using 5% margin of error. Thus was obtained

$$n = \frac{1000}{1 + 1000\,(0.05)^2}$$

$$= \frac{1000}{1 + 1000(2.5)}$$

$$n = \frac{1000}{1 + 2.5}$$

$$n = \frac{1000}{3.5}$$

= 285.71

= 286 Approx.

Given that the selected organizations of the study have a population size of 1000 staff, out of which a sample size of 286 was drawn using the above formula. Simple random technique method was adopted for the study as to give the study population an equal chance of been selected.

The Bowley's proportionate allocation formula (1964) was used to allocate that each of the organization will have for the sample size, the formula is:

$$n = \frac{Population\ of\ each\ organziastion}{Total\ population}\ sample\ size$$

Thus: Presco Limited = $\frac{300}{1000} \times 286 = 86$

Siat Limited = $\frac{400}{1000} \times 286 = 114$

Okomu Plc = $\frac{300}{1000} \times 286 = 86$

Presco Limited = $\frac{300}{1000} \times 286 = 86$

Table 3.2 Allocation of Sample Size

ORGANIZATIONS	POPULATION	SAMPLE
Presco	300	86
Siat Plc	300	86
Okomu Nig Ltd	400	114
Total	1000	286

Therefore, with the population of 1000 which represents the population size of organization of the study 286 persons was the sample size.

3.4 METHOD OF DATA COLLECTION

The instrument used in gathering information or data from the respondents was a researcher constructed questionnaire title corporate governance and organizational performance.

The question was written in such a way that the responses are consistent with the researchers' purpose. The questionnaire comprise of five sections. The first section sought to elicit information about the relevant profile/characteristics of the respondents. Other sections obtained response to the listed research questions and hypotheses respectively.

In constructing the questionnaire, each of the problems was broken down into smaller specific questions which was designed and relevant to the hypotheses. The questions were categorized into corporate governance, and performance.

In structuring the responses to the questionnaire, a 5 point modified Likert scale of summated rating was carefully designed and employed to elicit appropriate responses. A 5-point modified rating scale was used to recognize the degree of agreement of respondent to a research question as to describe a given situation, that is, strongly agree 5, agree 4, disagree 3, strongly disagreed 2 and undecided 1.

3.5 VALIDITY OF THE INSTRUMENT

To achieve this, the instruments that were used in this research were reviewed with necessary corrections made by experts in management and expert in measurement to ensure the relevance of the questions and their relatedness to the project topic.

3.6 RELIABILITY OF THE INSTRUMENT

The reliability of the research instrument of this study was determined and established by using the test-re-test method. The same version of the research instrument was administered at two points in time and the values got from the response to the questionnaire relating to the objectives correlated. The correlations between the scores obtained by the same persons on the two administrations of the test from the reliability coefficient, using the spearman's rank correlation coefficient of 0.03 in between 0.3 and 1 shows that the instruments is reliable. Given the formula as

$$\frac{1-\sum d^2}{N^3 - N}$$

$$\frac{1-\Sigma\ (143)^2}{286^3-286}$$

$$= \frac{1 - 20.449}{858 - 286}$$

$$= \frac{19.449}{572}$$

= 0.034001748

Where rs = Spearman Rank – order correlation coefficient

1 = unity i.e. perfect correlation from which any value in the quality may be taken to reduce the coefficient

6 = this is a constant value

$\sum d^2$ = The sum of the difference in ranks squared

N = Number of cases

rs = 1-6 (143)

$$rs = \frac{1\text{-}6(143)}{286^3 - 286}$$

$$= \frac{1\text{- }858}{23393370}$$

= 1-3.66770585

= 0.9999633229

=0.99- (1)

Thus, in this work we relied on the nunally (1978) threshold benchmark of 0.70 (α) Cronbach Alpha. With the computation to test the reliability which was reliably at 0.3 and within the benchmark of 0.70 cronbach alpha, the most common measure of internal consistency and contemporary means of determining reliability in management sciences, the instrument was confirmed reliable and validated.

3.7 OPERATIONALIZATION OF THE VARIABLES

In measuring the research questions 1, on integrity and customer satisfaction in the organizations, primary and secondary data was used to generate information on, social obligations, accountability, reporting of misconduct; while to measure customer satisfaction, enforcement of standard, production of varieties of products, meeting customer requirements, quality of product, provision of customer service centre, satisfaction of customer. To measure ownership structure as it affects competitive advantage in question2, independent board, voting rights of ownership, risk management in supply chains; corporate goals were used to measure competitive advantage. The reforms on corporate governance and innovativeness of the organizations in question3, the research used; the adoption of corporate governance code. If it is mere conformance, the compliance to code and its commitment to ethical business practice. And if appointment of directors is been enforced by the corporate governance code and ethics. Also, to measure the question 3 variable, the reforms on corporate governance and performance of the organizations the research used. Innovativeness was measured with strong emphasis on research and development techniques, introduction of new products to the market and development of new market for products in the work of Damanpour (1992). The question 4 variable was to measure probity ad social responsibility in the organizations. This was measured through primary source to generate data on evaluation the probity, management should demonstrate leadership through their own actions, they should define company's reputation and image, and right ethical culture be established. Social responsibility was measured by programs of the company that enhance cordial relationship with the host communities, the strategies of social responsibility that influence organizations performance and employee's loyalty and commitment for high performance.

3.8 METHOD OF DATA ANALYSIS

Data collected from the respondents were organized in table's charts, and percentage. The test of hypotheses was carried out with the statistical tools, associated with simple regression statistics and using Pearson Product Moment Correlation Coefficient using SPSS Version.16.0.

Significance (i.e. level of probability) is less than 0.05 (i.e level of significance was used in interpreting the result.

Decision Rule: the decision rule is to accept the alternative hypothesis if the significance is less than 0.05, or retain the null hypothesis if the significance is greater than 0.05.

Sig. (i.e. level of probability) is less than 0.05 (i.e. of level of sig)

Sig > 0.05 retain null hypothesis

Sig< 0.05 accept alternative hypothesis.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

This chapter presents the findings of the study as contained in the responses obtained from the questionnaire and other sources of data employed in this study. In the first part, the general information about the respondents were classified and presented. In the subsequent sections, each of the research questions and the hypotheses formulated earlier in the study were analyzed and presented, percentages and frequency tables were used in the data presentation.

4.1 ANALYSIS OF QUESTIONNAIRE DISTRIBUTION AND COLLECTION

As stated earlier in the study, the three (3) selected companies in southern part of Nigeria were chosen as the sample for the study and to which two hundred and eighty –six (286) questionnaires were distributed in all two hundred and seventy were returned. The questionnaire response rate is presented as follows:

Table 4.1 Questionnaire Distribution

S/N	COMPANIES	NO. DISTRIBUTED	% DISTRIBUTED	NO. RETURNED	% RETURNED	NO. NOT RETURNED	% NOT RETURNED
1	PRESCO PLC	86	30.07	84	31.11	2	12.50
2	SIAT PLC	86	30.07	79	29.26	7	43.75
3	OKOMU NIG. LTD.	114	39.86	107	39.63	7	43.75
	TOTAL	**286**	**100**	**270**	**100**	**16**	**100**

A total of two hundred and eighty six (286) questions were distributed and administered to respondents of the selected three (3) companies in Southern part of Nigeria, out of which a total of 270 were returned. 16 copies of the questionnaire were not returned. The data above are graphically shown as Figure 4.1 below.

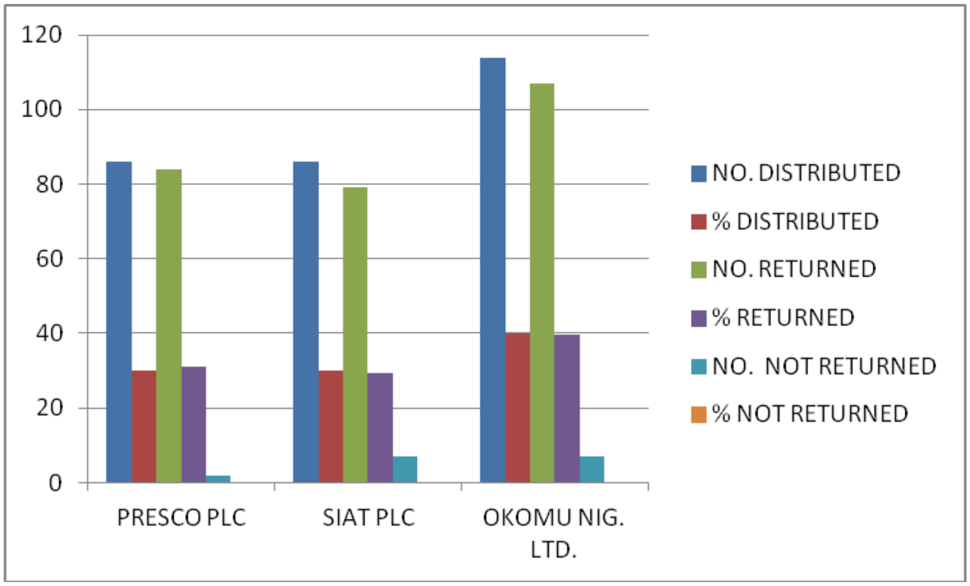


Figure 4.1 Questionnaire Distribution

4.2 GENERAL INFORMATION ABOUT RESPONDENTS.

Table 4.2 Gender /Sex of the Respondents

S/N	SEX	PRESCO	SIAT	OKOMU	TOTAL	PERCENTAGE
1	MALE	66	60	86	212	78.52
2	FEMALE	18	19	21	58	21.48
	TOTAL	**84**	**79**	**107**	**270**	**100**

From table 4.2, 212 representing 78.51% are males while 58 representing 21.49% are females. This shows that there were more males than females. The data above are graphically shown as Figure 4.2 below.

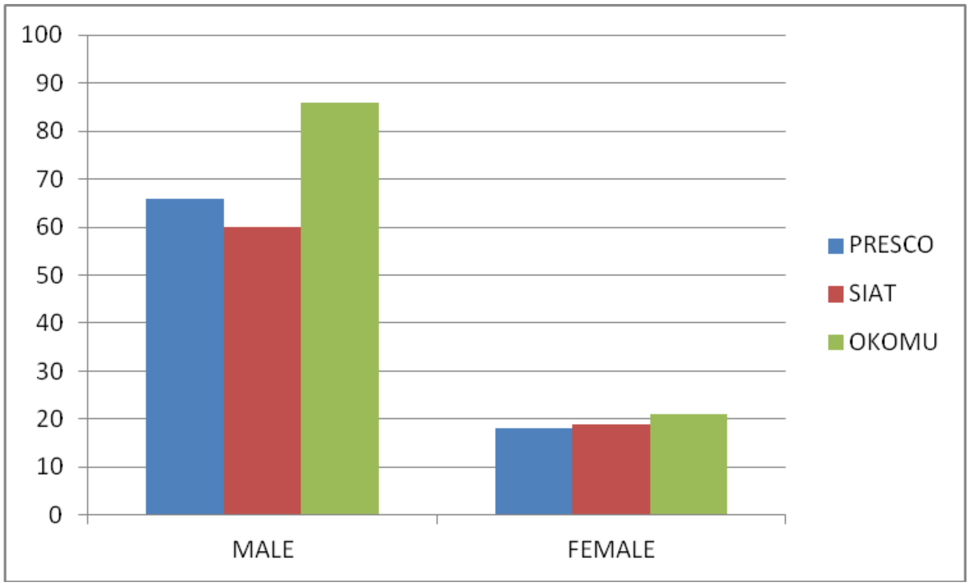


Figure 4.2 Gender /Sex of the Respondents

Table 4.3 Age of the Respondents

S/N	AGE	PRESCO	SIAT	OKOMU	TOTAL	PERCENTAGE
1	20-35	23	19	33	75	27.78
2	36-45	31	27	42	100	37.04
3	46 - ABOVE	30	33	32	95	35.19
	TOTAL	**84**	**79**	**107**	**270**	**100**

Table 4.3 shows that 75 (27.78%) are between 20 and 35 years, 100 representing (37.04%) are in the age bracket of 36-45 years, whist 95 representing (35.18%) are within 46 years and above. This shows that majority of the respondents are from 46 years and above. The data above are graphically shown as Figure 4.3 below.

