IMPACT OF INSTITUTIONAL CHARACTERISTICS OF CORPORATE GOVERNANCE ON CORPORATE GOVERNANCE SYSTEM IN SUB-SAHARAN AFRICA ANGLOPHONE COUNTRIES (SSAA).

Dr. Adeoye Amuda Afolabi*
National Universities Commission
26 Aguyi Ironsi Street, PMB 237 Garki GPO Maitama
Abuja Nigeria

ABSTRACT: *This paper assesses the impact of institutional characteristics of corporate governance on corporate system of firms using survey questionnaire based on international corporate governance norms. Data were collected from listed firms in Ghana, Nigeria and South Africa. The conclusions are follows: (1) In Ghanaian and South African firms show that regulatory framework and enforcement of corporate governance have a positive significant impact on corporate governance system. However, in Nigerian firms' regulatory framework has a negative significant relationship with corporate governance system. This result suggests that in Ghanaian and South African firms' regulatory frameworks and enforcement may be stronger than that in Nigerian firms. (2) In Nigerian firms, there are violations of minority shareholders right. (3) Ownership concentration is significant with corporate governance system in the region. This indicates that ownership concentration is prevalent in firms of Sub-Saharan African Anglophone countries. We recommend that there should be prudent monitoring of corporate governance rules and enforcement.*

KEYWORDS: corporate governance, institutional characteristics and OLS regression

Background of Study

The issue of corporate governance continues to receive a high level of attention as a result of a series of corporate scandals that occurred in different parts of the world in the early part of this decade such as Adelphia, Enron, World com and XL holiday. Consequently, this has shaken investors' faith in the capital market and the efficiency of corporate governance practices in promoting transparency and accountability. Since then, governments around the world have undertaken various measures to strengthen their regulatory framework in order to restore investors' confidence and enhance corporate transparency and accountability (Sarbanes-Oxley Act 2002, World bank 2002, OECD 1999).

In developed countries authors such as Cadbury (1992) UK, Morck and Nakamu (1999) Japan, Georgen, et.al (2008) Germany, and Tam (2000) China have carried out various studies on corporate governance. The studies mention above have emphasised the importance of corporate governance but it is still unclear how these findings relate to sub-Saharan Africa. The differentiations may be as a result of corporate attitude, and enforcement of corporate governance policy in Sub-Saharan Africa Anglophone countries. This study used a survey questionnaire with questions based on international corporate governance norms from Okpara (2010), Burton et al. (2009) and literature from corporate governance.

This study therefore used empirical evidence to identify views about the importance of each component of corporate governance practice of listed firms in the sub-region. The research question that this study addresses includes the identification of the components that are important for good corporate governance of listed firms in the sub-region. This is because

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despite the issue of code of corporate governance practices by regulatory bodies of each country in the region, there have been a scandal among the board of directors and collapse of firms such as Cadbury Plc in Nigeria.

Furthermore, in the banking industries in Ghana and Nigeria in recent times, the Bank of Ghana and Central Bank of Nigeria (CBN) sacked some board of directors of banks as a result of gross insider abuse, mismanagement of funds and this led to consolidation, merger and acquisition of these banks (SEC,2011). Thus, the purpose of this paper is to fill this gap as much as possible by identifying the impact of institutional characteristics (such as regulatory framework, enforcement, disclosure and transparency, shareholders rights and ownership concentration) of corporate governance on corporate governance system.

The scope of this study covers listed firms in Ghana, Nigeria and South Africa. These countries are English speaking countries and their selection is based on a regional approach, which gives a wider scope. In addition, these countries have growing and strong economies with large markets. For instance, Ghana with the fastest growing economy in the sub-region after the discovery of crude oil, South Africa which is the strongest economy in the sub-region and Nigeria having a huge population and large markets, blessed with abundant natural resources such as crude oil and land fertile for agriculture.

The findings from this study make a contribution to the literature that enforcement, disclosure and transparency are likely to improve corporate governance system in all the countries together. In addition, there is a positive significant relationship between the regulatory framework and enforcement of corporate governance in each country such as Ghana and South Africa.

Another contribution of this study is that in Nigerian firms, regulatory framework has a significant negative effect on corporate governance system. This finding seems to be due to a lack of proper implementation of regulatory framework of corporate governance by the institutional bodies such as Securities Exchange Commission (SEC), Central Bank of Nigeria (CBN) and National Insurance Commission (NAICOM). Moreover, lack of proper implementation may possibly be as a result of corruption among the officials of institutional bodies. Furthermore, there are laws in the books and laws in practice, however in Nigeria there are laws in the book for regulatory framework and enforcement policy of corporate governance but there are no laws in practice to execute those rules and regulation and enforcement of corporate governance practices. The institutional bodies and corporate governance system may look good on papers but when they are compromised with corruption, lack of implementation and incompetence the result is likely weak corporate governance practices among firms in Nigeria.

We find that in Nigerian and Ghanaian firms' larger concentration of ownership and preferential treatment to large shareholders may have influence on rules and laws of corporate governance practices. The implication is that ownership concentration is prevalent in Sub-Saharan African Anglophone firms. The rest of this paper are section two which is the literature review, section three methodology, section four is illustrate as finding of the study, section five and six show the conclusion and recommendation of the study.

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LITERATURE REVIEW

The level of legal protection of investors in any country is an important factor in determining the development of the financial market of company in that country. The systematic differences in structure of law and enforcement among various countries in area of historical trend of their laws, level of corruption, and the quality of their enforcement will surely determine the difference in financial development. As a result, these are the findings of authors toward the study of legal protection and enforcement in corporate governance of different countries.

La Port. et.al (1998, 2008) posited that countries which their legal systems have origin in common law are more substantial shareholder protection than civil-law system. Also the authors claimed that greater shareholder protection increase the level of stock market development. In addition, Armour et.al (2009) revealed the same finding that common law system exhibits a higher level of shareholder protection than civil-law system. La Porta et al. (1998) examined the legal rules covering protection of corporate shareholders and creditors.

OECD (2004) explained the important of legal regulatory, supervisory, and enforcement agencies so that corporate governance framework will be effective in a firm. The organisation revealed that corporate governance framework should enhance transparency, consistent with rule of law, and there should be division of responsibility for supervisory regulator and enforcement agency in each country in which the firm operate. Each of the country must make sure that there is no conflict between the codes. The principles also suggest that supervisory, regulatory and enforcement authorities must have the power, integrity, and resources needed to carry out their duties in a professional and objectives manner. However the rulings of these authorities should always be at appropriate time, transparent, and should be explain clearly.

