IJAAR PUBLISHING®

International Journal of Advanced Academic Research | ISSN: **2488-9849**
Vol. 9, Issue 6 (June, 2023) | www.ijaar.org

CORPORATE GOVERNANCE AND ORGANIZATION PERFORMANCE IN AKWA IBOM STATE POLYTECHNIC

ODONGO, LUCY EFFIONG (M.Sc)
Department of Business Administration,
Faculty of Management Science,
Akwa Ibom State University,
Ikot Akpaden, Mkpat Enin/Obio Akpa, Oruk Anam

SAMUEL OKUREBIA (PhD)
Department of Business Administration,
Faculty of Management Science,
Akwa Ibom State University,
Ikot Akpaden, Mkpat Enin/Obio Akpa, Oruk Anam

AARON AKPAN (PhD)
Department of Business Administration,
Faculty of Management Science,
Akwa Ibom State University,
Ikot Akpaden, Mkpat Enin/Obio Akpa, Oruk Anam

ABSTRACT: *This study examined the effect of corporate governance on organizational performance at Akwa Ibom State Polytechnic. The study employed survey research techniques to collect data from 43 academic board members at Akwa Ibom State Polytechnic from the population of the study, which was 47. The instrument for data gathering was a structured questionnaire designed in line with the objective of the study. The collected data were analyzed using frequency tables and simple percentages, and regression analysis was used in testing the hypotheses. Findings from the collected data revealed that board independence has a significant effect on organizational performance in Akwa Ibom State Polytechnic; the code of ethics has a significant effect on organizational performance in Akwa Ibom State Polytechnic; board size has a significant effect on organizational performance in Akwa Ibom State Polytechnic. The study recommended, amongst others, that board meetings of Akwa Ibom State Polytechnic should be held more frequently for the purpose of influencing organizational performance positively from the critical issues discussed in the meeting; also, in accordance with the code of corporate governance in Nigeria, the number of non-executive directors should be higher than the number of executive directors in the board composition of Akwa Ibom State Polytechnic; and finally, the study recommended that the board size of Akwa Ibom State Polytechnic should be improved as the size of organization increase for the purpose of influencing the entity's organizational performance positively.*

Keywords: Corporate governance, Board independence, Code of ethics, Organization performance in Akwa Ibom State Polytechnic

Published *30/06/2023*
Odongo, L.E., Okurebia, S. and Akpan, A. (2023). Corporate Governance and Organization Performance in Akwa Ibom State Polytechnic. *International Journal of Advanced Academic Research*, 9(6), 150-176.

1.1 Introduction

In today's global economy, the success of the national economy depends on the crucial role of organizations' competitiveness, transparency, and governance structure, which operate within her territory, since organizations are the entities that create economic value (ICAN, 2019). Indeed, the need for trust and transparency in the governance of corporate organizations has been a concern for standard-setting organizations all over the world. This need has obviously spurred renewed interest in the corporate governance practices of modern corporations, particularly in relation to accountability and economic performance. The position above could not be separated from the prior submission, where Nwachukwu (2021) emphasized the growing consensus that good corporate governance has a positive link to national economic growth and development. The degree of trust accorded to the managers of companies by their owners is strengthened through corporate governance. Directors without corporate governance mechanisms may paint misleading pictures of the financial and economic performance of their company to lure unsuspecting investors.

Corporate governance is the organization's structure, rules, regulations, practices, and management processes. Corporate governance has been considered one of the most critical factors influencing firm performance. Corporate governance is concerned with ways in which all parties (the stakeholders) interested in the well-being of the firm attempt to ensure that managers and other insiders are always taking appropriate measures or adopting mechanisms that safeguard the interests of the stakeholders. Such measures are necessitated because of the separation of ownership from management, an increasingly vital feature of modern corporations (Waseem, Saleh, and Fares, 2019).

Choi, Park, and Yoo (2019) stressed that corporate governance is about ensuring that the business is run well and investors receive a fair return. Zong-Jun and Xiao-Lan (2022) defined corporate governance by stating that it deals with the ways in which suppliers of finance to corporations assure themselves of getting a return on their investment. Corporate governance 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's objectives are set and the means of attaining those objectives and monitoring performance (Kajola, 2018). Corporate governance tools assure shareholders of adequate returns on investments. Waseem, Saleh, and Fares (2019) agreed that when these tools are not exiting or do not function properly, outside investors will neither invest in company equity securities nor lend to the company. And this may cause companies not to have access to long-term debts, and therefore the overall economic performance would suffer because many good business opportunities would be missed and financial distress at individual firms would spread quickly to other firms, employees, and consumers.

From the aforementioned, it is very clear that corporate governance includes the relationship of a company with its stakeholders and society; the promotion of fairness, transparency, and accountability; and reference to mechanisms that are used to "govern" (manage) and to ensure that actions taken are consistent with the interests of key stakeholder groups. According to Young (2022), the key points of interest in corporate governance include issues of transparency and accountability, the legal and regulatory environment, appropriate risk management measures, information flows, and the responsibility of senior management and the board of directors.

The separation of ownership from the management of business organizations spurs a divergence of interest amongst the parties. The divergence of interests between the management and its owners has undermined investors' confidence in the board. Hence, investors are interested in the level of accountability displayed by the board of directors. The outcry of investors and other stakeholders as a result of mismanagement and inadequate financial disclosures given by the management has deemed it necessary for the institution of sound corporate governance procedures.

In Nigeria, the story is not different. There have been several corporate failures and large-scale misappropriation of funds in the recent past in Nigeria, involving public organizations such as AVOP Oil, Nigersteel Company, Nigeria Coal Corporation, Cooperative and Commerce Bank, Nigerian Petroleum Nigeria Limited, and many new-generation banks that could not pass through the recapitalization process. These failures raise some fundamental questions such as management style, audit independence, the nefarious practices of board members, ethics, professionalism, and conflict of interest. Today, almost all the surviving government establishments in Nigeria are sick and ailing. Major among the ailing government establishments in Nigeria include the Ajaokuta Steel Industry, Nigerian refineries, Nigergas Ltd., Enugu, etc. The primary aim of establishing these organizations has not been fully realized. Bhimani (2022) contends that the sheer scale of fraud, embezzlement, and graft observed in some of these failed government establishments has brought into question the reliability and effectiveness of present-day operational and compliance control mechanisms and financial reporting generally.

Corporate governance deals with the ways in which suppliers of finance to corporations assure themselves of getting a return on the investment. It is concerned with promoting corporate fairness, accountability, and transparency. In spite of the fact that there are regulatory bodies and agencies established to oversee corporate governance in Nigeria and ensure compliance with laid-down rules and regulations, corporate failures have escalated. The implication of this is that the regulatory agencies need to be reformed and restructured to reposition them and make them more effective and relevant in the 21st century. Thus, this study attempts to examine corporate governance and its impact on organizational performance at Akwa Ibom State Polytechnic

1.2 Statement of the Problem

The challenges and failure of corporate governance in Nigeria stem from the culture of corruption and a lack of institutional capacity to implement the codes of conduct governing corporate governance. Most company executives enjoy an atmosphere of a lack of checks and balances in the system to engage in gross misconduct since investors are not included in the governing structure. Policy and procedures required to ensure efficient internal controls are disregarded with impunity, as is the total lack of a thorough selection process for the CEO and board members. Round pegs in square holes remain a challenge to effective corporate governance.

The business and shareholders' interests are secondary to the self-interest of board members and management. Limited opportunities for institutional investors and near zero interest in corporate social investments to demonstrate a company's sense of belongingness, as evidenced by environmental pollution, are clear indications of the failure of corporate governance. Similar to the above is the lack of managerial training and capacity development among most Nigerian executives to manage business risks. This, according to Elebute (2020), has resulted in huge agency costs, and shareholders have had to shoulder several avoidable agency costs since the board of directors usually fails as a monitoring device to minimize agency problems.

The recent near collapse of the Nigerian Stock Exchange Market, the merger, and the outright acquisition of some financial institutions by others are pointers to systems devoid of controls and accountability, which results in a lack of shareholders' interest and confidence in the operating environment. Failure of corporate governance in Nigeria has also been traced to a lack of effective yardsticks to evaluate board and management processes and performance since the board sub-committees required to be fully independent, especially the audit and remuneration committees, are sometimes compromised. On this note, this study examined corporate governance and its impact on organizational performance at Akwa Ibom State Polytechnic.

1.3 Objectives of the Study

The main objective of the study was to examine corporate governance and organizational performance at Akwa Ibom State Polytechnic. Specific objectives of the study include:

i. To examine the effect of *board independence* on organizational performance at Akwa Ibom State Polytechnic.
ii. To examine the effect of the code of ethics on organizational performance at Akwa Ibom State Polytechnic.