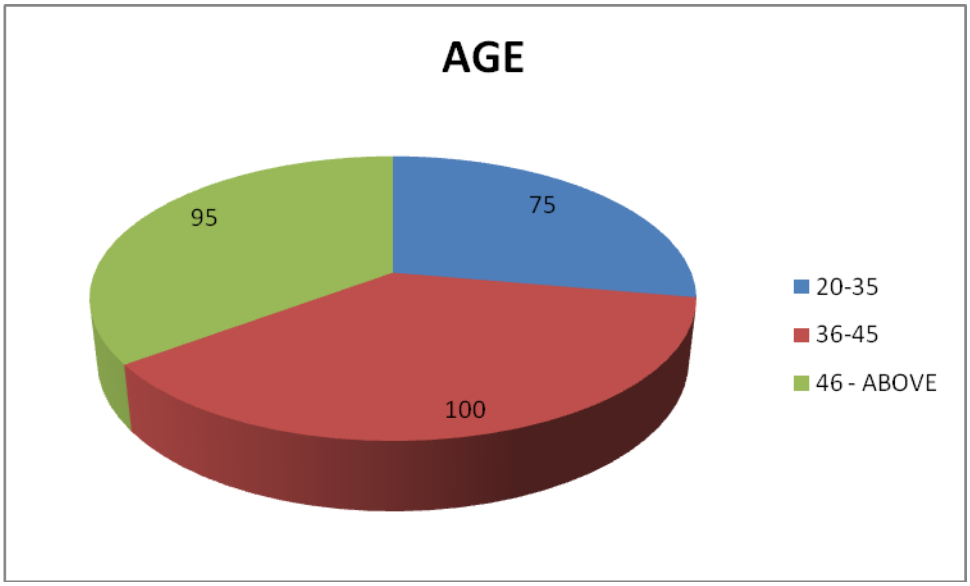


Figure 4.3 Age of the Respondents

Table 4.4 Academic Qualification of Respondents.

S/N	**EDUCATIONAL LEVEL**	**PRESCO**	**SIAT**	**OKOMU**	**TOTAL**	**PERCENTAGE**
1	Ph. D OR EQUIVALENCE	4	2	6	**12**	4.44
2	MASTERS DEGREE OR EQUIVALENCE	6	5	8	**19**	7.04
3	B.Sc / HND	34	24	44	**102**	37.78
4	NCE /OND/A LEVEL	21	15	12	**48**	17.78
5	PROFESSIONAL	4	6	4	**14**	5.19
6	WASC/GCE	15	27	33	**75**	27.78
	TOTAL	**84**	**79**	**107**	**270**	**100**

Table 4.4 shows that 12 respondents representing 4.44% have Ph.D, 19 respondents representing 7.03% have masters Degree or its equivalent. 102 respondents representing 37.78% have B.Sc/ HND, 48 respondents representing 17.78% have NCE/OND/A Level while 14 respondents representing 5.19% have professional qualification. 75 representing 27.78% have WASC/ GCE. The data above are graphically shown as Figure 4.4 below.

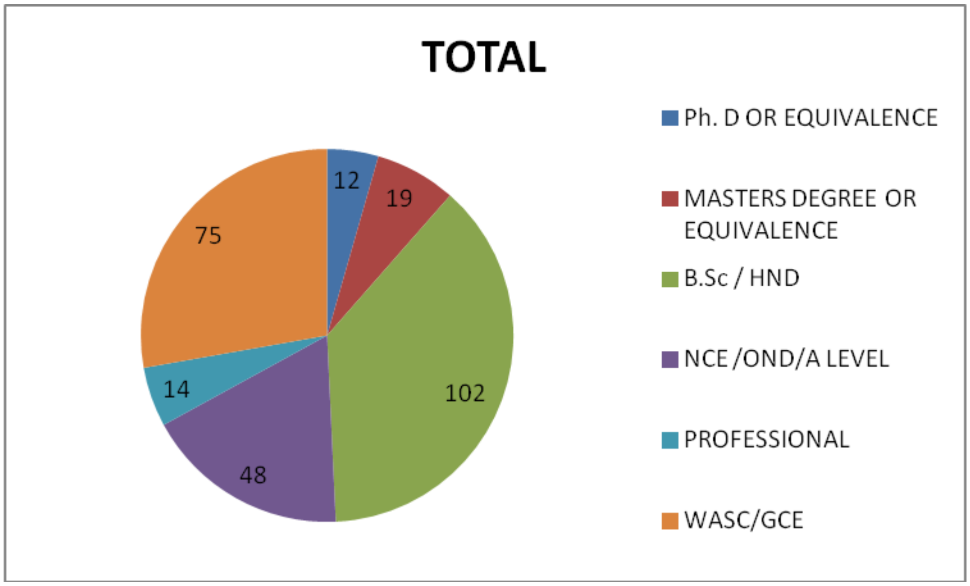


Figure 4.4 Academic Qualification of Respondents.

Table 4.5 Respondents year of Experience

S/N	YEARS OF EXPERIENCE	PRESCO	SIAT	OKOMU	TOTAL	PERCENTAGE
1	1-5 YEARS	21	30	39	**90**	33.33
2	6-10 YEARS	37	22	40	**99**	36.67
3	11-15 YEARS	12	10	20	**42**	15.56
4	16-20 YEARS	10	11	4	**25**	9.26
5	20 AND ABOVE	4	6	4	**14**	5.19
	TOTAL	**84**	**79**	**107**	**270**	**100**

Table 4.5 shows that 90 (33.34%) fall between 1 and 5 years. 99 (36.67%) fall between 6 and 10 years. 42 (15.55%) fall between 11 to 15 years. 25 (9.26%) fall between 16-20 years. While 14 (15.18%) fall between 20 years and above. The respondents spread of experience is considered adequate to provide the needed data for this study. The data above are graphically shown as Figure 4.5 below.

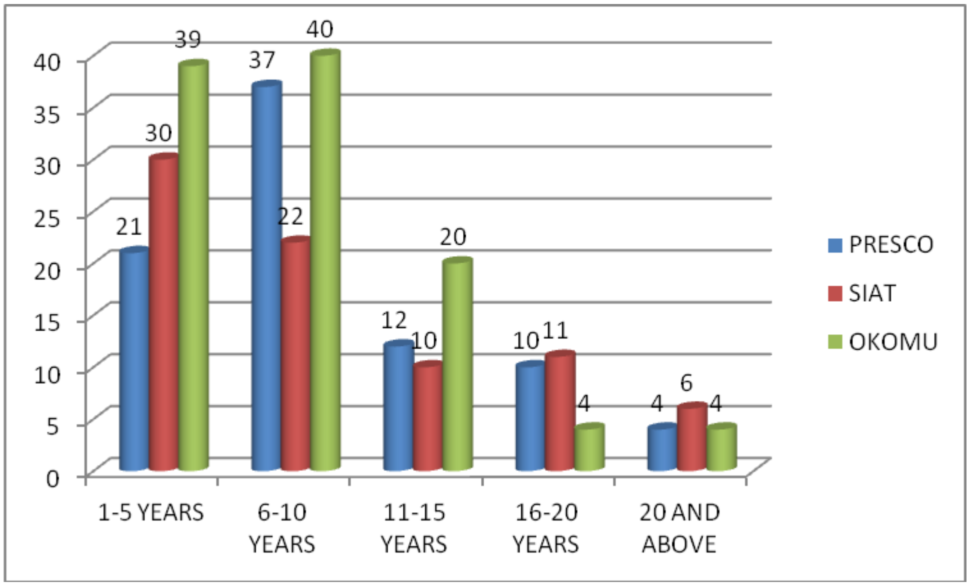


Figure 4.5 Respondents year of Experience

Table 4.6 Category of staff

S/N	RESPONDENTS' LEVEL/RANKING	PRESCO	SIAT	OKOMU	TOTAL	PERCENTAGE
1	TOP MANAGERS	7	6	15	**28**	10.37
2	MIDDLE MANAGERS	15	10	18	**43**	15.93
3	LOWER MANAGER	15	8	17	**40**	14.81
4	OFFICERS	12	12	21	**45**	16.67
5	SUPERVISORS	10	17	13	**40**	14.81
6	JUNIOR STAFF	25	26	23	**74**	27.41
	TOTAL	**84**	**79**	**107**	**270**	**100**

Table 4.6 shows that 28 (10.37%) are top managers. 43 representing (15.92%) are middle managers. 40 respondents representing (14.82%) are lower managers, 45 respondents representing (16.67%) are officers. 40 (14.82%) are supervisors. 74 representing (27.40%) are junior staff. The data above are graphically shown as Figure 4.6 below.

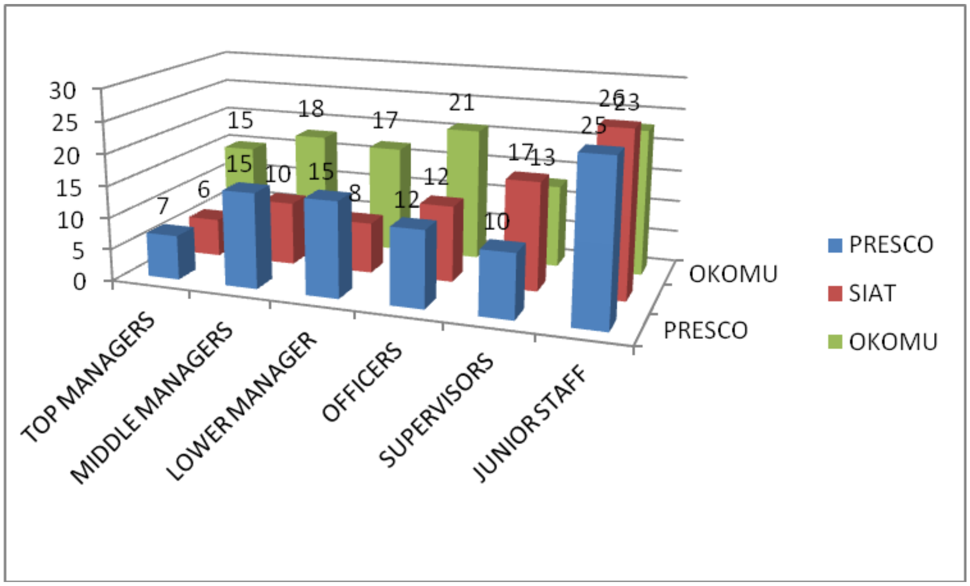


Figure 4.6 Category of staff

4.4 TESTING OF HYPOTHESIS

The hypotheses developed for the study were tested using relevant statistical tool.

Pearson Product Moment Correlation Coefficient which was used to determine the nature of relationship between the variables dependent and independent and to determine the degree of relationship whether positive or negative.

PRESENTATION OF THE FINDINGS OF RESEARCH QUESTIONS AND CONTINGENCY TABLES.

RESEARCH QUESTION ONE: To what extent does integrity affects customer satisfaction in the organization.

HYPOTHESIS ONE: There is no significant relationship between integrity and customers, satisfaction of the organizations.

Table 4.7 below shows a bivariate analysis of the responses of on integrity and customers' satisfaction. Customer satisfaction (X) is the dependent variable while integrity (Y) is the independent variable.

Table 4.7: Bivariate Analysis of Integrity and Customer Satisfaction

	ORGANISATIONAL PERFORMANCE	**CORPORATE GOVERNACE**
SCALE	**CUSTOMER SATISFACTION (X)**	**INTEGRITY (Y)**
SA	665	665
A	449	449
UD	100	370
D	207	477
SD	199	469
TOTAL	**1620**	**1890**

The table 4.7 above shows a total of 1620 responses on customers' satisfaction from six items of the questionnaire while integrity received a total of 1890 responses from four item of the questionnaire. See Appendix C for a detailed analysis of the responses.

B: BIVARIATE ANALYSIS/REGRESSION OF INTEGRITY AND CUSTOMER SATISFACTION

Table 4.8 shows the raw scores obtained on Customer Satisfaction (X) and Integrity (Y) .