In addition, ECA (2002) explained that separating the government's policy making and regulatory roles through establishing independent regulatory mechanisms and increase the development of regulatory expert can enhance the stability in the regulatory environment. Also Rossouw (2005) posited that lack of an effective legal and regulatory framework hinder good corporate governance, this prevent firms from listing because they are under highly scrutiny and they need to increase their level of disclosure. However, the author further explained that a legal framework is compulsory so that it can offer sufficient incentives for firms to become more transparent.

OECD (2004) explained that corporate governance framework should ensure that timely and accurate disclosure is made on all material matters pertaining to the company. This includes the financial situation, performance, ownership, merger and acquisition and governance of the company.

Moreover, OECD (2004) specified the following as the basic shareholder rights. This include the right to secure method of ownership registration, convey or transfer share, obtained relevant and material information on the corporation on a timely and regular basis. The organisational also revealed that corporate governance should ensure equitable treatment of all shareholders. Shleifer and Vishny (1997) posited that ownership concentration is link with

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legal protection as one of the main element for determinant of corporate governance. Thus, ownership concentration can be viewed as a governance mechanism.

METHODOLOGY OF THE STUDY

This section describes the data instrument and source of the instrument, and explains the pilot study. Also focuses on the data collected by a survey questionnaire from the stakeholders of corporate governance of listed firms in Ghana, Nigeria and South Africa.

The source of data instrument

The instruments used to collect the data for this study was a survey questionnaire derived firstly, from Organisation for Economic Co-operation and Development principles of corporate governance in the 2004 OECD which has been assessment instrument for Okpara (2010), also from Burton et.al (2009). Secondly, from various corporate governance literatures, and in order to make sure that the data instrument is not subjective. This study modified the data assessment instrument so that it is tailored toward codes of best practices of corporate governance in Nigeria and guidelines of corporate governance practice in Ghana. Also, the King I, II, III Report of corporate governance in South Africa was considered in the data instrument. As a result, the institutional frameworks for corporate governance for Ghana, Nigeria and South Africa are all formulated from OECD principles of corporate governance. The above countries received their independence from Britain and the companies' laws are derived from British common law. Consequently, the rules, laws and legal systems for each of these countries are considered in the data assessment instrument.

The reason for using questionnaire is that there is lack of information on corporate governance variables in developing region such as Africa. The finding of this study could reveal the reality of the situation in those countries selected (Ghana, Nigeria and South Africa). The limitation of using questionnaire method is that the finding from the respondents is an opinion about what is happening on the issues of corporate governance of firms in Sub-Saharan Africa Anglophone countries. Also the respondents may not be questioned or probed. In addition, there is a level of researcher imposition, this implies that when developing the data instrument (survey questionnaire), we may be making our own assumption as to what is important and not important. Thus the researcher may be missing something that is of important.
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These statements or items above (items) are based on a liker scale of five-point (1=strongly disagree to 5= strongly agreed.). The reason for using this scale is to measure intensity of feeling about the area in question. The justification of choice five liker scales is based on Bryman (2007) who posited that five liker scales is important because it enables the respondents to express their level of agreement with the statement in the question effectively.
In addition, five point liker scale format provides five response alternatives which give more flexibility and also provides a measure of intensity, extremity and direction. To allow all the items or variables to be in one direction the negatively worded item are re-worded such that if is equal= 1 it is now 5, 2 now 4, 3 is still 3, 4 now 2 and 5 is 1. The items or statements in these sections are not in the same direction because there is need for the respondents to think very well before they tick the option in the survey questionnaire and this will not allow them thick those questions in one way. This happened under regulatory framework in section C,

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shareholders rights in section F and section G which consist items for the role and responsibility of firm's boards of directors in the survey questionnaire.

Pilot study

Generally in a quantitative research study such as survey questionnaire, prior to the time of using this survey questionnaire to collect the data there is a need to conduct a pilot study. In addition, Saunders et.al (2012) revealed that prior to using a questionnaire to collect data, it should be piloted tested. Firstly, the purpose of the pilot test is to refine the questionnaire so that respondents will have no problem in answering the questions. Secondly, to ensure that there is no problems in recording the data and to obtain some assessment of the questions' validity and reliability of the data that will be collected so that the research question will be answered. Through pilot study validity and reliability can be measured in order to make sure that the survey questionnaire actually represents the reality what the study is to measure. In making sure the scale of the study is reliable we checked the reliability of the scale by checking the internal consistency through Cronbach's alpha coefficient and the result indicated 0.80 Cronbach's alpha coefficient. Ideally, Pallant (2010) explained that Cronbach's alpha coefficient of a scale should be above 0.7 .

Thirdly, there is need for pilot study because it is a form of trial run for the survey questionnaire so that we can determine whether the questionnaire will be successful after collection from the respondents. Besides this, during the pilot study we are able to identify the time of completion of the survey questionnaire. This also includes the clarity of the instructions for the survey questionnaire (if there are any questions that are unclear or ambiguous). In addition, to identify the questions that are not easy to answer by respondents, the lay out and how attractive the questionnaire to the respondents.

At the end of the pilot study alteration were made to the questions including adjustment to layout. The survey questionnaire works best with standardised questions that one can be confident with and interpret in the same way by all the respondents. As a result, the survey questionnaire tends to be used for descriptive or explanatory research such as opinion on issues in organisation and organisational practices. Against this background, a pilot study was carried out for the stakeholders of corporate governance who are legislators, regulators, academician, individual investors, institutional investors, accountants/auditors, executive directors and non-executive.

Data Sources

A survey questionnaire was administered through a stratified random sampling to respondents which comprise the following; legislators, regulators, academician, individual investors, institutional investors, accountants/auditors, executive directors, non-executive directors, company executives (CEO) company employees, judiciary/legal and other such as students.