1.4 Research Questions

1. What is the effect of board independence on organizational performance at AkwaIbom State Polytechnic?
2. What is the effect of the code of ethics on organizational performance at AkwaIbom State Polytechnic?

1.5 Research Hypothesis

Ho_1: Board independence has no significant effect on organizational performance at Akwa Ibom State Polytechnic.

Ho_2: The code of ethics has no significant effect on organizational performance at Akwa Ibom State Polytechnic.

1.6 Significance of the Study

This study is relevant to management and various stakeholders at Akwa Ibom State Polytechnic, as it would provide a model for effective management. The knowledge gained would also be vital for the government in making the right policies that would positively affect the organization.

The study would help strengthen the enforcement mechanism of the regulatory institutions, and there is also a need to review existing legislation on corporate governance to ensure that it is in line with the prevailing challenges and with international best practices and standards. The study would assist policymakers in accounting for the interactions between corporate governance and the institutional framework in the organization. The study will also be useful to researchers for further studies in the area of conflicts and their management.

1.7 Scope of the Study

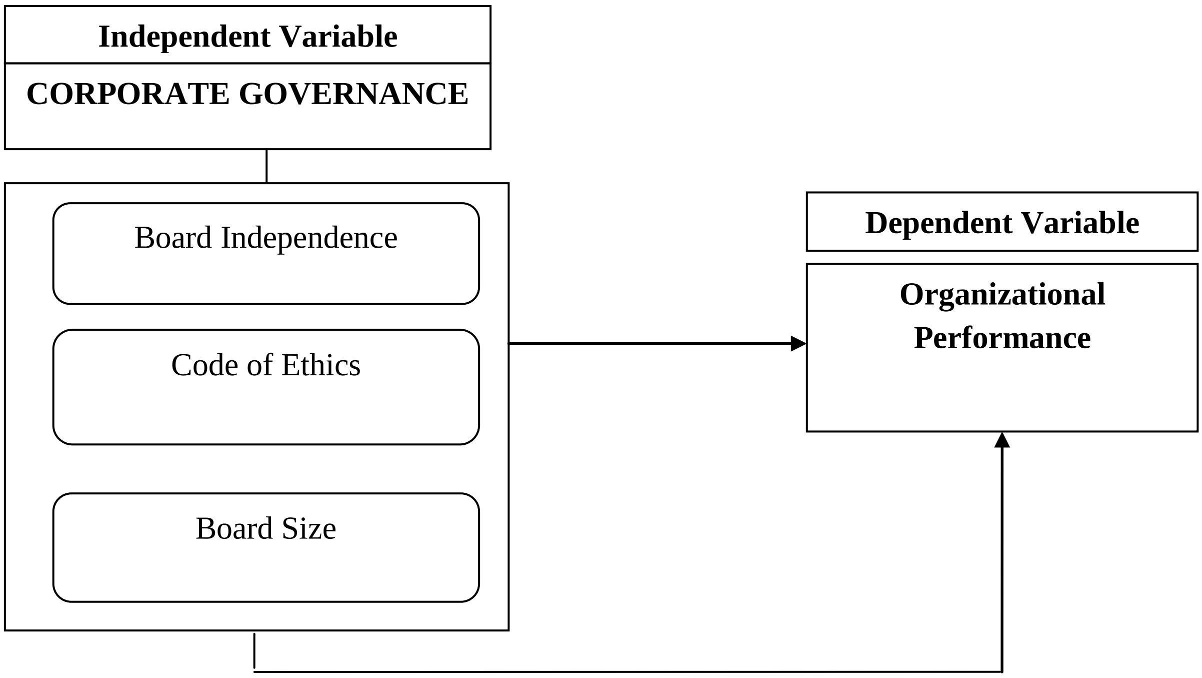
The scope of the study was to examine the impact of corporate governance on organizational performance. Geographically, the study chose Akwa Ibom State Polytechnic because it is one of the organizations that have experienced corporate governance. In terms of unit/analytical scope, the unit scope of the study was the academic board members of Akwa Ibom State Polytechnic.

1.8 Limitations of the Study

Corporate governance in Nigeria is a contemporary issue in the education sector, and as such, not much has been written about the topic from a Nigerian perspective. So, sourcing materials (relevant information) was an onerous job (that is, a paucity of information). In addition, a more thorough analysis of the subject matter will require the availability of undiluted financial and non-financial details about the institution. In Nigeria, it is a well-known fact that organizations misrepresent facts and figures so as to conceal abuses and unprofessional practices. Therefore, total reliance on the published facts may limit the chances of an optimal result in the research.

2.0 REVIEW OF RELATED LITERATURE

2.1 Conceptual Framework



Source: Researcher Model (2023)

2.1.1 Concept of Corporate Governance

Corporate governance has become necessary to ensure the development of economic units and make rational decisions to meet the requirements and expectations of all interested parties and beneficiaries of the services provided by the units. The defining responsibilities, foundations for good work, and commitment to implement what it organizes lay the right foundations for governance and good governance. This can enhance creativity and the spirit of excellence and generalize it at all levels of government action to achieve the goals. The interest in the role of corporate governance has increased after the increasing failures of some companies, economic units, and banks such as Eron, Worldcom, Credit and Trade Bank, and the bankruptcy of Lehman Brothers after the global financial crisis in 2008 and others (Cole, 2019). These crises and failures were the result of wrong behaviors that were passed on through the weakness of both legislation and laws governing the work of companies and units. Governance represents those concepts whose application is characterized by inclusiveness to include all economic units, and it is one of the most necessary processes to emphasize the proper functioning of the units and confirm the integrity of management in them. Ensuring the achievement of the goals of the economic units requires the fulfillment of the obligations and pledges in the correct legal and economic form in addition to the available control means that increase the quality and develop performance, which leads to preserving the interests of all parties (Guy, 2021).

Corporate governance is one of the activities carried out by the management related to decisions that set expectations, give authority, or verify performance. Moreover, it represents consistent management, coherent policies, direction, operations, and decision-making in a particular area of responsibility.

The term "corporate governance" has a clear origin in the Greek word "Kyberman", meaning to steer, lead, or govern. From the Greek usage of the word, it was adopted into the Latin language, where it was referred to as "gubernare" and the French version as "governor". It could also mean the process of decision-making and a systemic process by which decisions may be implemented. However, corporate governance has a very different meaning for different organizations.

Agbonifoh (2020) says corporate governance is all about ethical business conduct, transparency, integrity in running a business, and making a distinction between personal and corporate funds in the management of a company. Put differently, Kwakwa and Nzekwu (2018) define corporate governance as a "vital ingredient in the maintenance of dynamic balance between the need for order and equality in society; promoting the efficient production and delivery of goods and services; ensuring accountability in the house of power; and protecting human rights and freedoms".

Similarly, Okafor (2019) defines corporate governance as the network of relationships between a corporation's board of directors and members of its management team that help to define who has control over what issues and who makes pivotal decisions within the organization. Also, Oyejide and Soyibo (2021) define corporate governance as the manner in which the power of a corporation is exercised in the stewardship of the corporation's total portfolio of assets and liabilities with the objective of maintaining and increasing shareholders' value and satisfying other stakeholders in the context of its corporate mission. In the opinion of Oman (2001), corporate governance is the practice of private and public institutions in the economy that governs the relations between corporate managers and entrepreneurs (corporate insiders) on the one hand and those who invest resources in corporations on the other. All in all, effective governance of the modern organization is of interest to shareholder activists, business people, business writers, and academic scholars. One reason for this interest is the belief held by some that corporate governance is not real but a myth (in some organizations), and specifically that its mechanisms have failed to adequately monitor and control top-level managers' strategic decisions.

The most researched area of board composition is the number of independent directors relative to the executive directors on the board (Carter, 2018). According to Carter et al. (2003), a board that is more diverse will also tend to be more independent. Kang (2017) contends that in an attempt to increase board effectiveness, a good governance practice for organizations would be to comprise a board of directors with a majority of non-executive directors. The value of an independent or outside director is in their ability to speculate on a firm's performance independently and objectively. Greater board independence enables the independent directors to closely monitor a firm's activity and performance and take relevant governance measures (Sheikh, 2013). Studies have shown mixed results with reference to board independence and its outcomes. Some evidence shows that an independent board reduces the possibilities of fraudulent financial reporting and is an effective monitor in terms of a company's strategic issues.