Table 4.8 Raw scores on Customer Satisfaction (X) and Integrity (Y)

S/N	X	Y	S/N	X	Y	S/N	X	Y	S/N	X	Y
1	28	20	**41**	21	14	**81**	23	16	**121**	22	12
2	23	15	**42**	18	14	**82**	24	18	**122**	21	11
3	17	17	**43**	24	12	**83**	21	13	**123**	22	14
4	27	16	**44**	21	15	**84**	26	18	**124**	21	15
5	29	20	**45**	15	12	**85**	23	14	**125**	18	13
6	28	20	**46**	14	15	**86**	26	18	**126**	27	15
7	26	14	**47**	24	15	**87**	27	20	**127**	20	11
8	23	13	**48**	21	14	**88**	22	15	**128**	27	20
9	16	16	**49**	24	13	**89**	27	12	**129**	25	16
10	25	12	**50**	24	15	**90**	30	15	**130**	24	14
11	21	15	**51**	16	15	**91**	21	13	**131**	21	13
12	12	14	**52**	25	15	**92**	24	15	**132**	22	14
13	28	20	**53**	11	16	**93**	23	16	**133**	23	18
14	18	14	**54**	14	14	**94**	21	14	**134**	14	11
15	23	13	**55**	21	15	**95**	21	15	**135**	27	20
16	26	20	**56**	24	16	**96**	14	13	**136**	25	17
17	24	14	**57**	14	14	**97**	23	15	**137**	24	18
18	18	13	**58**	25	14	**98**	26	15	**138**	29	20
19	26	20	**59**	23	12	**99**	15	15	**139**	26	18
20	18	13	**60**	26	17	**100**	25	14	**140**	17	10
21	21	15	**61**	26	18	**101**	24	12	**141**	26	19
22	27	20	**62**	25	12	**102**	28	20	**142**	14	10
23	27	20	**63**	24	18	**103**	23	16	**143**	28	20
24	23	12	**64**	21	15	**104**	24	15	**144**	16	12
25	18	13	**65**	23	14	**105**	23	14	**145**	30	20
26	30	20	**66**	25	18	**106**	24	14	**146**	22	17
27	21	16	**67**	23	16	**107**	26	19	**147**	26	14
28	27	20	**68**	25	15	**108**	23	13	**148**	22	10
29	23	14	**69**	24	15	**109**	21	15	**149**	21	11
30	26	18	**70**	18	15	**110**	21	13	**150**	17	11
31	24	17	**71**	23	18	**111**	25	17	**151**	30	15
32	14	12	**72**	25	13	**112**	22	15	**152**	15	11
33	26	20	**73**	27	20	**113**	26	17	**153**	17	17
34	24	18	**74**	26	20	**114**	23	16	**154**	27	15
35	24	19	**75**	23	15	**115**	23	16	**155**	29	14
36	28	20	**76**	23	16	**116**	22	12	**156**	17	13
37	19	14	**77**	21	14	**117**	28	19	**157**	18	10

38	24	15	**78**	25	15	**118**	28	20	**158**	25	13
39	28	19	**79**	25	17	**119**	24	13	**159**	16	10
40	29	20	**80**	24	15	**120**	23	12	**160**	24	13

Continuation of Table 4.8

S/N	X	Y	S/N	X	Y	S/N	X	Y
161	23	12	**201**	20	12	**241**	13	12
162	21	11	**202**	29	20	**242**	20	12
163	24	15	**203**	23	17	**243**	21	15
164	17	12	**204**	14	12	**244**	24	13
165	21	16	**205**	13	12	**245**	21	10
166	24	11	**206**	27	17	**246**	22	13
167	23	16	**207**	14	15	**247**	24	16
168	21	10	**208**	23	10	**248**	21	19
169	23	10	**209**	16	15	**249**	22	17
170	26	15	**210**	27	19	**250**	28	13
171	26	16	**211**	13	11	**251**	25	14
172	23	15	**212**	15	13	**252**	26	18
173	21	10	**213**	15	13	**253**	27	18
174	16	11	**214**	21	14	**254**	23	19
175	23	15	**215**	28	18	**255**	22	18
176	13	16	**216**	14	14	**256**	28	20
177	23	14	**217**	25	17	**257**	21	12
178	23	13	**218**	28	19	**258**	22	10
179	12	15	**219**	22	17	**259**	26	19
180	15	10	**220**	18	13	**260**	27	20
181	17	13	**221**	27	18	**261**	25	12
182	14	10	**222**	12	16	**262**	23	14
183	28	14	**223**	15	10	**263**	24	18
184	17	12	**224**	13	12	**264**	28	19
185	29	16	**225**	14	12	**265**	28	20
186	18	13	**226**	22	14	**266**	26	16
187	27	11	**227**	25	15	**267**	24	13
188	17	12	**228**	29	16	**268**	24	16
189	24	11	**229**	12	11	**269**	23	18
190	21	12	**230**	27	19	**270**	30	20
191	23	11	**231**	20	10			
192	25	10	**232**	26	19			
193	26	12	**233**	21	13			
194	16	10	**234**	21	10			
195	26	11	**235**	13	12			

196	14	13	**236**	21	10			
197	26	10	**237**	13	12			
198	17	12	**238**	23	11			
199	25	15	**239**	28	20			
200	23	15	**240**	20	13			

Tables 4.9, 4.10, 4.11 and 4.12 show the descriptive analysis, the correlation analysis, the model summary and the t-value of the relationship between integrity and customers' satisfaction.

Table 4.9 Descriptive Statistics of Integrity and Customers' Satisfaction

	Mean	Std. Deviation	N
Customer satisfaction	22.3481	4.48677	270
Integrity	14.8333	2.96541	270

Table 4.9 above shows that a total of 270 respondents were used to conduct the study. The responses on customers' satisfaction had a mean of 22.3481 and a standard deviation of 4.48677 while the responses on integrity had a mean of 14.8333 and a standard deviation of 2.96541.

Table 4.10 Correlation Statistics of Integrity and Customers' Satisfaction

		Customer satisfaction	Integrity
Pearson Correlation	Customer satisfaction	1.000	.560
	Integrity	.560	1.000
Sig. (1-tailed)	Customer satisfaction	.	.000
	Integrity	.000	.
N	Customer satisfaction	270	270
	Integrity	270	270

Table 4.10 shows a correlation coefficient of 0.560 between integrity and customers' satisfaction. This implies a positive relationship between integrity and customers' satisfaction. It also shows that the relationship is moderate and significant at both 0.01 and 0.05 levels of confidence since probability ($p<0.000$) is less than 0.01 and 0.05.

Table 4.11 Model Summary of Analysis on Integrity and Customers' Satisfaction

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.560[a]	.313	.311	3.72556

a. Predictors: (Constant), VAR00002

Table 4.11 above shows that the Pearson correlation coefficient of 0.56 yielded a coefficient a coefficient of determination of .313. This implies that since integrity alone can predict about 31% variation in customer satisfaction it is a good predictor because there are some other variables that can predict customer satisfaction. This also reveals that about 69% changes in the customers' satisfaction are due to other factors than integrity. This provides answer to research question one which seeks to find out the extent to which integrity affects customer satisfaction in the organization.

Table 4.12 T-test Analysis of the Relationship between Integrity and Customer Satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 Integrity	9.790	1.159		8.450	.000
	.847	.077	.560	11.052	.000

a. Dependent Variable: VAR00001

Table 4.12 above shows a t-value of 11.052 and a sig. value of 0.000. Since the sig. value ($p<0.000$) is less than the chosen alpha level of 0.05, the null hypothesis rejected. Hence, the alternate hypothesis which states that there is a significant relationship between integrity and customers' satisfaction of the organizations is accepted.

RESEARCH QUESTION TWO: To what extent does ownership structure affect competitive advantage of the organizations studied?

HYPOTHESIS TWO: there is a significant relationship between ownership structure and competitive advantage of the organizations studied.

Table 4.13 below shows a bivariate analysis of the responses of on competitive advantage and ownership structure. Competitive advantage (X) is the dependent variable while ownership structure (Y) is the independent variable.

Table 4.13: Bivariate Analysis of Competitive Advantage and Ownership Structure

SCALE	ORGANAZATIONAL PERFORMANCE COMPETITIVE ADVANTAGE (X)	CORPORATE GOVERNACE OWNERSHIP STRUCTURE (Y)
SA	346	377
A	154	264
UD	25	34
D	138	82
SD	147	53
TOTAL	**810**	**810**

The table 4.13 above shows a total of 810 responses on each of competitive advantage and ownership structure from the items of the questionnaire used for the study. See Appendix C for a detailed analysis of the responses.

BIVARIATE ANALYSIS/REGRESSION OF COMPETITVE ADVANTAGE AND OWNERSHIP STRUCTURE

Table 4.14 shows the raw scores obtained on competitive advantage (X) and ownership structure (Y).

Table 4.14 Raw scores on Competitive Advantage (X) and Ownership Structure (Y)

S/N	X	Y	S/N	X	Y	S/N	X	Y	S/N	X	Y
1	13	14	**41**	12	13	**81**	14	15	**121**	10	10
2	10	15	**42**	14	14	**82**	11	12	**122**	11	11
3	12	13	**43**	12	14	**83**	13	14	**123**	10	10
4	9	11	**44**	11	12	**84**	11	12	**124**	11	11
5	12	12	**45**	12	13	**85**	10	10	**125**	13	13
6	9	10	**46**	11	12	**86**	14	15	**126**	11	11
7	13	15	**47**	7	8	**87**	16	14	**127**	8	11

8	13	14	**48**	11	11	**88**	15	15	**128**	8	13
9	12	14	**49**	10	11	**89**	12	13	**129**	9	12
10	12	15	**50**	10	14	**90**	15	14	**130**	8	14
11	11	10	**51**	11	11	**91**	13	15	**131**	9	10
12	8	11	**52**	9	11	**92**	12	14	**132**	12	10
13	10	11	**53**	8	11	**93**	11	12	**133**	8	9
14	13	14	**54**	12	13	**94**	14	14	**134**	11	10
15	8	10	**55**	11	11	**95**	13	15	**135**	7	12
16	11	13	**56**	10	11	**96**	12	12	**136**	11	13
17	13	13	**57**	11	12	**97**	11	14	**137**	10	10
18	13	14	**58**	10	11	**98**	10	11	**138**	9	14
19	14	15	**59**	12	13	**99**	9	12	**139**	10	10
20	13	14	**60**	11	13	**100**	12	15	**140**	10	13
21	14	15	**61**	11	12	**101**	12	13	**141**	10	12
22	12	14	**62**	12	13	**102**	13	14	**142**	10	15
23	12	10	**63**	10	10	**103**	11	15	**143**	11	11
24	12	11	**64**	10	12	**104**	10	11	**144**	12	12
25	13	14	**65**	10	10	**105**	14	14	**145**	8	15
26	10	12	**66**	12	12	**106**	11	14	**146**	8	14
27	6	7	**67**	14	14	**107**	10	15	**147**	8	13
28	10	10	**68**	11	11	**108**	13	13	**148**	10	14
29	11	13	**69**	12	12	**109**	12	13	**149**	10	14
30	15	14	**70**	15	15	**110**	13	13	**150**	11	15
31	11	14	**71**	14	14	**111**	10	11	**151**	11	11
32	12	10	**72**	13	13	**112**	12	13	**152**	11	11
33	10	12	**73**	15	15	**113**	10	10	**153**	15	15
34	13	14	**74**	13	13	**114**	11	11	**154**	9	13
35	8	9	**75**	12	12	**115**	8	8	**155**	14	14
36	13	14	**76**	11	12	**116**	7	6	**156**	13	15
37	14	13	**77**	7	9	**117**	10	10	**157**	10	13
38	12	13	**78**	11	13	**118**	10	10	**158**	9	8
39	11	12	**79**	13	14	**119**	11	11	**159**	10	10
40	12	13	**80**	15	13	**120**	13	13	**160**	13	13

Continuation of Table 4.14

S/N	X	Y	S/N	X	Y	S/N	X	Y
161	12	12	**201**	14	14	**241**	8	10
162	11	11	**202**	14	14	**242**	7	9
163	11	11	**203**	9	15	**243**	6	9
164	12	12	**204**	9	14	**244**	6	10
165	6	13	**205**	9	14	**245**	9	13
166	9	13	**206**	10	15	**246**	7	10
167	8	12	**207**	10	14	**247**	7	13
168	9	13	**208**	11	13	**248**	7	11
169	10	12	**209**	11	13	**249**	8	9
170	7	14	**210**	9	10	**250**	10	12
171	9	12	**211**	10	11	**251**	9	11
172	9	14	**212**	9	8	**252**	9	13
173	10	10	**213**	11	10	**253**	11	11
174	11	11	**214**	9	8	**254**	10	10
175	8	8	**215**	6	7	**255**	15	15
176	9	12	**216**	8	7	**256**	14	14
177	7	9	**217**	9	10	**257**	6	8
178	9	9	**218**	10	11	**258**	6	12
179	7	8	**219**	8	10	**259**	10	12
180	10	13	**220**	13	13	**260**	11	15
181	12	12	**221**	10	15	**261**	9	13
182	10	12	**222**	7	8	**262**	12	11
183	11	11	**223**	10	12	**263**	10	11
184	12	13	**224**	9	10	**264**	13	14
185	10	9	**225**	10	10	**265**	14	14
186	13	12	**226**	8	14	**266**	11	13
187	11	11	**227**	5	7	**267**	12	15
188	12	14	**228**	8	9	**268**	14	14
189	11	12	**229**	7	8	**269**	14	15
190	9	12	**230**	8	11	**270**	12	14
191	9	13	**231**	10	11			
192	10	10	**232**	9	12			
193	12	12	**233**	7	8			
194	10	10	**234**	8	11			
195	11	11	**235**	7	11			
196	9	15	**236**	6	13			
197	9	13	**237**	7	14			
198	8	11	**238**	9	14			

199	12	12	**239**	7	14			
200	11	11	**240**	6	10			

Tables 4.15, 4.16, 4.17 and 4.18 show the descriptive analysis, the correlation analysis, the model summary and the t-value of the relationship between competitive advantage and ownership structure.

Table 4.15 Descriptive Statistics of Competitive Advantage and Ownership Structure

	Mean	Std. Deviation	N
Competitive advantage	10.5333	2.20779	270
Ownership structure	12.0741	2.00419	270

Table 4.15 above shows that a total of 270 respondents were used to conduct the study. The responses on competitive advantage had a mean of 10.5333 and a standard deviation of 2.20779 while the responses on ownership structure had a mean of 12.0741 and a standard deviation of 2.00419.