In Ghana out of 200 survey questionnaire administered to the respondents, 150 were received which indicates 75 percent response rate. There are thirty-four listed firms on the Ghana Stock Exchange (GSE). As a result, the respondents from this study are from more than twenty listed firms which include banking, mining, food and beverages, breweries, conglomerates, insurance, chemical and paints, textiles, agriculture, and petroleum (marketing). When I was in Ghana apart from visiting some listed firms, regulatory agencies

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offices, l also visited secretariat of the Institute of Director (IoD) in Accra and they assisted me in filling the survey questionnaire.

In the case of Nigeria, 400 survey questionnaires was administered to the categories of respondents and 320 was received, representing 80 percent response rate. In Nigeria, there are 206 listed companies on Nigeria stock Exchange (NSE). The respondents from this study are up to 100 listed firms. I was able to attend 20 Annual General Meeting (AGM) of listed firms; including an AGM of shareholders in Lagos and Abuja. This gave me the opportunity to distribute the survey questionnaire.

In South Africa 100 survey questionnaire were administered to the respondents and 71 was received back, this representing 71 per cent response rate. The survey questionnaires were sent and received back by e-mail. Some were sending and received back through postage. In addition, the South Africa embassy in Nigeria assisted in sending and receiving some of the survey questionnaires. The respondents for South Africa covered investors, academician, legal/judiciary, accountants/auditors, board of directors and company employees for some of the financial and non-financial listed firms. Some of the regulatory and supervisory agencies were also covered.

The data instrument for this study (survey questionnaire) was administered to firms in South Africa. The firms were in the banking industry, the mining industry such as diamond and platinum industry and some other manufacturing companies. The researcher ensured that each of the survey questionnaires reached the top mining industries and financial sectors because; the South Africa economy is based on mining, finance house and financial sectors.

The Sample of the study

The study uses a stratified random sampling method to collect the data from twelve categories of respondents who were stakeholders of corporate governance in the SSAA region. The instruments used are from modified version of the Organisation for Economic Co-operation and Development (OECD, 2004) Okpara (2010), Burton et.al (2009) and corporate governance literatures. The data consist of 541 returned out of 700 survey questionnaire administered to the respondents, this give a response rate of 77.29 per cent. Out of the total of 541 respondents 150 respondents were from Ghana, 320 from Nigeria, and 71 respondents from South Africa.

The dependent variable

The variables are rules and law systems, agencies power, legal system and organised agencies structure. The total corporate governance system (**Total_cs)** is the addition of statements under this section is proxies as dependent variable.

Therefore the Total corporate system is proxy as dependence variables can be expressed as:

Total_ Cs= Rules_Law + Agencie_Power + Legal_system+ Agencies_ Organise

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Table 1: Definition of the variables for section B: Corporate governance system

Variable	Statements
Rules and Laws (Rules_cs8)	There are adequate laws and rules that promote the practice of good corporate governance of firms in my country.
Agencies power (Agencies_cs9)	The supervisory, regulatory and enforcement agencies have power, resources and authority to enforce compliance with laws and regulations and guideline on corporate governance
Legal system) (Legal_cs10)	A good legal system in my country of operation helps to improve the corporate governance of firm
Agencies-orgnise (Organise_Cs11)	A well organised legislature and sound regulatory and supervisory agencies in place promote good corporate governance
Total corporate governance system (Total_csQ8-11)	This addition of all variables for corporate governance system of firms under section B of the survey questionnaire.

The Independent variables

The independent variables are the addition of all the sub-variables in each section from C to G this includes the following below:

Trfw_(Q12-16) is denoted as the Total variable for regulatory framework which is the addition of statements (12 to 16 sub-variables) under the regulatory framework in section C of the survey questionnaire.

Tenfm_ (Q17-19) is proxy as Total enforcement variable which is the addition of statements (17 to 19 sub-variables) under enforcement of corporate governance in section D of the survey questionnaire.

Tdis_(Q20-23) indicated as the Total disclosure variable, this is the addition of all variables from statements (20 to 23 sub-variables) which is under section E of the survey questionnaire.

Tshrt_(Q24-27) is denoted as Total shareholders' right variable which is the addition of all the sub-variables from statements (24 to 27) under section F of the survey questionnaire.

Towc_(Q28-30) is represented as Total ownership concentration variables and is the addition of all sub-variables from statements (28 to 30) under section G of the survey questionnaire.

Other control variables which is the country dummies indicating if the respondents are from Ghana (**G**), Nigeria (**N**) and the reference category being South Africa. In addition, if the respondents are regulators. Finally, μ_i is the random error term which is independently and identically distributed.

The model for the analysis of institutional characteristics on corporate governance system

This equation (1) below examines the contribution which each aspect of corporate governance (Such as regulatory framework, enforcement, disclosure and transparency, shareholders rights and level of ownership concentration) makes to the corporate governance system. Thus for i-th respondent total corporate governance system of firm (Total_Q8-11) can be determined as follows:

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1. $Total\_(Q8\text{-}11) = \beta_0 + \beta_1(Trfw\_Q12\text{-}16) + \beta_2(Tenfm\_Q17\text{-}19) + \beta_3(Tdis\_Q20\text{-}23) + \beta_4(Tshrt\_Q24\text{-}27) + \beta_5(Towc\_Q28\text{-}30) + \beta_6(G) + \beta_7(N) + \mu_i$

This equations (2-6) below examines the contribution of each sub-variable under (regulatory framework, enforcement, disclosure and transparency, shareholder rights and ownership concentration) makes to the rules and laws of corporate governance practice.

Thus for i-th respondent rules and law guiding corporate governance of firm (Rules_Q8) can be determined as follows for sub-variables under regulatory framework, enforcement, disclosure and transparency, shareholders rights and ownership concentration as it is indicated from the equation 2-6 below:

1. $Rules\_Q8 = \beta_0 + \beta_1(Stk\_Mkt12) + \beta_2(Dis\_Com15) + \beta_3(Ind\_Bod16)\ \beta_4(G) + \beta_5(N) + \mu_i$ =Regulatory framework

2. $Rules\_Q8 = \beta_0 + \beta_1(Non\_compl17) + \beta_2(Invtr\_Prot18) + \beta_3(Mino\_Shdt19)\ \beta_4(G) + \beta_5(N) + \mu_i$ =Enforcement

3. $Rules\_Q8 = \beta_0 + \beta_1(Insd\_Trad20) + \beta_2(Inform\_Accf21) + \beta_3(Aud\_Indpend22) + \beta_4(MA\_23) + \beta_5(G) + \beta_6(N) + \mu_i$ =Dis

4. $Rule\_Q8 = \beta_0 + \beta_1(Shd\_rigt24) + \beta_2(Shd\_Violt25) + \beta_3(Shd\_Allg27) + \beta_4(G) + \beta_5(N) + \mu_i$ =Shd. Rights

5. $Rules\_Q8 = \beta_0 + \beta_1(Larg\_Con29) + \beta_2(Pref\_Treat30) + \beta_3(G) + \beta_4(N) + \mu_i$ = Ownership Concentration

The descriptive statistics on institutional characteristics of corporate governance variables

This section presents the descriptive statistics (mean, and T-test) for corporate governance variables based on average per question for each section (group) in the survey questionnaire. The Table below illustrate the result of the descriptive statistics.