2. Code of Ethics

Internal mechanisms and controls may include the existence of ethical codes of conduct that cover any combination of the following issues: obeying laws and regulations; prohibition of giving and receiving bribes and gifts that have the capacity to influence decisions; prohibition of facilitation of payments; prohibition of donations to political parties; conflicts of interest; ethical and healthy business competition; anticompetitive practices; and use of company resources.

2.1 Board Size

A company's board size depends on the number of directors on the board of a corporate organization. Organizational performance is a function of the number as well as the quality of directors. Ascertaining an ideal board composition is crucial to board effectiveness. Scholars have posited that large board sizes provide an increased and diversified pool of knowledge and expertise, which makes them better able to handle strategic issues. They are also proficient at reducing the dominance of overbearing CEOs (Ogbechie, 2020). Effective board monitoring is enhanced and supervisory functions broadened if more directors are on the board. On the contrary, some authors have suggested that smaller board sizes increase the performance of firms. This is based on the premise that directors on large boards may have difficulty interacting with each other, which slows down decision-making and impacts negatively on firm performance. This proposition is in line with the studies of Yermack (2016), who proved that board size has an inverse relationship with firm value.

Concept of organizational performance

Organizational performance is one of the most important constructs in management research (Trade, 2020). Continuous performance is the objective of any organization because only through it can it grow and progress. There are many rising trends in employee performance. However, this study sought to establish whether Akwa Ibom State University had corporate governance and the influence this had on organizational performance. Armstrong (2021) defines organizational performance in output terms as the achievement of objectives and how these objectives are achieved. High performance results from appropriate behavior, especially discretionary behavior, and the effective use of the required knowledge, skills, and competencies.

According to Gilbert and Ivancevich (2021), organizational performance refers to the act of performing or carrying into execution a recognizable action, achievement, or accomplishment in the undertaking of a duty. According to Armstrong (2012), organizational performance is a means of getting better results from the whole organization or teams or individuals within it by understanding and managing performance within an agreed-upon framework of planned goals, standards, and competence requirements. Organizational performance is the accumulated end result of all the organization's work processes and activities (Santos and Brito 2017). It is about how effectively an organization transforms inputs into outputs.

2.1.4 Board Independence on Organization Performance

At present, most organizations realize the essential roles played by independent directors ever since the collapse of many big companies such as Enron and WorldCom.

In a study on 934 of the largest US firms listed on the New York Stock Exchange over a ten-year review period (1993–2002), Maune (2020) investigated the empirical validity of the requirement for board independence and its influence on firm performance. The duo reported that the firms that hired a higher proportion of outside directors showed significantly lower financial performance after evaluating their return on equity (ROE) over the review period. The stock market performance relationship was negative with the Tobin's Q technique for the initial three years of the study. Additionally, their study expressed that low-performing firms were more likely to include independent directors. However, the results from these firms showed no evidence that firms with a higher proportion of independent directors performed better. Instead, the study showed that firms with a higher proportion of independent directors did not perform better. As such, such results purported their hypothesis, which stated that 'independent directors holding vital stock positions would add value while other independent directors do not.'

Likewise, Peng (2014) evaluated the association between board composition and firm performance in Chinese firms. The study targeted all 530 listed companies on the Shanghai and Shenzhen Stock Exchanges. These companies' combined capitalization stood at approximately 25% of China's gross domestic product (GDP). Peng (2014) relied on return on equity (ROE) and sales growth as firm performance measures. Additionally, in this research, firm size and firm age were used as control variables. Peng integrated the weighted generalized least squares procedure for the analysis of data. Convincingly, Peng reported that a growing number of independent directors on the board did not have any influence on either the ROE or sales growth. Nonetheless, Peng observed that increasing the number of affiliated outside directors resulted in higher subsequent sales growth. As such, Peng concluded that the role of the more affiliated outside directors in creating business networks endorsed the resultant higher sales growth.

Further, Langat (2016) carried out a cross-sectional survey to examine the different governance structures that existed between three categories of companies poor performing, growing performance, and stable performance over the period 2001–2005. Langat's study targeted 47 firms listed on the Nairobi Stock Exchange for a five-year period. He collected secondary data from annual reports and financial statements for the companies and used the Tobin's Q technique as the performance measure. As a result, the study reported improved performance for firms that had dominated boards (the ratio of non-executive to executive directors was higher than 60%). Concurrently, the performance for this with cluster was higher than that recorded by firms of non-executive to executive directors at 40–60% dominance and dominated boards (the ratio of executive to non-executive directors was higher up to 40%).

Lastly, Chogii (2019) assessed the relationship between three characteristics of BODs—board size, board composition, and CEO duality—and firm performance (ROA and Tobin's Q). Particularly, unlike the previous scholars presented here above, Choggi based his study on the dominant theories of corporate governance, i.e., agency and stewardship theories. His study covered 50 companies listed on the Nairobi Stock Exchange for the period between 2004 and 2007. The data used, as in the case of other studies, was sourced from annual reports and annual financial statements and then analyzed through descriptive statistics and regression analysis. From the study, the majority of the reviewed firms had outside-dominated boards, with a higher occurrence of non-executive directors than in the case of inside-dominated boards. Also, when engaging the Tobin's Q, board size and board composition were reported to positively impact firm performance; indeed, the proportion of outside directors was a significant variable and prerequisite..

2.1.5 Code of ethics and Organization Performance

Over the years the term ethics in organizational performance has long been associated with management scholars and business leaders around the world. There is a broad agreement that as a matter of corporate policy, every organization should strive to be committed in a manner that is ethically transparent. The concept of ethics simply deals with how decisions affect other people and organization. According to Etuk (2019) ethics and morality are aspects of axiology concerned with what is good, what is beautiful and what is desired or preferred human conduct. Ethics is concerned with contemporary norms or standard of conduct that govern the relationship among human beings and their institution. Cole (2019) explains ethics as a set of moral principles or values used by organization to steer the conduct of the organization itself and its employees in all their business activities both internal and in relation to the outside world. Schermerhorn (2019) argued that ethics in the word of organization business involve "ordinary decency" which encompasses such areas as integrity, honesty and fairness. Behaving in an ethical manner is seen as part of the social responsibility of organization, which itself depends on the philosophy that organizations ought to impact on the society in ways that go beyond the usual profit maximization objective.

2.1. Theoretical Framework

The fundamental corporate governance theories range from the agency theory and expanded into the stewardship theory, stakeholder theory. Resources dependency theory, transaction cost theory, political theory and ethics related theories. These theories are briefly reviewed below:

2.2.1Agency Theory (Alchian and Demsetz, 1972)

Agency theory having its roots in economic theory was exposited by Alchian and Demsetz (1972) and further developed by Jensen and Meckling (1976). Agency theory is defined by Hilman, Canella & Paetzold (2000) as the relationship between the principals, such as shareholders and agents such as the company executives and managers. In this theory, shareholders who are the owners or principals of the company, hires the agents to perform work. The principals delegate the running of the business to the directors or managers, who are the shareholders' agents (Clarke, 2004). The theory stipulates that the shareholders expect the agents to act and make decisions in the principal's interest.

2.2.3 Stewardship Theory (Davis, Schoorman & Donaldson, 1997)

This theory has its roots in psychology and sociology and is defined by Davis, Schoorman, and Donaldson (1997) as a steward protects and maximizes shareholders wealth through firm performance because, by so doing, the steward's utility functions are maximized. In this perspective, stewards are company executives and managers working for the shareholders to protect and make profits for them. Unlike agency theory, stewardship theory stresses not the perspective of individualism (Mak and Kusnadi, 2005), but rather the role of top management as stewards, integrating their goals as part of the organization. The stewardship perspective suggests that stewards are satisfied and motivated when organizational success is attained.

2.2.4 Transaction Cost Theory (Cyert and March, 1963)

This theory was first initiated by Cyert and March in 1963 and later theoretically described and exposed by Williamson in 1996 (Monks and Minow, 2004). Transaction cost theory was an interdisciplinary alliance of law, economics, and organizations. The theory attempts to view the firm as an organization comprising people with different views and objectives. The underlying assumption of transaction theory is that firms have become so large that they are, in effect, substitutes for the market in determining the allocation of resources. In other words, the organization and structure of a firm can determine price and production. The unit of analysis in transaction cost theory is the transaction. Therefore, the combination of people and transactions suggests that managers are opportunists and arrange firms' transactions for their own selfish interests (Rwegasira, 2000).