Table 4.16 Correlation Statistics of Competitive Advantage and Ownership Structure

		Competitive advantage	Ownership structure
Pearson Correlation	Competitive advantage	1.000	.580
	Ownership structure	.580	1.000
Sig. (1-tailed)	Competitive advantage	.	.000
	Ownership structure	.000	.
N	Competitive advantage	270	270
	Ownership structure	270	270

Table 4.16 shows a correlation coefficient of 0.580 between integrity and customers' satisfaction. This implies a positive relationship between competitive advantage and ownership structure. It also shows that the relationship is moderate and significant at both 0.01 and 0.05 levels of confidence since probability ($p<0.000$) is less than 0.01 and 0.05.

Table 4.17 Model Summary of Analysis on Competitive Advantage and Ownership Structure

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.580[a]	.336	.334	1.80190

a. Predictors: (Constant), VAR00002

Table 4.17 above shows that the Pearson correlation coefficient of 0.58 yielded a coefficient a coefficient of determination of 0.336. This implies that about 34% variations in competitive advantage are accounted for by changes in ownership structure. This also reveals that about 66% changes in the competitive advantage are due to other factors than ownership structure. This provides answer to research question two which seeks to find out the extent to which ownership structure affects competitive advantage in the organization used for the study.

Table 4.18 T-test Analysis of the Relationship between Competitive Advantage and Ownership Structure

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.819	.671		4.202	.000
	Ownership structure	.639	.055	.580	11.655	.000

a. Dependent Variable: VAR00001

Table 4.18 above shows a t-value of 4.202 and a sig. value of 0.000. Since the sig. value (p<0.000) is less than the chosen alpha level of 0.05, the null hypothesis rejected. Hence, the alternate hypothesis which states that there is a significant relationship between ownership structure and competitive advantage in the organizations is accepted.

RESEARCH QUESTION THREE: To what extent do reforms on corporate governance affect innovativeness of the organizations?

HYPOTHESIS THREE: Reforms on corporate governance do not significantly affect innovativeness.

Table 4.19 below shows a bivariate analysis of the responses of on innovativeness and reforms on corporate governance. Innovativeness (X) is the dependent variable while reforms on corporate governance (Y) are the independent variable.

Table 4.19: Bivariate Analysis of Innovativeness and Reforms on corporate governance

SCALE	ORGANISATIONAL PERFORMANCE INNOVATIVENESS (X)	CORPORATE GOVERNACE CORPORATE GOVERNACE (Y)
SA	332	242
A	231	194
UD	43	32
D	167	179
SD	37	163
TOTAL	**810**	**810**

The table 4.19 above shows a total of 810 responses on each of innovativeness and reforms on corporate governance from the items of the questionnaire used for the study. See Appendix C for a detailed analysis of the responses.

BIVARIATE ANALYSIS/REGRESSION OF INNOVATIVENESS AND REFORMS ON CORPORATE GOVERNANCE

Table 4.20 shows the raw scores obtained on innovativeness (X) and reforms on corporate governance (Y)

Table 4.20 Raw scores on Innovativeness (X) and Reforms on Corporate Governance (Y)

S/N	X	Y	S/N	X	Y	S/N	X	Y	S/N	X	Y
1	12	8	**41**	10	8	**81**	13	12	**121**	14	8
2	11	7	**42**	12	10	**82**	10	11	**122**	10	8
3	10	9	**43**	13	10	**83**	12	12	**123**	14	10
4	10	8	**44**	10	9	**84**	10	11	**124**	12	11
5	12	7	**45**	8	8	**85**	12	13	**125**	13	8
6	10	6	**46**	12	11	**86**	13	14	**126**	10	8
7	12	8	**47**	10	10	**87**	10	12	**127**	11	9
8	12	9	**48**	11	9	**88**	11	12	**128**	10	8
9	14	11	**49**	10	10	**89**	11	12	**129**	11	8
10	13	9	**50**	8	10	**90**	14	13	**130**	12	7

11	12	9	**51**	11	9	**91**	12	10	**131**	9	10
12	13	8	**52**	11	8	**92**	12	13	**132**	12	9
13	11	7	**53**	10	9	**93**	13	11	**133**	10	9
14	10	6	**54**	11	10	**94**	13	13	**134**	11	9
15	12	8	**55**	10	11	**95**	12	10	**135**	10	8
16	13	6	**56**	11	10	**96**	11	13	**136**	11	13
17	15	12	**57**	10	10	**97**	10	11	**137**	10	10
18	11	7	**58**	7	6	**98**	11	10	**138**	10	12
19	14	8	**59**	9	9	**99**	11	11	**139**	10	7
20	10	10	**60**	10	9	**100**	11	12	**140**	10	9
21	8	9	**61**	12	11	**101**	11	10	**141**	10	12
22	12	8	**62**	13	12	**102**	13	14	**142**	11	7
23	14	12	**63**	11	10	**103**	12	15	**143**	11	11
24	13	8	**64**	11	11	**104**	11	11	**144**	10	8
25	13	9	**65**	13	11	**105**	14	10	**145**	11	9
26	7	5	**66**	10	9	**106**	10	11	**146**	10	8
27	11	9	**67**	12	9	**107**	12	12	**147**	11	8
28	10	9	**68**	10	8	**108**	14	10	**148**	10	8
29	11	7	**69**	13	13	**109**	14	9	**149**	11	9
30	15	10	**70**	12	8	**110**	13	6	**150**	13	11
31	11	8	**71**	13	12	**111**	11	8	**151**	10	10
32	13	8	**72**	12	14	**112**	13	11	**152**	12	11
33	11	9	**73**	11	14	**113**	11	8	**153**	13	12
34	12	11	**74**	11	12	**114**	12	12	**154**	11	11
35	10	9	**75**	10	11	**115**	12	8	**155**	11	13
36	12	11	**76**	12	11	**116**	13	6	**156**	13	12
37	14	12	**77**	10	11	**117**	15	10	**157**	13	11
38	12	11	**78**	10	12	**118**	13	8	**158**	12	11
39	10	9	**79**	10	11	**119**	13	9	**159**	10	8
40	11	9	**80**	12	13	**120**	10	10	**160**	13	8

Continuation of Table 4.20

S/N	X	Y	S/N	X	Y	S/N	X	Y
161	12	10	**201**	13	12	**241**	12	8
162	13	11	**202**	14	11	**242**	11	10
163	12	11	**203**	11	10	**243**	10	9
164	11	10	**204**	10	9	**244**	10	9
165	11	10	**205**	8	7	**245**	13	9
166	10	8	**206**	10	10	**246**	11	8

167	12	10	**207**	11	9	**247**	12	10
168	10	10	**208**	14	8	**248**	10	10
169	10	8	**209**	15	13	**249**	13	9
170	12	9	**210**	13	7	**250**	11	10
171	12	8	**211**	13	10	**251**	10	9
172	13	9	**212**	13	8	**252**	10	7
173	10	10	**213**	11	11	**253**	11	10
174	12	11	**214**	13	7	**254**	11	8
175	10	8	**215**	10	7	**255**	12	5
176	12	12	**216**	11	7	**256**	12	7
177	13	9	**217**	8	8	**257**	9	9
178	12	9	**218**	6	8	**258**	10	8
179	11	8	**219**	10	10	**259**	10	8
180	11	13	**220**	10	8	**260**	11	12
181	14	12	**221**	11	12	**261**	11	9
182	12	12	**222**	13	8	**262**	13	11
183	12	11	**223**	10	8	**263**	10	7
184	13	13	**224**	11	11	**264**	12	9
185	13	9	**225**	10	6	**265**	13	5
186	12	12	**226**	11	9	**266**	10	5
187	11	11	**227**	13	7	**267**	13	8
188	10	14	**228**	11	7	**268**	14	6
189	11	12	**229**	11	10	**269**	13	9
190	11	12	**230**	13	7	**270**	12	6
191	11	13	**231**	12	10			
192	11	10	**232**	14	9			
193	13	12	**233**	10	11			
194	12	10	**234**	10	7			
195	11	11	**235**	10	8			
196	14	15	**236**	10	8			
197	10	9	**237**	12	12			
198	12	11	**238**	13	11			
199	14	12	**239**	10	8			
200	14	11	**240**	11	10			

Tables 4.21, 4.22, 4.23 and 4.24 show the descriptive analysis, the correlation analysis, the model summary and the t-value of the relationship between innovativeness and reforms on corporate.

Table 4.21 Descriptive Statistics of Innovativeness and Reforms on Corporate Governance

	Mean	Std. Deviation	N
Innovativeness	11.4222	1.50324	270
Corporate governance	9.6407	1.98709	270

Table 4.21 above shows that a total of 270 respondents were used to conduct the study. The responses on innovativeness had a mean of 11.4222 and a standard deviation of 1.50324 while the responses on reforms on corporate governance had a mean of 9.6407 and a standard deviation of 1.98709.

Table 4.22 Correlation Statistics of Innovativeness and Reforms on Corporate Governance

		Innovativeness	Corporate Governance
Pearson Correlation	Innovativeness	1.000	.241
	Corporate governance	.241	1.000
Sig. (1-tailed)	Innovativeness	.	.000
	Corporate governance	.000	.
N	Innovativeness	270	270
	Corporate governance	270	270

Table 4.22 shows a correlation coefficient of 0.241 between innovativeness and reforms on corporate governance. This implies a positive relationship between innovativeness and reforms on corporate governance. It also shows that the relationship is weak and significant at both 0.01 and

0.05 levels of confidence since probability (p<0.000) is less than 0.01 and 0.05.

Table 4.23 Model Summary of Analysis on Innovativeness and Reforms on Corporate Governance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.241[a]	.058	.055	1.46151

a. Predictors: (Constant), VAR00002

Table 4.23 above shows that the Pearson correlation coefficient of 0.241 yielded a coefficient a coefficient of determination of 0.058. This implies that about 6% variations in innovativeness are accounted for by changes in reforms on corporate governance. This also reveals that about 94% changes in the innovativeness are due to other factors than reforms on corporate governance. This provides answer to research question three which seeks to find out the extent to which reforms on corporate governance affects innovativeness in the organization used for the study.

Table 4.24 T-test Analysis of the Relationship between Innovativeness and Reforms on Corporate Governance

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.662	.441		21.890	.000
	Corporate governance	.183	.045	.241	4.072	.000

a. Dependent Variable: VAR00001

Table 4.24 above shows a t-value of 21.890 and a sig. value of 0.000. Since the sig. value ($p<0.000$) is less than the chosen alpha level of 0.05, the null hypothesis rejected. Hence, the alternate hypothesis which states that reforms on corporate governance significantly affect innovativeness is accepted.

RESEARCH QUESTION FOUR: What is the nature of the relationship between probity and social responsibility?

HYPOTHESIS FOUR: There is no significant relationship between probity and social responsibility.

Table 4.25 below shows a bivariate analysis of the responses of on social responsibility and probity. Social responsibility (X) is the dependent variable while probity (Y) is the independent variable.

Table 4.25 Bivariate Analysis of Social Responsibility and Probity

	ORGANISATIONAL PERFORMANCE	CORPORATE GOVERNACE
SCALE	SOCIAL RESPONSIBILTY (X)	PROBITY (Y)
SA	260	253
A	209	215
UD	35	39
D	148	164
SD	158	139
TOTAL	**810**	**810**

The table 4.25 above shows a total of 810 responses on each of social responsibility and probity from the items of the questionnaire used for the study. See Appendix C for a detailed analysis of the responses.