Table 2: Showing descriptive statistic of corporate governance variables based on average per question for each group in the survey questionnaire

Firms in Sub-Saharan Africa Anglophone region				
Variables	Code	Mean	T-test	N
Regulatory framework	Trfw_(Q12-16)	2.53*	-10.51	541
Enforcement	Tenfm_(Q17-19)	2.64*	-10.60	541
Disclosure and Transparency	Tdis_(Q20-23)	2.48*	-12.47	541
Shareholder rights	Tshrt_(Q24-27)	3.34*	6.54	541
Ownership concentration	Towc_Q28-30)	4.28*	49.62	541
Corporate governance system	TCg_(Q8-11)	3.57*	21.04	541
Ghanaian firms				
Regulatory framework	Trfw_C	3.02	0.37	150
Enforcement	Tenfm_D	2.06*	11.75	150

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Disclosure and Transparency	**Tdis_E**	**2.54***	**-6.26**	**150**
Shareholder rights	**Tshrt_F**	**3.17***	**2.74**	**150**
Ownership concentration	**Towc_G**	**4.25***	**22.85**	**150**
Corporate governance system	**TCg_styB**	**3.18***	**4.50**	**150**
Nigerian firms				
Regulatory framework	**Trfw_C**	**1.99***	**-24.42**	**320**
Enforcement	**Tenfm_D**	**2.22***	**-15.00**	**320**
Disclosure and Transparency	**Tdis_E**	**2.15***	**-19.44**	**320**
Shareholder rights	**Tshrt_F**	**2.40***	**-19.88**	**320**
Ownership concentration	**Towc_G**	**4.23***	**41.51**	**320**
Corporate governance system	**TCg_styB**	**3.47***	**17.16**	**320**
South African firms				
Regulatory framework	**Trfw_C**	**3.90***	**11.32**	**71**
Enforcement	**Tenfm_D**	**3.52***	**-9.74**	**71**
Disclosure and Transparency	**Tdis_E**	**3.85***	**10.09**	**71**
Shareholder rights	**Tshrt_F**	**3.39***	**8.22**	**71**
Ownership concentration	**Towc_G**	**4.25***	**15.26**	**71**
Corporate governance system	**TCg_styB**	**4.55***	**32.65**	**71**

Note: This table reports the summary descriptive statistic for the variables of the study. The dependent variable is indicated as total corporate governance system which is represented by Total_cg is the addition of all the items or variable under section B of the survey questionnaire. The Independent variables are regulatory framework is shown as total regulatory framework indicated by Trfw_C which is the addition of all items or variables under section C of the survey questionnaire, enforcement is illustrated as total enforcement represented as Tenfm_D which is the addition of all the items or variable under section D of the survey questionnaire, transparency and disclosure is shown as total disclosure and transparency is indicated as Tdis_E which is the addition of all items or variable within section E of the survey questionnaire, Total shareholder rights represented as Tshrt_F is the addition of all items under shareholders rights in section F, and ownership concentration shown as Towc_G is the total items or variable under section G of the survey questionnaire.

*** T-Test Indicate that the response is significantly different from 3 (Undecided) at 5% level of significance (1.96). SD is shown as standard deviation for each variable based on average per question for each group in the survey questionnaire**

***T-Test value is equal to mean value minus 3 over standard deviation divide by square root of the number (μ-3/SD/$\sqrt{n}$)**

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RESULTS OF THE DESCRIPTIVE STATISTIC OF INSTITUTIONAL CHARACTERISTIC OF CORPORATE GOVERNANCE VARIABLES IN SUB-SAHARAN AFRICA ANGLOPHONE COUNTRIES

Table 2 shows the results of descriptive statistic on each country; there is evidence that South Africa firms have the highest mean value of corporate governance system (TCg_(Q8-11) has a mean value of 4.55 with with highest T-test value. This implies that the respondents agreed that there is effective corporate governance system of firm in South Africa. This also suggests that this may likely be as a result of the reforms that took place in South Africa on issue of corporate governance such as the King Reports (1994, 2002) which followed the international standard such as Cadbury report of UK and OECD guideline on corporate governance practices.

Nigeria firms have the lowest mean value for regulatory framework (Trfw_Q12-16) of 1.99 with highest T-test value. This result indicates that the respondents agreed that the rules and regulations for regulatory frameworks are not followed. This implies that although there is code of best practices of corporate governance that is issued by regulatory agencies such as Central Bank of Nigeria (CBN), National Insurance Commission (NICOM), Nigeria Securities Exchange Commission (SEC) and Corporate Affairs Commission (CAC). However, there is lack of implementation of the rules and regulation, the institutional bodies that are established to regulate the firms on corporate governance practice lack competence, and officers responsible for implementation may be corrupt. In Ghanaian firms, the regulatory framework (Tfrw_Q12-16) mean value is 2.97; this is lower than that of South African firms. This result suggest that the regulatory framework of Ghana firms is not as strong as South Africa because there is no major reform on regulatory framework of corporate governance in Ghana in compared with South Africa.

In Nigeria firms' enforcement have lower mean value of 2.22 and that of Ghana firms is 2.06. This implies that respondents disagreed that there is enforcement of corporate governance in firms for these two countries. This may likely be as result of lack of implementations of rules and regulations, weak legal system, corruption, and the institutional bodies to enforced corporate governance are not competent to carry out enforcement of corporate governance. However, in Ghana and Nigeria firms the mean value of disclosure and transparency are 2.54, and 2.15 respectively, this indicates a lower value which mean the respondents disagreed that there is disclosure and transparency in their firm. This may due to non-compliance and lack of implementation of code of best practices of corporate governance.