2.2.5 Stakeholder Theory (Freeman, 1984)

The inventor of stakeholder theory is R. Edward Freeman, and his 1984 publication, Strategic Management: A Stakeholder Approach, Freeman (1984) argued in his seminal work introducing the term stakeholder theory that "systematic attention to stakeholder interests is critical to firm success". The traditional definition of a stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984). The definition has given a new idea of what an organization should be like, and Friedman & Miles (2006) explained that an organization is a composition of stakeholders, and the purpose of an organization should be to be able to handle its own interests, viewpoints, and requirements. It depends on the type of firm; stakeholders may include suppliers, customers, shareholders, community and environmental groups, etc. Unexpected levels of problematic environments and changes that managers were facing became the reason for building this framework. It came into existence to address the concerns of the managers. The prevalence of this approach was quite high in the 1980s, even though the idea was old. This term was first used in the 1960s during the genuine work done at the Stanford Research Institute (Freeman et al. 2001).

2.3 Empirical Review

Adebayo, Olusola, and Abiodun (2018) examined the relationship between three corporate governance mechanisms (board independence, board size, and chief executive duality) and two organizational performance measures (earnings per share and return to equity) of Nigerian listed organizations. The data used for this study were derived from the audited financial statements of the firms listed on the Nigerian Stock Exchange (NSE) between 2005 and 2010, which comprised fifteen (15) manufacturing firms and fifteen (15) financial and service institutions, respectively, as a sample size. The panel data methodology was adopted because it combined time series and cross-sectional data. The method of analysis is multiple regressions, and the method of estimation is ordinary least squares (OLS). The result showed that there is a positive significant relationship between board independence and organizational performance, while board size and chief executive duality have a negative significant relationship with organizational performance. It is recommended that the offices of chairman and chief executive officer be occupied by different people in order to enhance check and balance. also Small boards and board independence should be put in place.

Nze (2019) analyzed the effect of business ethics and CSR on corporate organizations in Nigeria. The study is survey research. The study had a population size of 1318, out of which a sample size of 307 was realized using Taro Yamene's formula at 5% error to tolerance and 95% level of confidence. Instruments used for data collection were primarily questionnaires and interviews. A total of 307 copies of the questionnaire were distributed, while 280 copies were returned. Five hypotheses were tested using the Pearson product moment correlation coefficient, Chi square (X2), Spearman's rank correlation coefficient, and Z-test statistical tools. The study found that banks engaged in ethical principles in order to improve their standards as well as the level of acceptance by society; the impact of CSR, such as a better public image, customer loyalty, fewer regulatory problems, and increased revenue, contributed to organizational success. Recommendations are that business ethics and CSR deserve greater attention and more commitment from corporate organizations, and they should formulate policies on ethics and CSR so as to provide a guide and channel efforts towards using them to achieve organizational success.

Turyakira (2020) analyzed the ethical practices of small and medium-sized enterprises in developing countries, aimed at evaluating the aspects of business ethics, the significance of business ethics to SMEs, the ethical dilemmas and challenges of SMEs, particularly in developing countries, and suggesting strategies to address these dilemmas and challenges. Peer-reviewed articles in recent journals were analyzed to identify the aspects of business ethics, the significance of business ethics to SMEs, the ethical dilemmas and challenges of SMEs, and the proposed strategies to address the ethical dilemmas and challenges thereof. It is clear that business enterprises can no longer afford to disregard business ethics. There are continuous business failures as a result of unethical practices, especially those associated with employees and top executives. This article has added to the body of existing literature on the ethical practices of SMEs in developing countries. As such, SME owners and managers can use the findings of this article to design ethical policy frameworks and guidelines to improve their reputations and competitiveness.

2.3.2 Empirical Review on Code of ethics

Ebitu and Beredugo (2019) investigated the relevance of the code of ethics in guiding the performance of the service industry and examined their compliance level with the established code of ethics. The study adopts a descriptive research design, and data were collected from 176 respondents cutting across selected banks and GSM firms in Calabar, Cross River State. Our hypotheses were tested using Chi-square (X2), and all were supported by the extant literature. Results show that the effective performance of the service industry was dependent on the code of ethics [X2cal = 18.082 > t 0.05 = 7.815] and that the compliance level of the established code of ethics for the service industry was high [X2cal = 13.801 > t 0.05 = 7.815]. Our findings therefore suggested that there should be specific procedures to always identify and deal with issues of ethical misconduct, and it is important for organizations to increase punitive measures against violators of ethical codes.

Anyim, Ufodiama, & Olusanya's (2019) research on ethics standards and practices in the Nigerian public sector The study was conducted using government agencies and parastatals based in Lagos, Nigeria, selected through proportionate stratified sampling techniques; standardized measures were adapted and administered to the sample. The sampled elements for the study consisted of 200 respondents, comprising senior, mid-level, and junior employees selected from the agencies and parastatals using proportionate random and stratified sampling techniques. The collected data was analyzed using frequency distribution expressed in percentages and Chi-square (X2) statistics to test the hypotheses formulated for the study. Apart from the human resource department not being part of the ethics infrastructure, the analysis of the data also showed that there is no promotion of ethics in the Nigerian public sector. The implications of the findings were discussed.

Ebitu, Tom, and Beredugo (2020) investigated the relevance of the code of ethics in guiding the performance of the service industry and examined their compliance level with the established code of ethics. The study adopts a descriptive research design, and data were collected from 176 respondents cutting across selected banks and GSM organizations in Calabar, Cross River State. Our hypotheses were tested using Chi-square (X2), and all were supported by the extant literature. Results show that the effective performance of the service industry was dependent on the code of ethics [X2cal = 18.082 > t 0.05 = 7.815] and that the compliance level of the established code of ethics for the service industry was high [X2cal = 13.801 > t 0.05 = 7.815]. Our findings therefore suggested that there should be specific procedures to always identify and deal with issues of ethical misconduct, and it is important for organizations to increase punitive measures against violators of ethical codes.

Ayandele and Isichei (2020) examined corporate governance practices and challenges in Nigeria. To carry out the exercise, the efficacy of corporate governance mechanisms and the legal (legislation) framework were examined. The paper observed weak or non-existent compliance and/or enforcement of corporate governance legislation. It concludes that corporate governance in most Nigerian countries is ineffective and inefficient and has ultimately failed. The paper therefore recommends that for Nigerian countries to reap the benefits of effective corporate governance, there is a need to review existing legislation and strengthen the enforcement mechanisms of the regulatory institutions.

Zuva (2020) examined corporate governance and organizational performance. The discourse was guided by a fusion of the following theories: the agency theory, the ethical theory, the stakeholder theory, the corporate social responsibility theory, and the steward theory. The theories were used as a lens through which a review of related and relevant literature was employed. For this discussion, literature review methodology was used to determine the source of material for review. Document analysis of peer-reviewed literature was used as the main source of information and data about corporate governance issues in private and public institutions. In the discussion, relevant corporate governance theories were outlined. From the exposed theories, a corporate governance framework was developed to enhance the performance of parastatals and private and public institutions in Zimbabwe. In conclusion, the paper focused on a governance system that advances transparency, accountability, business ethics, and a governance framework that promotes business growth in terms of credibility and performance.

Ezinwa and Ezeanolue (2021) examined business ethics and organizational performance in south-east Nigeria. The study investigated the effect of ethical climate, unethical standard practices, ethical culture, and ethical behavior on organizations using selected manufacturing in South-East Nigeria. The study reviewed relevant conceptual, theoretical, and empirical literature. The study was anchored on stakeholder theory. A descriptive research design was adopted. The study was carried out in the southern part of Nigeria, which comprises Abia, Anambra, Ebonyi, Enugu, and Imo states. The population of the study was 4871, comprised of all employees of the selected manufacturing firms in the South-East. A sample size of nine hundred and twenty-seven (936) respondents was selected for the study using the Borg and Gall formula. A questionnaire was employed as the main instrument of data collection. The study adopts face-and-content validity. The reliability of the instrument was achieved through the application of test re-rest and the Spearman rank-order correlation coefficient. The data generated were analyzed using frequency counts and percentages in the analysis of research questions, while research hypotheses were tested using panel regression analysis. It was found that the ethical climate had a significant positive effect on organizations' performance in southeast Nigeria. Unethical standard practices had no significant positive effect on organizational performance. Ethical culture had a significant positive effect on organizations' performance.

Ethical behavior had a significant positive effect on organizations' performance in southeast Nigeria. The study concludes that business ethics had a significant positive effect on the job satisfaction of academic staff at public universities in the Southeast. The study recommends, among others, that decision-makers should set the use of ethical conduct as a priority towards improving organization performance by setting adequate resources and commitment to achieve this end. The manufacturing sector should have a workable system for identifying and resolving ethical problems. Such a system must be open, accessible, independent of the management bureaucracy, and encourage whistle-blowing. Organizations should, on a frequent basis, identify with societal needs by helping to solve these problems as much as possible with utmost sincerity. Managers must ensure that the conduct of their employees is under control and that their dispositions with regard to their routine duties are monitored ethically.