BIVARIATE ANALYSIS/REGRESSION OF SOCIAL RESPONSIBILITY AND PROBITY

Table 4.26 shows the raw scores obtained on social responsibility (X) and probity (Y)

Table 4.26 Raw scores on Social Responsibility (X) and Probity (Y)

S/N	X	Y	S/N	X	Y	S/N	X	Y	S/N	X	Y
1	10	12	**41**	10	10	**81**	11	11	**121**	12	12
2	10	10	**42**	11	11	**82**	9	9	**122**	10	10
3	12	10	**43**	12	12	**83**	10	11	**123**	12	12
4	10	9	**44**	11	11	**84**	11	11	**124**	12	12
5	11	12	**45**	10	10	**85**	10	10	**125**	8	8
6	8	8	**46**	10	10	**86**	10	11	**126**	10	10
7	9	9	**47**	8	8	**87**	11	11	**127**	8	8
8	10	9	**48**	9	9	**88**	8	8	**128**	9	9
9	12	12	**49**	11	11	**89**	8	8	**129**	8	8
10	11	11	**50**	9	9	**90**	9	9	**130**	9	9
11	13	11	**51**	10	10	**91**	10	10	**131**	9	9
12	12	12	**52**	10	10	**92**	11	11	**132**	12	12
13	10	10	**53**	8	8	**93**	12	12	**133**	10	10
14	8	8	**54**	9	9	**94**	11	11	**134**	9	9
15	10	10	**55**	7	7	**95**	12	12	**135**	7	7
16	9	11	**56**	9	9	**96**	7	7	**136**	8	8
17	9	13	**57**	12	12	**97**	10	10	**137**	9	9
18	10	10	**58**	8	8	**98**	8	8	**138**	9	9
19	11	11	**59**	11	11	**99**	9	9	**139**	9	9
20	7	7	**60**	8	8	**100**	10	10	**140**	9	9
21	12	8	**61**	10	10	**101**	11	11	**141**	9	10
22	10	10	**62**	9	9	**102**	10	10	**142**	10	10
23	13	13	**63**	11	11	**103**	10	10	**143**	10	10
24	12	12	**64**	8	8	**104**	8	8	**144**	9	8
25	13	13	**65**	9	9	**105**	12	12	**145**	10	10
26	8	8	**66**	11	11	**106**	9	9	**146**	11	11
27	9	9	**67**	12	12	**107**	10	10	**147**	12	13
28	7	8	**68**	10	10	**108**	12	12	**148**	11	11
29	10	10	**69**	10	10	**109**	13	13	**149**	8	9
30	12	12	**70**	12	12	**110**	12	12	**150**	10	10

31	10	10	**71**	10	10	**111**	11	11	**151**	11	11
32	8	8	**72**	10	10	**112**	12	12	**152**	9	9
33	8	8	**73**	9	9	**113**	10	11	**153**	11	11
34	10	10	**74**	10	10	**114**	10	10	**154**	10	10
35	8	7	**75**	9	9	**115**	8	8	**155**	10	10
36	10	10	**76**	11	11	**116**	8	9	**156**	11	11
37	13	10	**77**	10	10	**117**	9	9	**157**	11	11
38	11	10	**78**	9	9	**118**	12	12	**158**	10	10
39	8	9	**79**	10	10	**119**	11	11	**159**	11	11
40	11	10	**80**	10	10	**120**	10	10	**160**	11	12

Continuation of Table 4.26

S/N	X	Y	S/N	X	Y	S/N	X	Y
161	10	10	**201**	11	12	**241**	8	8
162	12	12	**202**	11	11	**242**	7	10
163	11	11	**203**	13	13	**243**	9	10
164	10	10	**204**	10	10	**244**	11	11
165	10	10	**205**	9	10	**245**	9	8
166	11	11	**206**	9	10	**246**	8	8
167	10	10	**207**	10	10	**247**	7	7
168	8	8	**208**	12	11	**248**	8	9
169	9	9	**209**	13	13	**249**	8	8
170	10	10	**210**	11	11	**250**	6	7
171	10	11	**211**	11	11	**251**	8	9
172	11	10	**212**	11	11	**252**	9	10
173	9	9	**213**	10	10	**253**	8	8
174	11	11	**214**	13	11	**254**	12	9
175	9	9	**215**	10	10	**255**	11	11
176	11	11	**216**	11	11	**256**	10	10
177	12	12	**217**	9	9	**257**	8	8
178	11	12	**218**	7	7	**258**	12	9
179	10	10	**219**	10	10	**259**	10	8
180	10	11	**220**	10	10	**260**	7	7
181	12	12	**221**	11	10	**261**	10	10
182	11	12	**222**	13	12	**262**	8	8
183	13	13	**223**	10	10	**263**	8	10
184	12	13	**224**	11	11	**264**	9	10
185	11	11	**225**	10	10	**265**	6	6
186	10	12	**226**	11	12	**266**	9	9

187	10	11	**227**	13	14	**267**	10	7
188	8	8	**228**	11	12	**268**	14	12
189	9	10	**229**	10	10	**269**	10	10
190	8	9	**230**	8	8	**270**	10	9
191	9	10	**231**	9	9			
192	11	11	**232**	9	9			
193	11	12	**233**	9	9			
194	11	11	**234**	10	10			
195	10	11	**235**	9	10			
196	12	13	**236**	8	9			
197	9	9	**237**	9	9			
198	11	11	**238**	8	10			
199	12	12	**239**	12	9			
200	12	12	**240**	9	10			

Tables 4.27, 4.28, 4.29 and 4.30 show the descriptive analysis, the correlation analysis, the model summary and the t-value of the relationship between social responsibility and probity.

Table 4.27 Descriptive Statistics of Social Responsibility and Probity

	Mean	Std. Deviation	N
Social responsibility	9.9815	1.50946	270
Probity	10.0333	1.47683	270

Table 4.27 above shows that a total of 270 respondents were used to conduct the study. The responses on social responsibility had a mean of 9.9815 and a standard deviation of 1.50946 while the responses on probity had a mean of 10.0333 and a standard deviation of 1.47683.

Table 4.28 Correlation Statistics of Social Responsibility and Probity

		Social responsibility	Probity
Pearson Correlation	Social responsibility	1.000	.854
	Probity	.854	1.000
Sig. (1-tailed)	Social responsibility	.	.000
	Probity	.000	.
N	Social responsibility	270	270
	Probity	270	270

Table 4.28 shows a correlation coefficient of 0.854 between social responsibility and probity. This implies a positive relationship between social responsibility and probity. It also shows that the relationship is high and significant at both 0.01 and 0.05 levels of confidence since probability (p<0.000) is less than 0.01 and 0.05. This provides answer to research question four which seeks to find out the nature of the relationship between probity and social responsibility.

Table 4.29 Model Summary of Analysis on Social Responsibility and Probity

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.854[a]	.729	.728	.78656

a. Predictors: (Constant), VAR00002

Table 4.29 above shows that the Pearson correlation coefficient of 0.854 yielded a coefficient a coefficient of determination of 0.729. This implies that about 73% variations in social responsibility are accounted for by changes in probity. This also reveals that about 27% changes in the social responsibility are due to other factors than probity.

Table 4.30 T-test Analysis of the Relationship between Social Responsibility and Probity

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.223	.329		3.713	.000
Probity	.873	.032	.854	26.883	.000

a. Dependent Variable: VAR00001

Table 4.30 above shows a t-value of 3.713 and a sig. value of 0.000. Since the sig. value ($p<0.000$) is less than the chosen alpha level of 0.05, the null hypothesis rejected. Hence, the alternate hypothesis which states that there is a significant relationship between social responsibility and probity is accepted.

4.5. SUMMARY OF FINDINGS

The findings at the end of this investigation include the following:

HYPOTHESES		RESULT
Ho_1:	There is no significant relationship between integrity And customer satisfaction of the organizations since the t =8,450, P < 0.000 <0.05 the null hypothesis was rejected.	Ho Rejected
Ho_2 :	Ownership structure does not significantly affect Competitive advantage of the organizations since t = 4.202, P< 0.000 p < 0.05 the null hypothesis was rejected.	Ho Rejected
Ho_3:	Reforms on corporate governance do not significantly affect Innovativeness of the organizations since t = 21.890, p < 0.000, P <0.05 the null hypothesis was rejected.	Ho Rejected

Ho_4: There is no significant relationship between probity and Social responsibility of the organizations since t =3.713, p <0.000, P < 0.05 the null hypothesis was rejected. Ho Rejected

It should be noted that Pearson ® explains the magnitude as well as the direction of the relationship between the variables.

The sig. value reveals the r coefficient of determination explains the percentage variation in the dependent variable which is due to the changes in the independent variable. These three coefficients must be interpreted differently since they all mean different things

CHAPTER FIVE

DISCUSSION OF FINDINGS OF THE STUDY.

This chapter discusses the findings of this study as presented in the last chapter from the data obtained during the field study. This discussion of the findings of the study was therefore undertaken by carrying out analysis of the findings of each of the research question as well as to the implication of such findings.

5.2 DISCUSSION OF THE FINDINGS

The study found that there is no significant relationship between integrity and customers satisfaction. Lin and Wu (2011) stress that customers who are unsatisfied with the received service would not be expected to have long run relationship with the company. And that the customer satisfaction paves way for company's to constantly watch; monitor and improve the 4ps of marketing. Adamu (2009) state that corporate governance is both about ensuring integrity of management in order to minimize risk to the company and about enabling management to exercise diligence or care in order to enable shareholders to benefit from the fortunes of the company. Jensen and Mecking (1976) stress that corporate governance is therefore about building credibility, ensuring transparency and accountability as well as effective channel of information disclosure that will foster good corporate performance. And that it helps to check or reduce financial impropriety and recklessness of managers of organizations. While Jennifer (2002) confirm that integrity is a set of inter locking rules by which corporations, shareholders and management govern their behavior. As lack of integrity will enable bribery, acquaintance and corruption to flourish and has suppressed sound and sustainable economic decision. The researcher found out that ownership structure does not significantly affect competitive advantage of the organizations.

The researcher found out that ownership structure does significantly affect corporate governance practice. Kao, Chiou and Chen (2004) stress that firms with a higher proportion of external directors and with CEOs being separate from the chairpersons are more likely to have superior performance as a result of their independence from firm's management. This can bring to the board a wealth of knowledge and experience, which the company's own management may, not possess. Wernerfelt (1984) and Barney(1991-2001) stipulates that the original cause of competitive advantage stems from company ownership of specific resources which are both capable of generating value and scare or difficult to imidate or substitute.

Also the study found that reform on corporate governance does not significantly affect innovativeness of the organizations

Iyang (2009) stress that corporate governance reforms in Nigeria provides the country's corporate law and corporate governance codes as sufficient for promoting good corporate governance in Nigeria. But to enjoy the benefits of good corporate governance the CAC must effectively enforce and monitor compliance by corporations and should be able to impose sanctions on offenders and violators without fear or prejudice in order to boost investors. Confidence and public trust and make shareholders and other stakeholder feel protected from corporate exploitation and mismanagement. . Damanpour (1992), survey revealed that executives consider innovation as essential success factor for their firms and see a strong correlation between innovation and performance. And that innovation is adoption of an internally generated or purchased device, system, policy, process product or service that is new to the adopting organization. Thus, innovativeness becomes the ability of a firm to continuously generate and implement innovations.

Finally, the study found that there is no significant relationship between probity and social responsibility of the organizations. Daggash (2008) states that corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of the workforce and their families as well as the local community and society at large. Proust and Allen (2010) reviewed that probity is about getting values at an organization and then implementing those values. Giving that through policies and codes of practice, it is then for managers to demonstrate those values through leadership, to positively reinforce the values and also to ensure compliance with and enforcement of the values.

CHAPTER SIX
SUMMARY, CONCLUSION AND RECOMMENDATION

6.1 CONCLUSION

The purpose of this research is to gain a better understanding of corporate governance and organizational performance. The researcher therefore concludes that customer satisfaction as a whole has jointly contributed immensely to the integrity of the organization. This is an addition to organizations trusting their boards to guide critical business decisions and drive strong business performance. Also, the study concluded that ownership structure with higher proportion of external directors and with chief Executive Officers being separate from the chair persons have superior performance, as a result of their independence from firm's management. It further concluded that reforms on corporate governance do not significantly affect innovativeness of the organizations. As Country's corporate laws and corporate governance codes are sufficient for promoting good corporate governance in Nigeria. But corporate governance institutions must effectively enforce and monitor compliance by corporations and should be able to impose sanctions on offenders and violators without fear or prejudice in order to boost investor's confidence and public trust and make shareholders and other shareholders feel protected from corporate mismanagement.

Finally, it was concluded that there is no significant relationship between probity and social responsibility. As it helps to define a company's reputation, image and create goodwill with its stakeholders.

6.2 RECOMMENDATIONS

Based on the findings the following recommendations are made

1. That organizations should embrace marketing concept that allows for Being more effective than competitors in creating and delivery superior customer value to its chosen target market.
2. Organizations should constantly review their products, variables, such as varieties, brand name and quality in order to constantly satisfy their customers.
3. Organizations should watch and monitor strategic moves of competitors in order to remain competitive in the business setting.
4. Management must emphasize the prevention of unlawful conduct; there should be penalties for wrong doers as to avoid delegating discretionary authority to those likely to act unlawfully. And consistently enforce standards through appropriate disciplinary measures.
5. They should effectively communicate the company's standards and procedures through training or publications. And to instill a sense of shared accountability among employees.
6. Organizations should recognize and develop new markets and new products as to capture the results of innovativeness
7. There should be improved clarity of purpose; the codes need to be clearer in terms of the objectives they are intended to achieve with reduced emphasis on sanctions for non-compliance, a measure oftentimes construed as revenue generation by many companies, with the intended purpose lost on them.
8. The lunch of corporate governance Rating system by the Nigeria stock Exchange is recommended as it seeks to promote notable companies that are leaders in the respective sectors, that adhere to the highest corporate governance standards, as well as meet stringent listing requirements, by providing them greater global visibility, making it easier for these companies

to attract global capital flows, reduce borrowing costs, lay the foundation for new products and increase market liquidity.

9. The Boards should ensure that written policies and processes, adequate risk assessment procedures, communication and training, monitoring and testing, adequate whistle blowing processes and corrective actions and discipline are put in place.

10. Organizations need the right information, at the right time, to guide effective decision-making and secure long-term sustainable success.

11. Companies should consider that human dimension is increasingly important to business, and as a major source of competitive advantage or disadvantage, it is imperative that companies harness the power of their human capital.

12. They need to understand their customers, drive operational efficiency and have a clear understanding of all the external factors that impact upon their business.