Moreover, in Nigeria firms the shareholders' rights is the lowest with a mean value of 2.40. The lowest mean value of shareholders rights in Nigeria firm indicate that on average respondents agreed that there no basic shareholders protection in Nigeria. Shareholders have no voice in decision taking within firms this happen as a result of impediment for shareholders to influence decision of the firms. In addition, the descriptive statistic shows that the mean value of ownership concentration for each country such as Ghana firms is 4.25, Nigeria firms 4.23, and South Africa firms, 4.28 This implies that the respondents agreed that there is ownership concentration of firms in all these countries in Sub-Saharan African. This suggests that when there is large concentrated ownership the controlling owner will be unwilling to dilute their ownership, generally known as non-dilution of entrenchment.

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Table 3: Provides the descriptive statistic on corporate governance system of firms in Sub-Saharan Africa Anglophone (SSAA) countries

Variables	Countries	N	Mean	T-stat.
Rules and Laws (Q8)	Ghana	150	2.17*	-9.16
	Nigeria	320	1.70*	-36.34
	South Africa	71	4.46*	21.21
	Sub-region (SSAA	541	2.33*	-13.32
Agencies Power (Q9)	Ghana	150	2.14*	-9.66
	Nigeria	320	3.51*	8.52
	South Africa	71	4.46*	21.21
	Sub-region (SSAA	541	3.26*	4.76
Legal system (Q10)	Ghana	150	4.14*	20.53
	Nigeria	320	4.25*	27.61
	South Africa	71	4.62*	27.86
	Sub-region(SSAA)	541	4.27*	39.39
Agencies- org (Q11)	Ghana	150	4.25*	19.63
	Nigeria	320	4.42*	36.81
	South Africa	71	4.66*	27.43
	Sub-region (SSAA)	541	4.41*	46.85

**T-test indicates that the response is significantly different from 3 (undecided) at 5% level of significance (1.96).*
Test value is equal to mean value minus 3 over standard deviation divide by square root of the number (μ-3/SD/$\sqrt{n}$).

The findings from the above Table indicate that adequate and effective rules and laws that promote corporate governance of firms in Ghana are weak, as a result of low mean value of 1.70 and high T-test of -36.34. The respondents disagreed that there are adequate and effective rules and laws that promote corporate governance practice. This evidence may be due to outdated Company law of 1963, Act 179 which many Ghanaian. Also, the power, resources and authority to enforce compliance with law and regulation and guideline of corporate governance by supervisory, regulatory and enforcement agencies have a mean value of 2.14 and the respondents disagreed with the statement. Although, presently there is

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no Code of best practices of corporate governance in Ghana, there is a guideline for corporate governance practices but respondents believe that there is the need for a code of corporate governance practice.

The results indicate that adequate and effective law to promote corporate governance of firms in Nigeria have a mean 1.70. This suggests that for firms in Nigeria there is Code of corporate governance practices and Companied Allied Matter Decree (CAMAD) 1990. However, there is a lack of proper implementation of CAMAD and Code of best corporate governance of firms. The respondents believe that rules and laws are not promoting sound corporate governance practice.

South African firms show the highest value of mean compared with Ghana and Nigeria. This result may be as a result of the past reforms carried out by South African government on corporate governance practices of firms such as the King Reports of corporate governance (1994, 2002). This Reports followed the international guidelines on corporate governance (norms) such as Cadbury report of UK and OECD guideline on corporate governance practices.

Table 4: presents the descriptive statistic on regulatory frameworks of corporate governance of firms in Sub-Saharan Africa Anglophone (SSAA) countries.

Variables	Countries	N	Mean	T-stat.
Stock market (Q12)	Ghana Nigeria South Africa Sub-region SSAA)	150 320 71 541	2.83* 3.90* 2.11* 3.36*	-1.58 15.78 -8.93 6.54
Auditor appointment (Q13)	Ghana Nigeria South Africa Sub-region (SSAA	150 320 71 541	2.34* 3.85* 2.14* 3.20*	-6.68 14.34 -7.25 3.47
Board nomination (Q14)	Ghana Nigeria South Africa Sub-region(SSAA)	150 320 71 541	3.79* 4.07* 2.07* 3.19*	-8.06 19.9 -8.43 3.30
Disclosure (Q15)	Ghana Nigeria South Africa Sub-region (SSAA)	150 320 71 541	3.90* 4.21* 2.10* 3.72*	8.82 23.53 -8.82 13.62
Independent board (Q16)	Ghana Nigeria South Africa Sub-region (SSAA)	150 320 71 541	2.04* 4.03* 2.23* 3.87*	12.92 21.18 -7.10 16.68

**T-test indicates that the response is significantly different from 3 (undecided) at 5% level of significance (1.96).Test value is equal to mean value minus 3 over standard deviation divide by square root of the number* (*μ-3/SD/√n*).

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From the above Table, the result indicates that in Nigerian firms the T-test and the mean value for all the sub-variables under regulatory framework is very high. This finding suggests that there may be weak regulatory framework in Nigerian firms which is likely the lack of proper implementation for code of best practice on corporate governance. In Ghana and South African firms the mean values are not too high as compared to Nigerian firms.

Table 5: Illustrates the descriptive statistic on enforcement of corporate governance of firms in Sub-Saharan Africa Anglophone (SSAA) countries.

Variables	Countries	N	Mean	T-stat.
Non-compliance (Q17)	Ghana Nigeria South Africa Sub-region (SSAA)	150 320 71 541	1.95* 2.25* 2.21* 3.05	-12.73 -12.90 5.94 0.88
Investor protection (Q18)	Ghana Nigeria South Africa Sub-region (SSAA	150 320 71 541	2.19* 2.23* 4.14* 2.41*	-8.49 12.75 12.98 -11.34
Minority shareholder (Q19)	Ghana Nigeria South Africa Sub-region(SSAA)	150 320 71 541	2.05* 2.20* 4.11* 2.47*	-10.48 -13.01 10.39 -9.78

**T-test indicates that the response is significantly different from 3 (undecided) at 5% level of significance (1.96).Test value is equal to mean value minus 3 over standard deviation divide by square root of the number (μ-3/SD/√n).*

There is evidence from the above Table that respondents disagreed with statements or items of the survey questionnaire on enforcement of corporate governance of firms in Ghanaian and Nigerian firms. This provides very low mean value as compared to South African firms except sub-variable non-compliance (Q17). This suggests that it is likely that enforcement of corporate governance is weak in Ghanaian and Nigerian firms. However, in South African firms the respondents agree that there are adequate investors' protection and mechanisms for investigating the illegal treatment of minority shareholders within firms. This finding implies that although there are reforms of corporate governance in South Africa such as King Report 1, 2 and 3.The issue of sufficient investigation of non-compliance with laws/regulations by enforcement agency need to be address urgently.