Kehinde, (2021) analyzed effects of ethical behavior on organizational performance: evidence from three service organizations in Lagos, Nigeria. The study uses a quantitative method with two hypotheses stated in null form. Results were analyzed with the aid of appropriate test statistics. Findings revealed that ethical behavior has effects on the performance of an organization and that good ethical behavior has a positive correlation with organizational performance. Suitable policy recommendations were offered, which decision-makers in business organizations and government officials will find highly useful.

Vieira, (2021) analyzed the effects of ethical behavior on a firm's financial profitability. Corporate social responsibility has been used as an indicator of ethical performance. After analyzing the financial indicators ROA and PM, from a sample of the twenty biggest civil construction companies in Portugal, between 2007 and 2011, we conclude that ROA is significantly related to a firm's ethical performance. However, we did not find any statistical evidence that relates PM to ethical performance. Although the scores are very low on all CSR indexes, we can conclude that companies, who are exporting, seem to be more concerned with environmental issue than ethical issues. The top management in the civil construction should take a deeper look into their CSR activities, and should not neglect the impact social inactivity may have on their financial performance. Although, there are some examples to look up to, there is still a long way to go for the majority of companies in this industry.

Assaed, Azlan & Muhammad (2021) investigated the relationship between ethical leadership and Organizational performance, mean while studying the mediating role of corporate social responsibility between these relationships. Using survey data from public and private banking sector of Pakistan, we found that Ethical leadership positively affects the corporate social responsibility which in turn positively influences the organizational performance. Besides this, we found a partial mediating role of corporate social responsibility on the relationship between ethical leadership and organizational performance.

Agbim (2021) examine the effect of ethical leadership on corporate governance, corporate performance and corporate social responsibility in selected Nigerian deposit money banks. The study employed survey research design. Stratified sampling technique was employed to select the respondents that completed the questionnaire. The generated data were analyzed using linear regression. The study established that a robust organization can be developed by main-streaming corporate governance, corporate performance and corporate social responsibility using a natured/nurtured ethical leader. The results reveal that ethical leadership has significant positive effects on corporate governance, corporate performance and corporate social responsibility Management should show more commitment in the selection and development of leaders and followers. All the stakeholders should be equally involved in the formulation of corporate governance principles. A natured/nurtured ethical leader should be employed to mainstream corporate governance, corporate performance and corporate social responsibility through the organizational culture.

Abidin, Hashim, & Ariff (2022) in their study explored the role of business ethics towards corporate wealth creation and sustainable performance. In the context of Malaysia, the importance of committing to following the highest ethical standards is evidenced by the recommendations and guidelines imposed through the Malaysian Code of Corporate Governance (MCCG) 2012. This study posits that management commitment towards ethics is positively associated with financial performance. Content analysis is used to systematically code and evaluate data from 243 publicly listed organization on the Main Board of Bursa Malaysia in year 2014. The Ethics Commitment Assessments Index (ECAI), which contains 14 items, is used to score commitment towards ethics. Financial performance is represented by return on assets (ROA) and return on equity (ROE). The results show a positive relationship between commitment towards ethics and financial performance. The findings contribute to policy formulation by suggesting that commitment towards ethics should continue to be emphasised by regulators because it is considered by stakeholders in assessing the risk of companies in the capital market.

Muhammad Mustabsar Ahmad & Umer (2022) studied the impact of ethical leadership on employees' performance. While several studies have gazed at the efficacy of the leader as supposed by employees, this research is concerned with the effect of an ethical leadership style on the performance of employees. 265 respondents were focused to collect the data.

Stratified random sampling is done in order to add variety to the research and add a blend of experienced faculty members' opinion and newly hired faculty members' view point on the current subject matter. SPSS software is used to test the reliability of the data and testify the hypotheses. Employees are very significant for the organization in terms of smoothing the progress in organizational achievement. Employees are considered to be the most vital resource for achieving competitive advantage. An ethical leadership style is typified as participative where the leader shares its authority with employees. It is thus believable that an ethical leader augments the inspiration of its employees which in turn will improve employees' performance.

Oludele, Oloko and Olweny (2022) examined the relationship between board independence and the financial performance of listed manufacturing companies in Nigeria was investigated in this study. The manufacturing sector in Nigeria consists of 74 companies from where 34 companies were purposively selected. The study used both primary and secondary data. Secondary data was extracted from the published financial statement of the selected companies while primary data was collected with the use of questionnaire from the 170 respondents drawn from the selected 34 companies. The result confirms that there is a significant positive linear relationship between board independence and financial performance of listed manufacturing companies in Nigeria. The study recommends that manufacturing companies and all other companies should have an all inclusive board of directors. The board that is all inclusive is effective in exercising its mandate which is likely to impact positively on the firm financial performance.

2.3.3 Empirical Review on Board size

Goel and Sharma (2017) investigated effect of board size on firm's performance: evidences from India. After the liberalisation and globalisation, corporate governance is also gaining ground. It has brought a huge change in Indian market. In order to cope up with International markets, one of the most powerful factor for advancement of firms is corporate governance. One of the most prestigious issue discussed in the literature is board size and its impact on company's performance Keeping this thing in mind, the present study seeks to scrutinize the effect of size of board on firm's performance of 42 Indian companies registered in NSE 50 Index for 2011-12 to 2015-16. The pearson correlation and pooled OLS, fixed effect and random effect regression analysis has been performed to check the same. Hausman test has also been done to select the best fit model. The study supports stewardship theory. The findings show that size of board has adverse effect on the company's performance using market based measures and has no effect on the organization performance using accounting based measures. The study recommends that average board size of the company should be reduced from 12 to 10.

Gambo, Bello, and Rimamshung, (2018) examined the effect of board size, board composition and board Meetings on the financial performance of listed consumer goods in Nigeria over the period of ten years from 2006 to 2015. The study uses expo factor research design and purposive sampling technique (filter) as research design and sampling technique. The population of the study is twenty (20) listed consumer goods companies in Nigeria and a sample size of ten (10) companies were studied. The data was analysed by means of descriptive statistics, Correlation and Regression analysis using STATA (version 11). The descriptive result reveals that return on assets has minimum and maximum values of -0.0400 and 0.4700 respectively and the mean and standard deviation of 0.1199 and 0.1038 respectively. The study made use of secondary data generated from annual report and account of the sampled companies through Nigeria Stock Exchange fact book. The findings include the following: Board size is negatively significant at 1% with T. Value of _2.70, Board composition is positively significant at 1% with T- Value of 2.15 and finally, Board meeting is negatively insignificant with T- Value of _1.45. This study concluded that smaller board size are more effective than larger board size, good proportion of board composition is a good factor to enhance ROA of listed consumer goods companies in Nigeria and frequent board meeting will have negative effect on the ROA of listed consumer goods companies in Nigeria because it will limits the chances for external directors to conduct a meaningful oversight over management. Hence the study recommends among others; That smaller board size should be used in listed consumer goods companies in Nigeria to enhance their ROA, the listed consumer goods companies should continue to maintain good proportion of independence directors. The listed consumer goods companies in Nigeria should discourage unnecessary board meetings to allow board of directors perform other oversight function on the management so as to enhance the ROA of listed consumer goods companies in Nigeria.

Tulung, and Ramdani, (2018) find the link between board independence, board size and BPD (regional development bank) performance for describing the corporate governance in regional development bank. The sample of firms consists all 26's BPD in Indonesia in the period 2010-2014; we take secondary data from the annual report of each BPD, total 203 top executives who are members of the boards of all BPD in Indonesia. The results are the influence of the board independence and board size on the BPD performance. The sample employed all the members of the boards of BPD in Indonesia giving us a confidence in generalization our findings. The statistical method used to test the hypotheses is OLS regression. This method was applied to measure the relationship between board independence, board size and BPD performance. The results suggested that there is a positive relationship between board independence, board size and BPD performance.