Hence, it is recommended that organizations should trust their boards to guide critical business decisions and drive strong business performance. Because, establishing the right tone at the top is the best way to preserve an organizations good reputation, which can easily be destroyed when employees act unethically.

13. Finally, organizations should encourage employees that show commitment to corporate governance issue and also discourage those that show no commitment.

6.3 CONTRIBUTION TO KNOWLEDEGE

The contribution to knowledge was that the study discovered that the wide spread adoption of the country's corporate governance code by private and public organizations indicated that organizations are not committing themselves to sound and ethical business practices.

This led to lack of integrity, transparency, ownership structure and lack of social responsibility, which have not been abated. Thus, when organization understands the corporate governance mechanism, it will ensure good corporate performance, increase shareholders value, protect stakeholder's interest, contribute to society's well being and prepare accurate financial reports among others in the organizations"

Also, that organizations are not convinced that they are not independent of the society and host community in which they operate, particularly when mechanisms for ensuring good corporate governance exist in Nigeria, but the will and capacity to enforce the laws, monitor and ensure compliance are not strengthened. Therefore, to acknowledge this will help the country and emerging markets to attract domestic and foreign direct investment, build their market competitiveness, restore confidence, promote economic growth and boost national development.

Finally, the study will contribute to knowledge by ensuring that successful corporate performance of organizations is founded on commitment to basic ethical principles aligned as much as possible to the interest of all stakeholders. While ethical responsibility entails the need for board to guide ethical behaviours in the organizations, and to act in the best interest of the company rather than in their own self interest.

6.4 SUGGESTIONS FOR FURTHER STUDIES

This study centered on corporate governance and organizational performance of selected Nigeria firms. Further study should be carried out in the area of effect of corporate governance on financial reporting of Banks in Nigeria.

- Studies are carried out on corporate governance reforms and organizational effectiveness of manufacturing companies in Nigeria.
- Also study should be carried out on corporate governance and financial performance of state owned enterprise. Future research could investigate the extent of compliance.
- Also research on the effectiveness of boards and the impact on organizational performance.
- Finally, studied could be done to examine the factors that influence the quality of audit and the auditor's role in promoting the quality of accounting disclosure in Nigeria.

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APPENDIX A

Ignatius Ajuru University of Education,
St. Johns Campus, Port Harcourt.

Dear Sir/Madam,

REQUEST FOR RESPONSE TO QUESTIONNAIRE

It is my privilege and honour to inform you that in line with the government new agricultural policy, a management committee was constituted to research and survey on the possibilities of exploring the sector as to enable investment for a massive turn around of our economy.

Thus, your company as a state owned company has been selected among others as one which data and information could be obtained. This is predicated on the achievement so far recorded by the present management.

Therefore, a questionnaire is constructed and attached to this introductory letter. Your sincere response will be treated as confidential and will be used only for the purpose of the research, as the early return will be appreciated.

Thank you for your anticipated cooperation.

Yours faithfully,

JUDE NWOKA,

APPENDIX B: QUESTIONNAIRE

Section 1: Personal Information

This section seeks to obtain general information about the respondent. Please tick (✓) where applicable.

1. **Sex:** Male [ ] Female [ ]
2. **Age:** 20 -35 [ ] 36 – 45 [ ] 46 and above [ ]
3. **Qualification:** PhD [ ] Masters [ ] B.Sc. [ ] HND [ ] OND/ NCE [ ] LEVEL [ ] Professional [ ]WAEC/ GCE [ ]
4. **Years of Service:** 1 – 5 [ ] 6 – 10 [ ] 11 – 15 [ ] 16 – 20 [ ] 20 – above [ ]
5. **Category of Staff:** Top Manager [ ] Middle Manager [ ] Lower Manager [ ] Officers[ ] Supervisors [ ] Junior Staff

Section 2

S/N	ITEM	SA	A	UN	D	SD
	A) To determine the extent to which integrity affects customer satisfaction in the organizations.					
1.	**INTEGRITY** The organization core values of integrity focus on basic social obligation.					
2.	Company instills a sense of shared accountability among employees.					
3.	ployees report criminal misconduct without the fear of retribution.					

4.	Your organization consistently enforces standards through appropriate disciplinary measures.					
5.	**CUSTOMER SATISFACTION** Your organization produces varieties of products in meeting customer satisfaction.					
6.	Your products meet customers requirements.					
7.	Customers complain about the quality of your products.					
8.	Your organization has customer service centre.					
9	Can you recommend your organization's product to others					
10	The organization's customer satisfaction level is satisfied.					

S/N	ITEM	SA	A	UN	D	SD
	B) To what extent does ownership structure affect competitive advantage of the studied organization?					
11.	**OWNERSHIP STRUCTURE** Ownership structure does not significantly affect performance.					
12.	Non performance in the company is a result of lack of independent board.					
13.	In your organization ownership by institution can exercise voting rights that ensure the shareholders protection.					
14.	**COMPETITIVE ADVANTAGE** Company reduce their time to market, but manager risk s in their supply chains.					
15.	Your organization ensure provision of quality services to the customer.					
16.	Your company have the ability to transform inputs into corporate goal.					

S/N	Item	A	SA	UN	D
	C) To what extent do reforms on corporate Governance affect innovativeness of the Organization?				
17.	**REFORMS ON CORPORATE GOVERNANCE** The adoption of corporate governance code by Your company don't indicate mere conformance.				
18	the compliance to corporate governance code Make the company to be committed to ethical Business practice.				
19 .	Appointment of directors are enforced by the Corporate governance code and ethics.				
20 .	**INNOVATIVENESS** Management of your firm favour a strong Emphasis on research and development Techniques.				
21	In recognizing innovativeness, your company Introduce new product to the market.				
22	Your company does not develop new market for Product.				

S/N	ITEM	SA	A	UN	D	SD
	D) What is the nature of the relationship between probity and social responsibility?					
23.	**PROBITY** Management of your company demonstrates leadership through their own actions.					
24.	Probity has helped to define company's reputation and image.					
25.	In your company right ethical culture is established.					
26.	**SOCIAL RESPONSIBILITY** Company's social responsibility programmes does not enhance cordial relationship with the host communities.					
27.	Our company's social responsibility strategies do not have influence on organizations performance.					
28.	Employee's loyalty and commitment to the company created opportunity for it to record high performance.					

INTERGRITY AND CUSTOMER SATISFACTION

Descriptive Statistics

	Mean	Std. Deviation	N
VAR00001	14.8333	3.39116	270
VAR00002	24.2667	4.08679	270

Correlations

		VAR00001	VAR00002
VAR00001	Pearson Correlation	1	.789**
	Sig. (2-tailed)		.000
	N	270	270
VAR00002	Pearson Correlation	.789**	1
	Sig. (2-tailed)	.000	
	N	270	270

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

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.165	.688		14.767	.000
	VAR00001	.951	.045	.789	21.015	.000

a. Dependent Variable: VAR00002

OWNERSHIP AND COMPETITIVE ADVANTAGE

Descriptive Statistics

	Mean	Std. Deviation	N
VAR00002	12.0963	2.03455	270
VAR00001	10.5333	2.31947	270

Correlations

		VAR00002	VAR00001
Pearson Correlation	VAR00002	1.000	.917
	VAR00001	.917	1.000
Sig. (2-tailed)	VAR00002	.	.000
	VAR00001	.000	.
N	VAR00002	270	270
	VAR00001	270	270

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.623	.230		15.724	.000
	VAR00001	.804	.021	.917	37.648	.000

a. Dependent Variable: VAR00002

REFORMS AND INNOVATIVENESS

Descriptive Statistics

	Mean	Std. Deviation	N
VAR00002	11.5926	1.73439	270
VAR00001	11.2778	2.10872	270

Correlations

		VAR00002	VAR00001
Pearson Correlation	VAR00002	1.000	.696
	VAR00001	.696	1.000
Sig. (2-tailed)	VAR00002	.	.000
	VAR00001	.000	.
N	VAR00002	270	270
	VAR00001	270	270

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	5.138	.414		12.412	.000
	VAR00001	.572	.036	.696	15.860	.000

a. Dependent Variable: VAR00002

PROBITY AND SOCIAL RESPONSIBILITY

Descriptive Statistics

	Mean	Std. Deviation	N
VAR00001	10.5333	2.31947	270
VAR00002	12.0963	2.03455	270

Correlations

		VAR00002	VAR00001
Pearson Correlation	VAR00002	1.000	.784
	VAR00001	.784	1.000
Sig. (2-tailed)	VAR00002	.	.000
	VAR00001	.000	.
N	VAR00002	270	270
	VAR00001	270	270

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	3.733	.370		10.082	.000
	VAR00001	.685	.033	.784	20.706	.000

a. Dependent Variable: VAR00002

APPENDIX C

A: BIVARIATE ANALYSIS

SCALE	ORGANISATIONAL PERFORMANCE	CORPORATE GOVERNACE
	CUSTOMER SATISFACTION (X)	**INTEGRITY (Y)**
SA	665	665
A	449	449
UD	100	370
D	207	477
SD	199	469
TOTAL	**1620**	**1890**

CUSTOMER SATISFACTION (X)

S/N	ITEMS	SCALE					TOTAL
		SA	A	UD	D	SD	
1		163	60	18	12	17	270
2		120	80	20	30	20	270
3		20	30	30	76	114	270
4		112	90	18	25	25	270
5		115	69	9	59	18	270
6		135	120	5	5	5	270
	TOTAL NO OF RESPONSES	**665**	**449**	**100**	**207**	**199**	**1620**

INTEGRITY (Y)

S/N	ITEMS	SCALE					TOTAL
		SA	A	UD	D	SD	
1		183	53	17	7	10	270
2		150	70	14	22	14	270
3		19	12	9	67	163	270
4		165	80	15	6	4	270
	TOTAL NO OF RESPONSES	**517**	**215**	**55**	**102**	**191**	**1080**

B: BIVARIATE ANALYSIS/REGRESSION

X=CUSTOMER SATISFACTION; Y= INTEGRITY

S/N	X	Y	S/N	X	Y	S/N	X	Y	S/N	X	Y
1	28	20	**41**	21	14	**81**	23	16	**121**	22	12
2	23	15	**42**	18	14	**82**	24	18	**122**	21	11
3	17	17	**43**	24	12	**83**	21	13	**123**	22	14
4	27	16	**44**	21	15	**84**	26	18	**124**	21	15
5	29	20	**45**	15	12	**85**	23	14	**125**	18	13
6	28	20	**46**	14	15	**86**	26	18	**126**	27	15
7	26	14	**47**	24	15	**87**	27	20	**127**	20	11
8	23	13	**48**	21	14	**88**	22	15	**128**	27	20
9	16	16	**49**	24	13	**89**	27	12	**129**	25	16
10	25	12	**50**	24	15	**90**	30	15	**130**	24	14
11	21	15	**51**	16	15	**91**	21	13	**131**	21	13
12	12	14	**52**	25	15	**92**	24	15	**132**	22	14
13	28	20	**53**	11	16	**93**	23	16	**133**	23	18
14	18	14	**54**	14	14	**94**	21	14	**134**	14	11
15	23	13	**55**	21	15	**95**	21	15	**135**	27	20
16	26	20	**56**	24	16	**96**	14	13	**136**	25	17
17	24	14	**57**	14	14	**97**	23	15	**137**	24	18
18	18	13	**58**	25	14	**98**	26	15	**138**	29	20
19	26	20	**59**	23	12	**99**	15	15	**139**	26	18
20	18	13	**60**	26	17	**100**	25	14	**140**	17	10
21	21	15	**61**	26	18	**101**	24	12	**141**	26	19
22	27	20	**62**	25	12	**102**	28	20	**142**	14	10
23	27	20	**63**	24	18	**103**	23	16	**143**	28	20
24	23	12	**64**	21	15	**104**	24	15	**144**	16	12
25	18	13	**65**	23	14	**105**	23	14	**145**	30	20
26	30	20	**66**	25	18	**106**	24	14	**146**	22	17
27	21	16	**67**	23	16	**107**	26	19	**147**	26	14
28	27	20	**68**	25	15	**108**	23	13	**148**	22	10
29	23	14	**69**	24	15	**109**	21	15	**149**	21	11
30	26	18	**70**	18	15	**110**	21	13	**150**	17	11
31	24	17	**71**	23	18	**111**	25	17	**151**	30	15
32	14	12	**72**	25	13	**112**	22	15	**152**	15	11
33	26	20	**73**	27	20	**113**	26	17	**153**	17	17

34	24	18	**74**	26	20	**114**	23	16	**154**	27	15
35	24	19	**75**	23	15	**115**	23	16	**155**	29	14
36	28	20	**76**	23	16	**116**	22	12	**156**	17	13
37	19	14	**77**	21	14	**117**	28	19	**157**	18	10
38	24	15	**78**	25	15	**118**	28	20	**158**	25	13
39	28	19	**79**	25	17	**119**	24	13	**159**	16	10
40	29	20	**80**	24	15	**120**	23	12	**160**	24	13