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Table 6: Indicates the descriptive statistic on disclosure and transparency of corporate governance for firms in Sub-Saharan Africa Anglophone (SSAA) countries..

Variables	Countries	N	Mean	T-stat.
Insider Trading(Q20)	Ghana	150	2.11*	-8.26
	Nigeria	320	2.07*	-17.51
	South Africa	71	4.17*	13.69
	Sub-region (SSAA)	541	2.35*	-11.10
Information Access (Q21)	Ghana	150	2.13*	-9.27
	Nigeria	320	2.08*	-17.88
	South Africa	71	3.38*	2.67
	Sub-region (SSAA	541	2.27*	-15.16
Auditor Independence (Q22)	Ghana	150	3.73*	6.77
	Nigeria	320	2.34*	-11.35
	South Africa	71	3.92*	8.34
	Sub-region(SSAA)	541	2.93	1.23
Merger and Acquisition (Q23)	Ghana	150	2.17*	-8.33
	Nigeria	320	2.12*	-15.14
	South Africa	71	3.90*	8.82
	Sub-region (SSAA)	541	236*	-12.20

**T-test indicates that the response is significantly different from 3 (undecided) at 5% level of significance (1.96). Test value is equal to mean value minus 3 over standard deviation divide by square root of the number (μ-3/SD/$\sqrt{n}$).*

The finding from the above Table show that the mean value for sub-variables on disclosure and transparency in Ghana and Nigeria is low However, in South African firms the mean value is higher. This implies that the respondents believe that disclosure and transparency in Ghanaian and Nigerian firms are not really sound as compared to South African firms. This may be as a result of lack of implementation of disclosure and transparency in the code of corporate governance best practices for Ghanaian and Nigerian firms.

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Table 7: Showing descriptive statistic on shareholder rights of firms in Sub-Saharan Africa Anglophone (SSAA) countries.

Variables	Countries	N	Mean	T-stat.
Shareholder rights (Q24)	Ghana Nigeria South Africa Sub-region (SSAA)	150 320 71 541	2.79 4.18* 1.89* 3.48*	-1.68 20.49 13.55 7.70
Shareholder violation (Q25)	Ghana Nigeria South Africa Sub-region (SSAA	150 320 71 541	2.73* 4.13* 2.52* 3.51*	-2.30 21.28 -3.68 8.72
Shareholder meeting (Q26)	Ghana Nigeria South Africa Sub-region(SSAA)	150 320 71 541	2.53* 3.71* 2.20* 3.17*	4.17 11.24 -6.74 2.93
Shareholder alignment (Q27)	Ghana Nigeria South Africa Sub-region (SSAA)	150 320 71 541	2.73* 3.66* 2.14* 3.17*	-2.36 10.45 -7.79 2.97

**T-test indicates that the response is significantly different from 3 (undecided) at 5% level of significance (1.96).Test value is equal to mean value minus 3 over standard deviation divide by square root of the number (μ-3/SD/√n).*

Table 7 indicate that in Nigerian firms all the sub-variables under shareholders rights have high of T-test and mean value. However, in Ghanaian and South African firms the T-test and mean value are lower. This indicates that the respondents agree that there is lack of proper implementation of shareholder rights in Nigerian firms.

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Table 8: Present the descriptive statistic on ownership concentration of firms in Sub-Saharan Africa Anglophone (SSAA) countries.

Variables	Countries	N	Mean	T-stat.
Ownership Composition (Q28)	Ghana Nigeria South Africa Sub-region (SSAA)	150 320 71 541	4.35* 4.20* 4.39* 4.37*	24.31 32.52 15.02 47.56
Large Concentration (Q29)	Ghana Nigeria South Africa Sub-region (SSAA	150 320 71 541	4.21* 4.31* 4.21* 4.28*	17.64 29.29 10.73 36.31
Preferential Treatment (Q30)	Ghana Nigeria South Africa Sub-region(SSAA)	150 320 71 541	4.17* 4.20* 4.15* 4.18*	13.65 28.62 9.89 31.55

**T-test indicates that the response is significantly different from 3 (undecided) at 5% level of significance*
(1.96).Test value is equal to mean value minus 3 over standard deviation divide by square root of the number
(μ-3/SD/√n).

In Table 8 there is indication that all the variables under ownership concentration have a higher T-test for Ghanaian and Nigerian firms. While that of South Africa T-test is a bit lower. Generally, in each country the mean value is high. This result implies that for firms in Ghana, Nigeria and South Africa, there are a variety composition of ownership, preferential treatment of large shareholders and concentration of ownership.

Results of the correlation analysis of the institutional characteristics of corporate governance of firms

We present the correlation analysis of corporate governance variables of firms when for all the observation for the countries, and at country level for each country such as Ghana, Nigeria and South Africa.

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Table 9: Correlation analysis on variables of institutional characteristic of corporate governance of firms in SSAA region.

Variables	Code	corp gov. systm. (1).	Regulatory Framework (2)	Enforcement (3)	Disc. & Trpy (4)	Shd. Rght (5)	Ownership Concentration (6)
1 Corporate gov. Sytm	TCg(Q8-11)	1					
2.Regulatory framework	Trfw(Q12-16)	0.24**	1				
3.Enforcement	Tenfm(Q17-19)	0.46**	0.19**	1			
4.Disclosure and Transp.	Tdis(Q20-23)	0.38**	0.68**	0.44**	1		
5.Shareholders' rights	Tshrt(Q24-27)	0.14*	0.63**	0.20**	0.56**	1	
6. Ownership concentration	Towc(Q28-30)	-0.02	-0.27**	-0.26**	-0.34**	-0.32**	1

**Note: ****Correlation is significant at the 0.01 level
*Correlation is significant at the 0.05 level

Results of correlation analysis on institutional characteristic of corporate governance of firms in Sub-Saharan African Anglophone region.