Mudashiru, Bakare and Babatunde (2019), investigated good corporate governance and organisational performance: variables used included large board size, board skill, management skill, longer serving CEOs, size of audit committee, audit committee independence, foreign ownership, institutional ownership, dividend policy and annual general meeting are positively associated with the performance of organizations. It adopted quantitative methodological framework through which the primary data collected were analyzed using both Regression analysis and Karl Pearson's correlation techniques to find the relationship between corporate governance and organizational performance on one hand and the degree of relationship between corporate governance and organizational performance. The findings shows that large board size, board skill, management skill, longer serving CEOs, size of audit committee, audit committee independence, foreign ownership, institutional ownership, dividend policy and annual general meeting are positively associated with the performance of organizations. Organizations are encouraged to adopt good corporate governance practices to improve their performance and also to protect the interest of the shareholders. Most importantly the regulatory authorities must ensure compliance with good governance and apply appropriate sanctions for non-compliance to help the growth and development of industries in the country. The main contribution of the study to knowledge lies in its effort in strengthening corporate governance beyond the rights and responsibilities of different stakeholders in the management of an organization into areas involving the relationship between finance providers and an organization, compliance with legal, ethical and environmental needs of the society, among others. This contribution has in no small measure enhanced our understanding about the interpretations which have shaped corporate governance in relation to organizational performance both in theory and practice.

2.3.6 Summary of Research Gaps

The above empirical studies on corporate governance and organizational performance were characterised with mixed reactions from different researchers, some are of opinion that there is a positive significant relationship between corporate governance and organizational performance while some had a contrary view to it. However, lack of consensus on the empirical literature calls for further studies on study of this nature.

This study analyzed on the review of related literatures as used in the study as well theoretical framework. Thus, this aspect of the study was considered under the following sub-headings: conceptual framework, empirical framework and theoretical framework. The conceptual framework of the study examined the concepts-both major and minor- that constitutes the integral part of the study. The essence is to ensure that the researcher presents clear and distinct views of the concepts used in the study. It gives insight of the researchers' prowess and understanding of the subject. The study utilized stewardship theory, stakeholder theory. Resources dependency theory, transaction cost theory, political theory and ethics related theories.

3.0 METHODOLOGY

3.1Research Design

For this study, a descriptive survey research design was utilized as the research methodology. This is because the design permits the examination of independent variables with respect for their relationship with the dependent variables and also the choice of this design is in line with the nature of the research problem and the objectives of the study.

3.2 Population of the Study

The population of the study comprises of all the academic board members in AkwaIbom State Polytechnic which consist of 50 members. The population was deemed to be known, as it was drawn from their council chamber of the organizations (2022).

3.3 Sampling/ Sampling Technique

The population of the studied academic board members in Akwa Ibom State Polytechnic is small therefore we did not derive sample size; we worked with the entire population (47).The census Sample techniques was adopted for the study. The choice of the technique is to allow for studying the whole population

3.4 Sources of Data

Data for this research were obtained from primary and secondary sources. The primary source comprises of information relevant to this study that were obtained through the use of questionnaires and personal observation. The secondary source refers to information obtained from existing materials. This include historical materials collected from organizations, textbooks, journal, articles internet and other publications related to the subject matter of study. Meanwhile, nominal kind of data will be used for this study. The rationale for this kind of data was based on the fact that nominal helped the researcher in proper ranking of the variables used in this study. Practically, this ranking was done during the coding of the data using SPSS software package.

3.5 Data Collection Instrument

The research instrument used in the collection of data in this study will be questionnaire. In a bid to get the precise opinion, the questionnaire was designed in a way that enabled respondents to choose the most appropriate option out of the alternative questions. The questionnaire was arranged in two sections, the first briefly captured the demographic information of the respondents while the second part focused on questions bordering on the subject matter. The questions in the questionnaire will be close-ended and will also be drafted in a simple, explicit and understandable language.

3.6 Validity of the Research Instrument

The instrument will be developed by the researcher in accordance with the research topic. The content validity of the instrument will be determined by the supervisor who matched the variables of the instruments with the research questions in order to determine whether or not the instruments measured what they were supposed to measure. The questionnaire was presented to my supervisor and another lecturer in the department since this type of validity cannot be put into statistical test. They successfully assessed the instrument and made suggestions. The suggestions will properly be taken care of and changes made will be necessary. This idea is to make sure that questionnaire covered what it is supposed to cover. This makes the questionnaires to be deemed valid to be employed to collect data in the main study.

3.7 Reliability of Research Instrument

The reliability is determined through the test-re-test reliability technique. In doing this, the research questionnaires will be administered to twenty respondents who will be randomly selected. After a period of two weeks, the same questionnaires were re-administered to the same respondents. The Cronbach (Alpha) model will be employed to test the reliability of the instrument used in the survey. A Cronbach alpha reliability coefficient of 0.784 is achieved

3.8 Operational measures of the variables

In this study, only measuring instruments with confirmed validity and reliability were used to measure the different variables included in this study. The variables were measured using Rousseau's (2000) six item scale. Responses on a five point Likert scale. Responses ranged from 1 strongly disagree to 5 strongly agree. Samples of item included in the normative commitment sub- scale, "Corporate governance of Akwa Ibom Polytechnic influence the Profit of the institution".

4.0 DATA ANALYSIS AND RESULT

Data gathered from the questionnaire administered were presented and analyzed below; the percentage formula was used in presenting the result of the data while regression analysis was used to test the hypotheses.

4.1 Presentation and Analysis of Data

To facilitate a successful presentation and analysis, 47 questionnaires were distributed to Akwa Ibom State Polytechnic academic board members, which, 43 were properly completed and retrieved. This represented 91% of the total questionnaire completed and retrieved.

Table 4.1: Analysis of questionnaires administered

Respondents	Frequency	Percentage (%)
Returns	43	91
Unreturned	4	9
Total	47	100

Source: Field work (2023)

Table 4.1.2: Percentage analysis of the Responses on Board Independence

Board Independence	SA	A	UN	D	SD	Total
The presence of the executive directors in the day to day activities of this organization largely contributes to the financial performance of Akwa Ibom State Polytechnic.	22 (51.2%)	11 (25.6%)	3 (7%)	5 (11.6%)	2 (4.6%)	43 (100%)
Akwa Ibom State Polytechnic depends on directors for decision and for long run survival of the organization	23 (54.4%)	12 (27.9%)	3 (7%)	4 (9.3%)	1 (2.3%)	43 (100%)
Board independence was an essential component that influences the public image of Akwa Ibom State Polytechnic	22 (51.2%)	11 (25.6%)	3 (7%)	5 (11.6%)	2 (4.6%)	43 (100%)
Total **Proportion of N** **Percentage of Proportion**	**67** **22** **(52.3%)**	**34** **11** **(26.4%)**	**9** **3** **(7%)**	**14** **5** **(10.8%)**	**5** **2** **(2.3%)**	**129** **43** **(100%)**

Source: Field survey, 2023

Table 4.1.2 shows the frequency of responses and their percentages on the board independence dimension of a proportion of 43 respondents, 22(51.2%) of the respondents strongly agreed that the presence of the executive directors in the day to day activities of the company largely contribute to the financial performance of Akwa Ibom State Polytechnic.; 11(25.6%) agreed; 3(7%) of the respondents were undecided, 5(11.6%) of the respondents disagreed; while 5(11.6%) of the respondents strongly disagreed. Also, 43(100%) strongly agreed that Akwa Ibom State Polytechnic depends on directors for decision and for long run survival of the organization; while 0(0%) Agreed, undecided, disagree and strongly disagree. Equally, 22 (51.2%) of the respondents strongly agreed that board independence was an essential component that influences the public image of Akwa Ibom State Polytechnic; 11(25.6%) of the respondents agreed; 3(7%) of the respondents were undecided 5(11.6%) of the respondents disagreed while 2(4.6%) Agreed, undecided, disagree and strongly disagree. Meanwhile, 22(52.30%) strongly agreed to questions, 11(26.4%) agreed, 3(7%) undecided, 5(10.8%) disagreed while 2 (2.3%) strongly disagreed.