S/N	X	Y	S/N	X	Y	S/N	X	Y
161	23	12	**201**	20	12	**241**	13	12
162	21	11	**202**	29	20	**242**	20	12
163	24	15	**203**	23	17	**243**	21	15
164	17	12	**204**	14	12	**244**	24	13
165	21	16	**205**	13	12	**245**	21	10
166	24	11	**206**	27	17	**246**	22	13
167	23	16	**207**	14	15	**247**	24	16
168	21	10	**208**	23	10	**248**	21	19
169	23	10	**209**	16	15	**249**	22	17
170	26	15	**210**	27	19	**250**	28	13
171	26	16	**211**	13	11	**251**	25	14
172	23	15	**212**	15	13	**252**	26	18
173	21	10	**213**	15	13	**253**	27	18
174	16	11	**214**	21	14	**254**	23	19
175	23	15	**215**	28	18	**255**	22	18
176	13	16	**216**	14	14	**256**	28	20
177	23	14	**217**	25	17	**257**	21	12
178	23	13	**218**	28	19	**258**	22	10
179	12	15	**219**	22	17	**259**	26	19
180	15	10	**220**	18	13	**260**	27	20
181	17	13	**221**	27	18	**261**	25	12
182	14	10	**222**	12	16	**262**	23	14
183	28	14	**223**	15	10	**263**	24	18
184	17	12	**224**	13	12	**264**	28	19
185	29	16	**225**	14	12	**265**	28	20
186	18	13	**226**	22	14	**266**	26	16

187	27	11	**227**	25	15	**267**	24	13
188	17	12	**228**	29	16	**268**	24	16
189	24	11	**229**	12	11	**269**	23	18
190	21	12	**230**	27	19	**270**	30	20
191	23	11	**231**	20	10			
192	25	10	**232**	26	19			
193	26	12	**233**	21	13			
194	16	10	**234**	21	10			
195	26	11	**235**	13	12			
196	14	13	**236**	21	10			
197	26	10	**237**	13	12			
198	17	12	**238**	23	11			
199	25	15	**239**	28	20			
200	23	15	**240**	20	13			

```
REGRESSION
  /DESCRIPTIVES MEAN STDDEV CORR SIG N
  /MISSING LISTWISE
  /STATISTICS COEFF OUTS R ANOVA
  /CRITERIA=PIN(.05) POUT(.10)
  /NOORIGIN
  /DEPENDENT VAR00001

  /METHOD=ENTER VAR00002.
```

Regression

[DataSet0]

Descriptive Statistics

	Mean	Std. Deviation	N
VAR00001	22.3481	4.48677	270
VAR00002	14.8333	2.96541	270

Correlations

		VAR00001	VAR00002
Pearson Correlation	VAR00001	1.000	.560
	VAR00002	.560	1.000
Sig. (1-tailed)	VAR00001	.	.000
	VAR00002	.000	.
N	VAR00001	270	270
	VAR00002	270	270

Variables Entered/Removed[b]

Model	Variables Entered	Variables Removed	Method
1	VAR00002[a]	.	Enter

a. All requested variables entered.

b. Dependent Variable: VAR00001

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.560[a]	.313	.311	3.72556

a. Predictors: (Constant), VAR00002

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1695.487	1	1695.487	122.155	.000[a]
	Residual	3719.787	268	13.880		
	Total	5415.274	269			

a. Predictors: (Constant), VAR00002

b. Dependent Variable: VAR00001

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.790	1.159		8.450	.000
	VAR00002	.847	.077	.560	11.052	.000

a. Dependent Variable: VAR00001

RESEARCH QUESTION TWO:
HYPOTHESIS TWO:

SCALE	ORGANAZATIONAL PERFORMANCE COMPETITIVE ADVANTAGE (X)	CORPORATE GOVERNACE OWNERSHIP STRUCTURE (Y)
SA	346	377
A	154	264
UD	25	34
D	138	82
SD	147	53
TOTAL	**810**	**810**

```
REGRESSION
  /DESCRIPTIVES MEAN STDDEV CORR SIG N
  /MISSING LISTWISE
  /STATISTICS R ANOVA
  /CRITERIA=PIN(.05) POUT(.10)
  /NOORIGIN
  /DEPENDENT VAR00001

  /METHOD=ENTER VAR00002.
```

COMPETITIVE ADVANTAGE (X)

S/N	ITEMS	SCALE					TOTAL
		SA	A	UD	D	SD	
1		200	50	5	8	7	270
2		16	14	10	100	130	270
3		130	90	10	30	10	270
	TOTAL NO OF RESPONSES	**346**	**154**	**25**	**138**	**147**	**810**

OWNERSHIP STRUCTURE (Y)

S/N	ITEMS	SCALE					TOTAL
		SA	A	UD	D	SD	
1		115	80	19	34	22	270
2		140	83	8	22	17	270
3		122	101	7	26	14	270
4	**TOTAL NO OF RESPONSES**	**377**	**264**	**34**	**82**	**53**	**810**

S/N	X	Y	S/N	X	Y	S/N	X	Y	S/N	X	Y
1	13	14	**41**	12	13	**81**	14	15	**121**	10	10
2	10	15	**42**	14	14	**82**	11	12	**122**	11	11
3	12	13	**43**	12	14	**83**	13	14	**123**	10	10
4	9	11	**44**	11	12	**84**	11	12	**124**	11	11
5	12	12	**45**	12	13	**85**	10	10	**125**	13	13
6	9	10	**46**	11	12	**86**	14	15	**126**	11	11
7	13	15	**47**	7	8	**87**	16	14	**127**	8	11
8	13	14	**48**	11	11	**88**	15	15	**128**	8	13
9	12	14	**49**	10	11	**89**	12	13	**129**	9	12
10	12	15	**50**	10	14	**90**	15	14	**130**	8	14
11	11	10	**51**	11	11	**91**	13	15	**131**	9	10
12	8	11	**52**	9	11	**92**	12	14	**132**	12	10
13	10	11	**53**	8	11	**93**	11	12	**133**	8	9
14	13	14	**54**	12	13	**94**	14	14	**134**	11	10
15	8	10	**55**	11	11	**95**	13	15	**135**	7	12
16	11	13	**56**	10	11	**96**	12	12	**136**	11	13
17	13	13	**57**	11	12	**97**	11	14	**137**	10	10
18	13	14	**58**	10	11	**98**	10	11	**138**	9	14
19	14	15	**59**	12	13	**99**	9	12	**139**	10	10
20	13	14	**60**	11	13	**100**	12	15	**140**	10	13
21	14	15	**61**	11	12	**101**	12	13	**141**	10	12
22	12	14	**62**	12	13	**102**	13	14	**142**	10	15
23	12	10	**63**	10	10	**103**	11	15	**143**	11	11
24	12	11	**64**	10	12	**104**	10	11	**144**	12	12
25	13	14	**65**	10	10	**105**	14	14	**145**	8	15
26	10	12	**66**	12	12	**106**	11	14	**146**	8	14
27	6	7	**67**	14	14	**107**	10	15	**147**	8	13
28	10	10	**68**	11	11	**108**	13	13	**148**	10	14
29	11	13	**69**	12	12	**109**	12	13	**149**	10	14
30	15	14	**70**	15	15	**110**	13	13	**150**	11	15
31	11	14	**71**	14	14	**111**	10	11	**151**	11	11
32	12	10	**72**	13	13	**112**	12	13	**152**	11	11
33	10	12	**73**	15	15	**113**	10	10	**153**	15	15
34	13	14	**74**	13	13	**114**	11	11	**154**	9	13
35	8	9	**75**	12	12	**115**	8	8	**155**	14	14
36	13	14	**76**	11	12	**116**	7	6	**156**	13	15

37	14	13	**77**	7	9	**117**	10	10	**157**	10	13
38	12	13	**78**	11	13	**118**	10	10	**158**	9	8
39	11	12	**79**	13	14	**119**	11	11	**159**	10	10
40	12	13	**80**	15	13	**120**	13	13	**160**	13	13

S/N	X	Y	S/N	X	Y	S/N	X	Y
161	12	12	**201**	14	14	**241**	8	10
162	11	11	**202**	14	14	**242**	7	9
163	11	11	**203**	9	15	**243**	6	9
164	12	12	**204**	9	14	**244**	6	10
165	6	13	**205**	9	14	**245**	9	13
166	9	13	**206**	10	15	**246**	7	10
167	8	12	**207**	10	14	**247**	7	13
168	9	13	**208**	11	13	**248**	7	11
169	10	12	**209**	11	13	**249**	8	9
170	7	14	**210**	9	10	**250**	10	12
171	9	12	**211**	10	11	**251**	9	11
172	9	14	**212**	9	8	**252**	9	13
173	10	10	**213**	11	10	**253**	11	11
174	11	11	**214**	9	8	**254**	10	10
175	8	8	**215**	6	7	**255**	15	15
176	9	12	**216**	8	7	**256**	14	14
177	7	9	**217**	9	10	**257**	6	8
178	9	9	**218**	10	11	**258**	6	12
179	7	8	**219**	8	10	**259**	10	12
180	10	13	**220**	13	13	**260**	11	15
181	12	12	**221**	10	15	**261**	9	13
182	10	12	**222**	7	8	**262**	12	11
183	11	11	**223**	10	12	**263**	10	11
184	12	13	**224**	9	10	**264**	13	14
185	10	9	**225**	10	10	**265**	14	14
186	13	12	**226**	8	14	**266**	11	13
187	11	11	**227**	5	7	**267**	12	15
188	12	14	**228**	8	9	**268**	14	14
189	11	12	**229**	7	8	**269**	14	15
190	9	12	**230**	8	11	**270**	12	14
191	9	13	**231**	10	11			
192	10	10	**232**	9	12			
193	12	12	**233**	7	8			
194	10	10	**234**	8	11			
195	11	11	**235**	7	11			
196	9	15	**236**	6	13			
197	9	13	**237**	7	14			
198	8	11	**238**	9	14			
199	12	12	**239**	7	14			
200	11	11	**240**	6	10			

Regression

[DataSet0]

Descriptive Statistics

	Mean	Std. Deviation	N
VAR00001	10.5333	2.20779	270
VAR00002	12.0741	2.00419	270

Correlations

		VAR00001	VAR00002
Pearson Correlation	VAR00001	1.000	.580
	VAR00002	.580	1.000
Sig. (1-tailed)	VAR00001	.	.000
	VAR00002	.000	.
N	VAR00001	270	270
	VAR00002	270	270

Variables Entered/Removed[b]

Model	Variables Entered	Variables Removed	Method
1	VAR00002[a]	.	Enter

a. All requested variables entered.

b. Dependent Variable: VAR00001

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.580[a]	.336	.334	1.80190

a. Predictors: (Constant), VAR00002

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	441.048	1	441.048	135.839	.000[a]
	Residual	870.152	268	3.247		
	Total	1311.200	269			

a. Predictors: (Constant), VAR00002

b. Dependent Variable: VAR00001

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.819	.671		4.202	.000
	VAR00002	.639	.055	.580	11.655	.000

a. Dependent Variable: VAR00001

RESEARCH QUESTION THREE:
HYPOTHESIS THREE:

SCALE	ORGANISATIONAL PERFORMANCE INNOVATIVENESS (X)	CORPORATE GOVERNACE CORPORATE GOVERNACE (Y)
SA	332	242
A	231	194
UD	43	32
D	167	179
SD	37	163
TOTAL	**810**	**810**

INNOVATIVENESS (X)

S/N	ITEMS	SCALE					TOTAL
		SA	A	UD	D	SD	
1		150	72	18	15	15	270
2		65	55	16	123	11	270
3		117	104	9	29	11	270
	TOTAL NO OF RESPONSES	**332**	**231**	**43**	**167**	**37**	**810**

CORPORATE (Y)

S/N	ITEMS	SCALE					TOTAL
		SA	A	UD	D	SD	
1		104	72	13	51	30	270
2		28	22	9	100	111	270
3		110	100	10	28	22	270
4	**TOTAL NO OF RESPONSES**	**242**	**194**	**32**	**179**	**163**	**810**