This study provides empirical evidences using correlation analysis to show the effect of challenges of corporate governance on corporate governance system of firms in Sub-Saharan Africa Anglophone region.

Table 9 provides Pearson correlation coefficient result shows that regulatory framework has a significant positive correlation of 0.24 with corporate governance system. This result supports the hypothesis that stated that there is a relationship between regulatory framework and corporate governance system.In addition, enforcement has positive significant correlation of 0.46 and disclosure and transparency has positive significant correlation of 0.38 with corporate governance system. This result is consistent with hypothesis that there is a relationship between enforcement, disclosure and transparency and corporate governance system, shareholders' rights have a positive significant correlation of 0.14 with corporate governance system. This also supports the hypothesis that there is a relationship between shareholders rights and corporate governance system.

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Table 10: Correlation analysis on variables of institutional characteristic of corporate governance in Ghanaian firms.

Variables	Code	corp gov. systm. (1)	Regulatory Framework (2)	Enforcement (3)	Disc. & Trpy (4)	Shd. Rght (5)	Ownsh Con. (6)
1 Corporate gov. Sytm	TCg(Q8-11)	1					
2.Regulatory framework	Trfw(Q12-16)	0.52**	1				
3.Enforcement	Tenfm(Q17-19)	0.64**	0.50**	1			
4.Disclosure and Transp.	Tdis(Q20-23)	0.54**	0.53**	059**	1		
5.Shareholders' rights	Tshrt(Q24-27)	0.23**	0.23**	0.34**	0.26**	1	
6. Ownership concentration	Towc(Q28-30)	-0.42**	-0.41**	-0.65**	-0.52**	-0.22**	1

**Note: ****Correlation is significant at the 0.01 level

Results of correlation analysis on institutional characteristic of corporate governance of firms in Ghana.

In Table 10 illustrates the significant correlation of firm at each country, in Ghana firms there is evidence that regulatory framework has a positive significant correlation of 0.52, shareholders rights 0.23, enforcement has a positive significant correlation of 0.64 and disclosure also has positive significant correlation of 0.54 with corporate governance system. However, ownership concentration has a negative significant correlation of -0.42 with corporate governance system. These results are consistent with the hypothesis of the study respectively.

Table 11: Correlation analysis on variables of institutional characteristic of corporate governance in Nigeria firms.

Variables	Code	corp.gov. systm(1)	Regulatory Framework (2)	Enforcement (3)	Disc. & Trpy (4)	Shd. Rght (5)	Ownsh Con. (6)
1 Corporate gov. Sytm	TCg(Q8-11)	1					
2.Regulatory framework	Trfw(Q12-16)	-0.16**	1				
3.Enforcement	Tenfm(Q17-19)	-0.09	0.44**	1			
4.Disclosure and Transp.	Tdis(Q20-23)	-0.07	0.56**	0.58**	1		
5.Shareholders' rights	Tshrt(Q24-27)	-0.14*	0.53**	0.45**	0.58**	1	
6. Ownership concentration	Towc(Q28-30)	0.18**	-0.30**	-0.33**	-0.35**	-0.42**	1

**Note: ****Correlation is significant at the 0.01 level

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*Correlation is significant at the 0.05 level

Results of correlation analysis on institutional characteristics of corporate governance of firms in Nigeria.

Table 11 provides the significant correlation of firm for firms in Nigeria and there is evidence that regulatory framework has a negative significant correlation of -0.16, and shareholders rights have a negative significant correlation of -0.14, with corporate governance system.

In addition, ownership concentration has a positive significant correlation of 0.18 with corporate governance system. However, in Nigeria firms, the regulatory framework has a negative significant correlation of -0.16, while enforcement is not significant. This result implies that regulatory framework of Nigeria corporate governance is weak and this may likely be due to weak legal system that can promote sound regulatory framework and enforcement policy. In addition, lack of implementation of listing rules and corporate codes conduct for firms is also common in Nigeria.

The institutional bodies such as Central Bank of Nigeria (CBN), National Insurance Commission (NICOM), Nigeria Securities Exchange Commission (SEC) and Corporate Affairs Commission (CAC) that are established to implement the regulatory framework and enforcement of corporate governance practices may be incompetent, and officers responsible to carried out their duties may be corrupt. As a result of the above, this will not promote sound corporate governance practices of firms in Nigeria.

Table 12:Correlation analysis on variables of institutional characteristic of corporate governance in South Africa firms.

Variables	**Code**	**corp.gov. systm (1)**	**Regulatory Framework (2)**	**Enforcement (3)**	**Disc. & Trpy (4)**	**Shd. Rght (5)**	**Ownsh Con. (6)**
1 Corporate gov. Sytm	TCg(Q8-11)	1					
2.Regulatory framework	Trfw(Q12-16)	0.33**	1				
3.Enforcement	Tenfm(Q17-19)	0.30*	0.10	1			
4.Disclosure and Transp.	Tdis(Q20-23)	0.21	0.53**	0.24*	1		
5.Shareholders' rights	Tshrt(Q24-27)	0.02	0.20**	0.13	0.36**	1	
6. Ownership concentration	Towc(Q28-30)	0.15	-0.19	0.05	-0.21	-0.23	1

Note: **Correlation is significant at the 0.01 level
*Correlation is significant at the 0.05 level

Results of correlation analysis on institutional characteristic of corporate governance of firms in South Africa.

In Table 12 shows the correlation analysis of corporate governance structures for firms in South Africa. The result indicates that regulatory framework has a positive significant

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correlation of 0.33, and enforcement with positive significant correlation of 0.30. This suggests that in South Africa have better functioning legal system and better implementation of regulatory and enforcement policy of corporate governance. In conclusion the finding of this study suggest that at each country, firms in Ghana, Nigeria and South Africa, regulatory framework and enforcement of corporate governance practices is a vital mechanism for effective's corporate governance practices. Other mechanisms such as disclosure and transparency, shareholders rights and ownership concentration will improve once there are sound regulatory and enforcement implementation policy for such country.

Results of the data analysis on effect of institutional characteristics of corporate governance and corporate governance system

This Chapter examines key challenges of corporate governance of listed firms, exploring empirical evidence from listed firms. The key objectives include identification and examine the effect of the important components of corporate governance such as regulatory framework, enforcement, transparency and disclosure, and level of concentration.