Table 4.1.3: Percentage analysis of the Responses on Code of Ethics

Code of Ethics	SA	A	UN	D	SD	Total
There is workable system in Akwa Ibom State Polytechnic for identifying and resolving ethics problems	20 (46.5%)	12 (27.9%)	4 (9.3%)	5 (11.6%)	2 (4.7%)	43 (100%)
Akwa Ibom State Polytechnic engaged in ethical principles in order to improve their standard as well as the level of acceptance by the society	23 (53.5%)	12 (27.9%)	3 (7%)	4 (9.3%)	1 (2.3%)	43 (100%)
Code of ethics achieves the greatest net benefits to the society and enriches the capability of the system in which it functions.	20 (46.5%)	12 (27.9%)	4 (9.3%)	5 (11.6%)	2 (4.7%)	43 (100%)
Total	**63**	**36**	**11**	**14**	**5**	**129**
Proportion of N	**21**	**12**	**4**	**5**	**2**	**43**
Percentage of Proportion	**(48.8%)**	**(27.9%)**	**(8.6%)**	**(10.8%)**	**(3.9%)**	**(100%)**

Source: Field survey, 2023

Table 4.1.3 shows the frequency of responses and their percentages on the code of ethics dimension of a proportion of 43 respondents, 20(46.5%) of the respondents strongly agreed that there is workable system in Akwa Ibom State Polytechnic for identifying and resolving ethics problems; 12(27.9%) of the respondents agreed; 4(9.3%) of the respondents were undecided; 5(11.6%) of the respondents disagreed; while 2(4.7%) of the respondents strongly disagreed. Also, 23(53.7%) strongly agreed that Akwa Ibom State Polytechnic engaged in ethical principles in order to improve their standard as well as the level of acceptance by the society; 12(53.5%) of the respondents agreed; 3(7%) of the respondents were strongly disagree. Equally, 20(46.5%) of the respondents strongly agreed that code of ethics achieves the greatest net benefits to the society and enriches the capability of the system in which it functions; 12(27.9%) of the respondents agreed; 4(9.3%) of the respondents were undecided; 5(11.6%) of the respondents disagreed; while 5(4.7%) strongly disagreed. Meanwhile, 21(48.8%) strongly agreed to questions, 12(27.9%) agreed, 4(8.6%) undecided, 5(10.8%) disagreed while 2 (3.9%) strongly disagreed.

Table 4.1.6: Percentage Analysis of the Responses on Organizational Performance

Organizational Performance	SA	A	UN	D	SD	Total
Corporate governance of Akwa Ibom Polytechnic influence the Profit of the institution	43 (60%)	0 (40%)	o (0%)	0 (0%)	0 (0%)	0 (100%)
Corporate governance of Akwa Ibom Polytechnic influence the Growth of the institution	43 (100%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	5 (100%)
There is development and expansion of the institution as a result of effective corporate governance.	43 (100%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	5 (100%)
Total **Proportion of N** **Percentage of Proportion**	**129** **43** **(100%)**	**0** **0** **(0%)**	**0** **0** **(0%)**	**0** **0** **(0%)**	**0** **0** **(0%)**	**15** **5** **(100%)**

Source: Field survey, 2023

Table 4.1.7 shows the frequency of responses and their percentages on the organizational performance dimension of a proportion of 43 respondents, 43(100%) of the respondents strongly agree that corporate governance of Akwa Ibom Polytechnic influence the Profit of the institution; while none was agreed, undecided, disagree and strongly disagree. Also, 43(100%) strongly agree that Corporate governance of Akwa Ibom Polytechnic influence the Growth of the institution; while 0(0%) Agreed, undecided, disagree and strongly disagree. Equally, 43(100%) of the respondents strongly agree that There is development and expansion of the institution as a result of effective corporate governance; while 0(0%) Agreed, undecided, disagree and strongly disagree. Meanwhile, all the respondents representing (100%) strongly agreed to questions

4.2 Testing of Hypotheses

Hypothesis One

Ho1: Board independence has no significant impact on organizational performance in Akwa Ibom State Polytechnic

Simple regression Analysis was used to analysis the data in order to determine the relationship between the variables using Statistical Package Social Science (SPSS version 21).

Table 4.2.1 **Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.877[a]	.769	.765	1.43233

Predictors: (Constant), Boar_indep.

Table 4.2.2 **ANOVA[a]**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	88.178	1	88.178	476.638	.000[b]
	Residual	11.843	42	0.185		
	Total	100.021	43			

a. Dependent Variable: Organ_Perf.
b. Predictors: (Constant), Boar_indep.

Table 4.2.3 **Coefficients[a]**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.798	.276		6.521	.000
	Boar_indep.	.977	.0068	.877	8.532	.000

a. Dependent Variable: Organ_Perf.

From the result in Table above, R-square of the regression analysis is .769. This finding suggests that 76.9% of the variance in organizational performance is explained by board independence variables. The analysis of variance (ANOVA) confirmed the existence of a positive significant impact and the study found that the regression model is best fit for predicting the relationship between board independence and organizational performance [F = 476.638, t = 8.532 and p<0.05]. Given this result, the null hypothesis is rejected. Therefore, board independence has a significant impact on organizational performance in Akwa Ibom State Polytechnic. Similarly, the study revealed that every unit change in between board independence would cause a variance of 87.7% in customer satisfaction (Beta= .877, p=0.000).

Hypothesis Two

Ho_2: Code of ethics has no significant impact on organizational performance in AkwaIbom State Polytechnic.

Simple regression Analysis was used to analysis the data in order to determine the relationship between the variables using Statistical Package Social Science (SPSS version 21).

Table 4.2.4 **Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.822[a]	.675	.674	.55520

a. Predictors: (Constant), Code_of_Ethi.

Table 4.2.5 **ANOVA[a]**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	49.445	1	49.445	62.587	.000[b]
	Residual	50.576	42	.790		
	Total	100.021	43			

a. Dependent Variable: Organ_Perf..

b. Predictors: (Constant), Code_of_Ethi.

Table 4.2.6 **Coefficients[a]**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.570	.089		6.430	.000
	Code_of_Ethi	.766	. 021	.822	12.827	.000

a. Dependent Variable: Organ_Perf.

From the result in Table above, R-square of the regression analysis is .675. This finding suggests that 67.5 % of the variance in organizational performance is explained by code of ethics variables. The analysis of variance (ANOVA) confirmed the existence of a positive significant impact and the study found that the regression model is best fit for predicting the relationship between code of ethics and organizational performance [$F = 62.587$, $t = 12.827$and $p<0.05$]. Given this result, the null hypothesis is rejected. Therefore, code of ethics has a significant impact on organizational performance in Akwa Ibom State Polytechnic. Similarly, the study revealed that every unit change in code of ethics would cause a variance of 82.2% in customer satisfaction (Beta= .822, p=0.000).

4.4 Discussion of Findings

From the findings and analyses above, the results are hereby discussed based on the objectives of the study:

The first objective was to examine board independence and its impact on organizational performance in Akwa Ibom State Polytechnic. The result of the study shows that there is a positive and strong significant relationship between the variables under study with correction (r) =.877. This implies that the presence of the executive directors in the day to day activities of this organization largely contributes to the financial performance of Akwa Ibom State Polytechnic, that board independence was an essential component that influences the pubic image of Akwa Ibom State Polytechnic. This result is in support of Michelberger (2014) that independence of director, is intuitively encouraging because a director with ties to a firm or its CEO would find it more difficult to turn down an excessive pay package, challenge the reason behind a proposed merger or bring to bear the skepticism necessary for effective monitoring. The proponents of agency theory say that corporate governance should lead to higher stock prices or better long-term performance, because managers are better supervised and agency costs are decreased.

The second objective was to examine code of ethics and its impact on organizational performance in Akwa Ibom State Polytechnic. The result of the study shows that there is a positive and strong significant relationship between the variables under study with correction (r) =.822. This implies that code of ethics achieves the greatest net benefits to the society and enriches the capability of the system in which it functions, that Akwa Ibom State Polytechnic engaged in ethical principles in order to improve their standard as well as the level of acceptance by the society. This result is in support of Hondeghem (2018) that in the complex world of public administration, norms and values rarely provide clear-out answers to difficult problems. Ethics should be thought of as helping to frame relevant questions about what government ought to be doing and how public administration ought to go about achieving those purposes. The result is also in support of Esterhuyse (2019) that the moral-ethical culture which prevails on the public sector is dependent on the values of society. A society which does not, or is not allowed to express moral protest in public can cause political office-bearers to have a low sense of responsibility and integrity. Consequently, the possibility of corruption and maladministration is increased.

The third objective was to examine board size and its impact on organizational performance in Akwa Ibom State Polytechnic. The result of the study shows that there is a positive and strong significant relationship between the variables under study with correction (r) =.877. This implies that having a larger number of board size can tremendously enhance Akwa Ibom State Polytechnic performance, that the cost of coordination and processing problems is experienced in the board size of Akwa Ibom Polytechnic. This result is in support of Cheng (2007) that Board size plays an important role in affecting the shareholders‟ value in developing and developed financial markets. The board can discipline the management of a firm, reducing the agency cost in the market. The result is also in support of Rashid and Islam (2008) that the optimal board size and an appropriate combination of inside and outside directors leads to the implementation of checks and balances on the management of a firm.

5.1 Conclusion

The major findings of this study are as follows:

i. Board independence has a significant impact on organizational performance in Akwa Ibom State Polytechnic.
ii. Code of ethics has a significant impact on organizational performance in Akwa Ibom State Polytechnic.