S/N	X	Y	S/N	X	Y	S/N	X	Y	S/N	X	Y
1	12	8	**41**	10	8	**81**	13	12	**121**	14	8
2	11	7	**42**	12	10	**82**	10	11	**122**	10	8
3	10	9	**43**	13	10	**83**	12	12	**123**	14	10
4	10	8	**44**	10	9	**84**	10	11	**124**	12	11
5	12	7	**45**	8	8	**85**	12	13	**125**	13	8
6	10	6	**46**	12	11	**86**	13	14	**126**	10	8
7	12	8	**47**	10	10	**87**	10	12	**127**	11	9
8	12	9	**48**	11	9	**88**	11	12	**128**	10	8
9	14	11	**49**	10	10	**89**	11	12	**129**	11	8
10	13	9	**50**	8	10	**90**	14	13	**130**	12	7
11	12	9	**51**	11	9	**91**	12	10	**131**	9	10
12	13	8	**52**	11	8	**92**	12	13	**132**	12	9
13	11	7	**53**	10	9	**93**	13	11	**133**	10	9
14	10	6	**54**	11	10	**94**	13	13	**134**	11	9
15	12	8	**55**	10	11	**95**	12	10	**135**	10	8
16	13	6	**56**	11	10	**96**	11	13	**136**	11	13
17	15	12	**57**	10	10	**97**	10	11	**137**	10	10
18	11	7	**58**	7	6	**98**	11	10	**138**	10	12
19	14	8	**59**	9	9	**99**	11	11	**139**	10	7
20	10	10	**60**	10	9	**100**	11	12	**140**	10	9
21	8	9	**61**	12	11	**101**	11	10	**141**	10	12
22	12	8	**62**	13	12	**102**	13	14	**142**	11	7
23	14	12	**63**	11	10	**103**	12	15	**143**	11	11
24	13	8	**64**	11	11	**104**	11	11	**144**	10	8
25	13	9	**65**	13	11	**105**	14	10	**145**	11	9
26	7	5	**66**	10	9	**106**	10	11	**146**	10	8
27	11	9	**67**	12	9	**107**	12	12	**147**	11	8
28	10	9	**68**	10	8	**108**	14	10	**148**	10	8
29	11	7	**69**	13	13	**109**	14	9	**149**	11	9
30	15	10	**70**	12	8	**110**	13	6	**150**	13	11
31	11	8	**71**	13	12	**111**	11	8	**151**	10	10

32	13	8	**72**	12	14	**112**	13	11	**152**	12	11
33	11	9	**73**	11	14	**113**	11	8	**153**	13	12
34	12	11	**74**	11	12	**114**	12	12	**154**	11	11
35	10	9	**75**	10	11	**115**	12	8	**155**	11	13
36	12	11	**76**	12	11	**116**	13	6	**156**	13	12
37	14	12	**77**	10	11	**117**	15	10	**157**	13	11
38	12	11	**78**	10	12	**118**	13	8	**158**	12	11
39	10	9	**79**	10	11	**119**	13	9	**159**	10	8
40	11	9	**80**	12	13	**120**	10	10	**160**	13	8

S/N	X	Y	S/N	X	Y	S/N	X	Y
161	12	10	**201**	13	12	**241**	12	8
162	13	11	**202**	14	11	**242**	11	10
163	12	11	**203**	11	10	**243**	10	9
164	11	10	**204**	10	9	**244**	10	9
165	11	10	**205**	8	7	**245**	13	9
166	10	8	**206**	10	10	**246**	11	8
167	12	10	**207**	11	9	**247**	12	10
168	10	10	**208**	14	8	**248**	10	10
169	10	8	**209**	15	13	**249**	13	9
170	12	9	**210**	13	7	**250**	11	10
171	12	8	**211**	13	10	**251**	10	9
172	13	9	**212**	13	8	**252**	10	7
173	10	10	**213**	11	11	**253**	11	10
174	12	11	**214**	13	7	**254**	11	8
175	10	8	**215**	10	7	**255**	12	5
176	12	12	**216**	11	7	**256**	12	7
177	13	9	**217**	8	8	**257**	9	9
178	12	9	**218**	6	8	**258**	10	8
179	11	8	**219**	10	10	**259**	10	8
180	11	13	**220**	10	8	**260**	11	12
181	14	12	**221**	11	12	**261**	11	9
182	12	12	**222**	13	8	**262**	13	11
183	12	11	**223**	10	8	**263**	10	7
184	13	13	**224**	11	11	**264**	12	9
185	13	9	**225**	10	6	**265**	13	5
186	12	12	**226**	11	9	**266**	10	5
187	11	11	**227**	13	7	**267**	13	8
188	10	14	**228**	11	7	**268**	14	6
189	11	12	**229**	11	10	**269**	13	9
190	11	12	**230**	13	7	**270**	12	6
191	11	13	**231**	12	10			
192	11	10	**232**	14	9			

193	13	12	**233**	10	11			
194	12	10	**234**	10	7			
195	11	11	**235**	10	8			
196	14	15	**236**	10	8			
197	10	9	**237**	12	12			
198	12	11	**238**	13	11			
199	14	12	**239**	10	8			
200	14	11	**240**	11	10			

```
DATASET NAME DataSet0 WINDOW=FRONT.
REGRESSION
  /DESCRIPTIVES MEAN STDDEV CORR SIG N
  /MISSING LISTWISE
  /STATISTICS COEFF OUTS R ANOVA
  /CRITERIA=PIN(.05) POUT(.10)
  /NOORIGIN
  /DEPENDENT VAR00001

  /METHOD=ENTER VAR00002.
```

Regression

[DataSet0]

Descriptive Statistics

	Mean	Std. Deviation	N
VAR00001	11.4222	1.50324	270
VAR00002	9.6407	1.98709	270

Correlations

		VAR00001	VAR00002
Pearson Correlation	VAR00001	1.000	.241
	VAR00002	.241	1.000
Sig. (1-tailed)	VAR00001	.	.000
	VAR00002	.000	.
N	VAR00001	270	270
	VAR00002	270	270

Variables Entered/Removed[b]

Model	Variables Entered	Variables Removed	Method
1	VAR00002[a]	.	Enter

a. All requested variables entered.

b. Dependent Variable: VAR00001

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.241[a]	.058	.055	1.46151

a. Predictors: (Constant), VAR00002

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	35.417	1	35.417	16.581	.000[a]
	Residual	572.449	268	2.136		
	Total	607.867	269			

a. Predictors: (Constant), VAR00002

b. Dependent Variable: VAR00001

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.662	.441		21.890	.000
	VAR00002	.183	.045	.241	4.072	.000

a. Dependent Variable: VAR00001

QUESTION FOUR:
HYPOTHESIS FOUR:

SCALE	ORGANISATIONAL PERFORMANCE SOCIAL RESPONSIBILTY (X)	CORPORATE GOVERNACE PROBITY (Y)
SA	260	253
A	209	215
UD	35	39
D	148	164
SD	158	139
TOTAL	**810**	**810**

SOCIAL RESPONSIBILITY (X)

S/N	ITEMS	SCALE					TOTAL
		SA	A	UD	D	SD	
1		110	80	10	40	30	270
2		100	90	6	34	40	270
3		50	39	19	74	88	270
	TOTAL NO OF RESPONSES	**260**	**209**	**35**	**148**	**158**	**810**

PROBITY (Y)

S/N	ITEMS	SCALE					TOTAL
		SA	A	UD	D	SD	
1		30	37	9	98	96	270
2		120	100	22	24	4	270
3		103	78	8	42	39	270
4	TOTAL NO OF RESPONSES	**253**	**215**	**39**	**164**	**139**	**810**

S/N	X	Y	S/N	X	Y	S/N	X	Y	S/N	X	Y
1	10	12	**41**	10	10	**81**	11	11	**121**	12	12
2	10	10	**42**	11	11	**82**	9	9	**122**	10	10
3	12	10	**43**	12	12	**83**	10	11	**123**	12	12
4	10	9	**44**	11	11	**84**	11	11	**124**	12	12
5	11	12	**45**	10	10	**85**	10	10	**125**	8	8
6	8	8	**46**	10	10	**86**	10	11	**126**	10	10
7	9	9	**47**	8	8	**87**	11	11	**127**	8	8
8	10	9	**48**	9	9	**88**	8	8	**128**	9	9
9	12	12	**49**	11	11	**89**	8	8	**129**	8	8
10	11	11	**50**	9	9	**90**	9	9	**130**	9	9
11	13	11	**51**	10	10	**91**	10	10	**131**	9	9
12	12	12	**52**	10	10	**92**	11	11	**132**	12	12
13	10	10	**53**	8	8	**93**	12	12	**133**	10	10
14	8	8	**54**	9	9	**94**	11	11	**134**	9	9
15	10	10	**55**	7	7	**95**	12	12	**135**	7	7
16	9	11	**56**	9	9	**96**	7	7	**136**	8	8
17	9	13	**57**	12	12	**97**	10	10	**137**	9	9
18	10	10	**58**	8	8	**98**	8	8	**138**	9	9
19	11	11	**59**	11	11	**99**	9	9	**139**	9	9
20	7	7	**60**	8	8	**100**	10	10	**140**	9	9
21	12	8	**61**	10	10	**101**	11	11	**141**	9	10
22	10	10	**62**	9	9	**102**	10	10	**142**	10	10
23	13	13	**63**	11	11	**103**	10	10	**143**	10	10
24	12	12	**64**	8	8	**104**	8	8	**144**	9	8
25	13	13	**65**	9	9	**105**	12	12	**145**	10	10
26	8	8	**66**	11	11	**106**	9	9	**146**	11	11
27	9	9	**67**	12	12	**107**	10	10	**147**	12	13
28	7	8	**68**	10	10	**108**	12	12	**148**	11	11
29	10	10	**69**	10	10	**109**	13	13	**149**	8	9
30	12	12	**70**	12	12	**110**	12	12	**150**	10	10
31	10	10	**71**	10	10	**111**	11	11	**151**	11	11
32	8	8	**72**	10	10	**112**	12	12	**152**	9	9
33	8	8	**73**	9	9	**113**	10	11	**153**	11	11
34	10	10	**74**	10	10	**114**	10	10	**154**	10	10
35	8	7	**75**	9	9	**115**	8	8	**155**	10	10
36	10	10	**76**	11	11	**116**	8	9	**156**	11	11
37	13	10	**77**	10	10	**117**	9	9	**157**	11	11
38	11	10	**78**	9	9	**118**	12	12	**158**	10	10
39	8	9	**79**	10	10	**119**	11	11	**159**	11	11
40	11	10	**80**	10	10	**120**	10	10	**160**	11	12

S/N	X	Y	S/N	X	Y	S/N	X	Y
161	10	10	**201**	11	12	**241**	8	8
162	12	12	**202**	11	11	**242**	7	10
163	11	11	**203**	13	13	**243**	9	10
164	10	10	**204**	10	10	**244**	11	11
165	10	10	**205**	9	10	**245**	9	8
166	11	11	**206**	9	10	**246**	8	8
167	10	10	**207**	10	10	**247**	7	7
168	8	8	**208**	12	11	**248**	8	9
169	9	9	**209**	13	13	**249**	8	8
170	10	10	**210**	11	11	**250**	6	7
171	10	11	**211**	11	11	**251**	8	9
172	11	10	**212**	11	11	**252**	9	10
173	9	9	**213**	10	10	**253**	8	8
174	11	11	**214**	13	11	**254**	12	9
175	9	9	**215**	10	10	**255**	11	11
176	11	11	**216**	11	11	**256**	10	10
177	12	12	**217**	9	9	**257**	8	8
178	11	12	**218**	7	7	**258**	12	9
179	10	10	**219**	10	10	**259**	10	8
180	10	11	**220**	10	10	**260**	7	7
181	12	12	**221**	11	10	**261**	10	10
182	11	12	**222**	13	12	**262**	8	8
183	13	13	**223**	10	10	**263**	8	10
184	12	13	**224**	11	11	**264**	9	10
185	11	11	**225**	10	10	**265**	6	6
186	10	12	**226**	11	12	**266**	9	9
187	10	11	**227**	13	14	**267**	10	7
188	8	8	**228**	11	12	**268**	14	12
189	9	10	**229**	10	10	**269**	10	10
190	8	9	**230**	8	8	**270**	10	9
191	9	10	**231**	9	9			
192	11	11	**232**	9	9			
193	11	12	**233**	9	9			
194	11	11	**234**	10	10			
195	10	11	**235**	9	10			
196	12	13	**236**	8	9			
197	9	9	**237**	9	9			
198	11	11	**238**	8	10			
199	12	12	**239**	12	9			
200	12	12	**240**	9	10			

```
REGRESSION
  /DESCRIPTIVES MEAN STDDEV CORR SIG N
  /MISSING LISTWISE
  /STATISTICS COEFF OUTS R ANOVA
  /CRITERIA=PIN(.05) POUT(.10)
  /NOORIGIN
  /DEPENDENT VAR00001

  /METHOD=ENTER VAR00002.
```

Regression

```
[DataSet0]
```

Descriptive Statistics

	Mean	Std. Deviation	N
VAR00001	9.9815	1.50946	270
VAR00002	10.0333	1.47683	270

Correlations

		VAR00001	VAR00002
Pearson Correlation	VAR00001	1.000	.854
	VAR00002	.854	1.000
Sig. (1-tailed)	VAR00001	.	.000
	VAR00002	.000	.
N	VAR00001	270	270
	VAR00002	270	270

Variables Entered/Removed[b]

Model	Variables Entered	Variables Removed	Method
1	VAR00002[a]	.	Enter

a. All requested variables entered.

b. Dependent Variable: VAR00001

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.854[a]	.729	.728	.78656

a. Predictors: (Constant), VAR00002

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	447.102	1	447.102	722.674	.000[a]
	Residual	165.805	268	.619		
	Total	612.907	269			

a. Predictors: (Constant), VAR00002

b. Dependent Variable: VAR00001

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.223	.329		3.713	.000
	VAR00002	.873	.032	.854	26.883	.000

a. Dependent Variable: VAR00001