5.3 Recommendations

In line with the empirical findings of this study, the following recommendations were made:

i. Board meeting of Akwa Ibom State Polytechnic should be held more frequent for the purpose of influencing organizational performance positively from the critical issues discussed in the meeting.
ii. In accordance with the code of corporate governance in Nigeria, the number of non-executive directors should be more the executive directors in the board composition of Akwa Ibom State Polytechnic.

5.4Suggestions for Further Studies

This study covered some aspects of corporate governance and organizational performance in terms of variables and sector. However, areas that were not covered in this study were suggested for further studies:

i. Corporate governance and organizational performance of listed conglomerate companies in Nigeria should be investigated by including other variables of corporate governance such as audit committee meeting, board gender diversity, among others.
ii. Corporate governance and organizational performance of quoted manufacturing companies in Nigeria should be studied with the same variables of this study both dependent and independent factors.
iii. Corporate governance and earnings quality of listed conglomerate companies in Nigeria should be studied by other researchers.

REFERENCES

Abidin, A.F.Z., Hashim, H.A., and Ariff, A.M. (2017). Ethical commitments and financial performance: Evidence from publicly listed companies in Malaysia. *Asian Academy of Management Journal*, 22(2), 53–95

Adebayo, O. Olusola, F Abiodun, O (2013). Relationship Between Corporate Governance And Organizational Performance: Nigerian Listed Organizations Experience. *International Journal of Business and Management Invention* 3(4).

Adepoju, B.A (2020). The Nexus between Corporate Governance and Human Resources Management Practices, Nigerian Academy of Management journal, 4(2): 48-56.

Agbim K.C (2018) Effect of ethical leadership on corporate governance, performance and social responsibility: a study of selected deposit money banks in Benue state, Nigeria, *international journal of community development*, 2 (5) 23-33.

Agbonifoh, B.A (2020) Human Management and Corporate Governance: The Quest for Best Practices in Nigeria. Nigerian Academy of Management 4(2).37-47.

Akpeiyi, J. J (1996). Total Quality Management: A tool for Organizational Excellence, Management in Nigeria. January –march: 5-15.

Anam, B. E. (2011). *The Framework of Public Administration*. Calabar: Kingsview Publishers.

Anyim, F.C , Ufodiama, N.M & Olusanya, O.A (2018) Ethics in Nigeria public sector: the HR practitioners' perspectives, *European Journal of Business and Social Sciences*, 2, (8), 132-143

Assaed A,B., Azlan N. B. & Muhammad A. (2016) Impact of ethical leadership on organizational performance and mediating role of corporate social responsibility: evidence from banking sector of Pakistan. *International Journal of Management Sciences and Business Research* 5 (6) 25.

Ayandele, A. I and Isichei, E (2013) Corporate governance practices and challenges in Nigeria. *European Journal of Business and Management* 5(4); 56 – 62.

Ayandele, I.A and Isichei, E. (2018).Corporate Governance Parctices and Challenges in Nigeria. European Journal of Business and Management. 5(4); 44 – 50.

Badza, P., Bhebhe, T., and Kizito, D (2020) evaluated the effects of corporate governance practices on employee performance and job satisfaction, by examining Small and Medium Enterprises (SMEs) in Harare Metropolitan Province. *IOSR Journal of Economics and Finance (IOSR-JEF)* 11(3); 54 – 65.

Bhimani, A (2022). Making Corporate Governance Count: The Fusion of Ethics and Economics Rationality. Journal of Management and Governance, 12(2): 135-147.

Choi, J. J., Park, S. W. and Yoo, S. S. (2019). The value of outside directors: Evidence from corporate governance reform in Korea. Journal of Financial and Quantitative Analysis 42(4) 941.

Cole, G. A. (2019). *Management Theory and Practice* (5th ed.) London: Martins. The Printes Ltd.

Ebitu, E and Beredugo, S (2015). Business Ethics and the Performance of Service Firms In Calabar, Cross River State, Nigeria. European Journal of Hospitality and Tourism Research 3(2), 28-38.

Elebute, K. (2020) Corporate Governance: Reporting and Shareholder value. Business Management Journal. 3(1): 8-19.

Esterhuyse, W. P. (2019). The Nature and Role of Morality: Speech during the Second Winelands Conference, University of Stellenbosch, 28-29 September.

Ezinwa and Ezeanolue (2021Business Ethics And Organizational Performance In Manufacturing Firms In South-East, Nigeria. *International Journal of Business & Law Research* 9(3):1-14

Gambo, E., Bello, A and Rimamshung, S (2018). The effect of board size, board composition and board Meetings on the financial performance of listed consumer goods in Nigeria. *International Business Research*; 11(6); 72 – 79.

Goel and Sharma (2017) Effect of board size on firm's performance: evidences from India. *International Journal of Applied Business and Economic Research* 4(3). 89 – 99.

Guy, M. E. (2021). Ethical Decision Making in Everyday Work Situations. New York: Quorum Books.

Gwala, R. S., &Mashau, P. (2022). Corporate governance and its impact on organisational performance in the Fourth Industrial Revolution: A systematic literature review. *Corporate Governance and Organizational Behavior Review*, 6(1), 98–114.

Hondeghem, A. (2018). *Ethics and Accountability in a Context of Governance and New Public Management*. Amsterdam: IOS Press. Guidelines/generalprocurement_guidelines. June 2002).

ICAN (2019).Financial Reporting and Ethics. Lagos, Nigeria: VI Publishers.

Kajola S.O (2018). Corporate governance and firm performance. The case of Nigerian listed firms. European journal of economics finance and administrative sciences.14.16-22.

Kiew-Heong, Y. (2019). Corporate Governance Mechanisms: Evidence From Small- and Medium-Sized Enterprises (SMEs). *Journal of Modern Accounting and Auditing*, 11(7), 353-362.

Krajewski, L. and Ritzman, L. (2002). Operations Management Strategy and Analysis (6th ed.). New Jersey Pearson Education, Inc.

Kwakwa, V. and Nzekwu, G. (2018). International Best Practices on Corporate Governance in Alo, O. (2005), Issues in Corporate Governance. Lagos: FinadServea Institutions Training Centre: 18-39.

Mak, Y. and Kusnadi, Y. (2021), Size Really Matters: Further Evidence on the Negative Relationship between Board Size and Firm Value. Pacific *Basin Finance Journal.* 13(3): 301-318.

Maune, A. (2020). Corporate Governance In Zimbabwe: An Overview Of Its Current State . Asian Economic and Financial Review, 5(1), 167-178.

Mudashiru, A, Bakare, I and Babatunde, Y (2017) examined good corporate governance and organisational performance: An Empirical Analysis. *International Journal of Humanities and Social Science* 1(7); 55 – 67.

Muhammad S. M., Mustabsar A., Ahmad T., Umer H. Q. (2016) Impact of ethical leadership on employees' performance: moderating role of organizational values, *International Review of Management and Marketing,* 6(3), 590-595.

Nwachukwu (2021). Understanding Share Registration in Nigeria. A contemporary issue and Management. Lagos: America Ltd.

Okafor, C. A. (2019) Corporate Governance, in Agonifoh, B.A (2010). Introduction to Business: a functional view Benin City: Mindex publishing co. Ltd. (429-456).

Oludele, O., Oloko, M and Olweny, O (2020). The relationship between board independence and the financial performance of listed manufacturing companies in Nigeria. *European Journal of Business, Economics and Accountancy.* 3(1) 67 – 81.

Oyejide, T. A and A. soyibo (2021). Practices and Standard of Corporate Governance in Nigeria. DPC Research. 26(33)

Tulung, J. E., & Ramdani, D. (2018). Independence, size and performance of the board: An emerging market research. Corporate Ownership & Control, 15(2-1), 201-208.

Turyakira, P.K., (2018). 'Ethical practices of small and medium-sized enterprises in developing countries: Literature analysis', *South Nigerian Journal of Economic and Management Sciences* 21(1), 67-79.

Uadiale, M. (2020), examined the impact of board structure on corporate financial performance in Nigeria. *International Journal of Business and Management)* 5(10); 44 – 51

Waseen. M.A, Saleh T.A and Fares J.A (2019). The effect of corporate governance on the performance of Jordanian industrial companies. An empirical study on Amman Stock Exchange. International journal of humanities and social science.1(4), 67.

Young, B. (2022). Corporate Governance: is there a relationship? Entrepreneur. Com, University of Western Ontario

Zong-Jun, W. and Xiao-Lan, D. (2022).Corporate governance and financial distress. Chinese Economy, 39(5), 5-27.

Zuva, J. (2018) Corporate Governance and Organisational Performance. *International Journal of Business and Management Studies* 10(1),