The Table below describes the sections, statements and variables on institutional characteristics of corporate governance as it indicate in the survey questionnaire.

Table 13:Show the statements and variables for institutional characteristics of corporate governance practices

Sections	Statements	Variables
B: Effective corporate governance system	**Q8.**There are adequate and effective rules and laws that promote corporate governance of firms in my country	Rules and laws
	Q9. The supervisory, regulatory and enforcement agencies have the power, resources and authority to enforce compliance with laws and regulations and guidelines on corporate governance in my country of operation	Agencies power
	Q10. A good legal system in my country of operation helps to improve the corporate governance of firms	Legal system
	Q11.A well organised legislature and sound regulatory and supervisory agencies in place promote corporate governance	Agencies organ
C: Regulatory framework of corporate governance	**Q12.**Stock markets listing rules and corporate code of conduct for firms are often abused or ignored	Stock market
	Q13. The rules and regulation for appointing and removal of auditors are frequently violated	Auditor appointment
	Q14. Rules and regulations for a formal and transparent board nomination and election process of firms are often ignored.	Board nomination
	Q15. Rules and regulation for disclosure and communication are not followed	Disclosure
	Q16. Rules and regulations regarding the required independent status of board members are often violated	Independent board
D: Enforcement of		
	Q17. There is sufficient investigation of apparent non-compliance with laws/regulations by	Non-compliance

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corporate governance practices	enforcement agency.	
	Q18. There is appropriate legal protection of investors and creditors from fraud perpetrated by managers and controlling shareholders within firms.	Investor protection
	Q19.There are appropriate mechanism for investigating the illegal or inappropriate treatment of minority shareholders within firms	Minority shareholder
E:Transparency and disclosure of corporate governance		
	Q20.Generally in the firm your country, insider trading laws, rules, and regulations are followed	Insider trading
	Q21.There is equal access to information for all shareholders in firm	Information access
	Q22.There is confidence in the autonomy and independence of auditors for firms within your country	Auditor Independence
	Q23.There are transparency in mergers and acquisition of firms in your country	Merger & Acquisition
F: Shareholder rights		
	Q24.The basic shareholders rights in your firm are not protected	Shareholders' rights
	Q25.Minority shareholders rights of your firm are often violated	Shareholder violation
	Q26.Minority shareholders are often not allowed to express their view at general meeting of firm in your country	Shareholder meeting
	Q27. Shareholders are not allowed to speak at company meeting only if they are known to agree with the board of directors.	Shareholder alignment
Section	**Statements**	**Variables**
G: Ownership concentration	**Q28**.The firms in your country have a variety of composition of ownership	Ownership composition
	Q29. There is large concentration of ownership (few shareholders having majority of shares) in firms in your country	Large concentration
	Q30. Preferential treatment is often given to large shareholders of firms in your country	Preferential treatment

Results of the effect of institutional characteristics of corporate governance and the corporate system.

This section provides empirical evidences on institutional characteristics of corporate governance and corporate governance system. Below are the model estimate and the Table showing results of the data analysis.

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Table 14: Showing OLS estimate of corporate governance system on institutional characteristics of corporate governance

Dependent variable: Total effective corporate governance system.

$Total\_cg = \beta_0 + \beta_1(Trfw\_C) + \beta_2 (Tenfm\_D) + \beta_3(Tdis\_E) + \beta_4(Tshrt\_F) + \beta_5(Towc\_G) + \beta_6(RG) + \beta_7(RN) + \mu_i$

Variables	All observation for the countries	All countries with Ghana and Nigeria as dummy	Ghana	Nigeria	South Africa
	(1)	**(2)**	**(3)**	**(4)**	**(5)**
Intercept	6.18** 0.93 (6.64)	15..08** 1.12 (13.43)	7.72** 1.45 (5.31)	12.87** 1.35 (9.54)	10.56** 2.41 (4.38)
Regulatory framework	0.05* 0.03 (1.87)	-0.02 0.03 (-0.07)	0.14** 0.04 (3.01)	-0.07* 0.03 (-1.10)	0.15** 0.06 (2.56)
Enforcement	0.42** 0.04 (9.56)	0.16** 0.05 (3.52)	0.31** 0.07 (4.71)	-0.12 0.05 (-0.31)	0.32* 0.14 (2.32)
Disclosure & transparency	0.15** 0.04 (4.53)	0.07* 0.03 (2.05)	0.06 0.05 (1.18)	0.06 0.05 (1.22)	0.01 0.08 (0.18)
Shareholders' rights	-0.04 0.03 (-1.59)	-0.02 0.02 (-0.83)	-0.01 0.04 (-0.16)	-0.05 0.07 (-0.82)	-0.05 0.11 (-0.41)
Ownership concentration	0.24** 0.06 (4.25)	0.05 0.05 (1.03)	0.03 0.08 (0.43)	0.14* 0.08 (1.90)	0.14 0.09 (1.65)
Regulators		0.57** 0.19 (3.00)			
Ghana		-4.34** 0.35 (-12.78)			
Nigeria		-3.36** 0.34 (-9.89)			
R-square	0.29	0.45	0.46	0.05	0.22
F-statistic	44.59	62.54	29.62	3.19	3.68
No of observation	541	541	150	320	71

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The dependent variable is indicated as total effective corporate governance system which is the addition of all the items or variable under section B of the survey questionnaire. The Independent variables are regulatory framework is shown as total regulatory framework which is the addition of all items or variables under section C of the survey questionnaire, enforcement is illustrated as total enforcement which is the addition of all the items or variable under section D of the survey questionnaire, transparency and disclosure is shown as total disclosure and transparency which is the addition of all items or variable within section E of the survey questionnaire, Total shareholders' rights is the addition of all items under shareholders rights in section F, and ownership concentration is the total items or variable under section G of the survey questionnaire.
Countries dummies indicating if the sample is Regulatory bodies and it is located in Ghana, Nigeria (reference category being South Africa there is a test for outliers in order to examine the robustness of the samples.

The numbers with significant level are coefficient value, while the middle numbers are the standard error and Numbers in the parentheses refer to t-statistics.
F-Statistic is significant at 1% and 5% critical value
***significant at 1 percent level.*
**significant at 5 percent level.*
*****Heteroskedasticity is corrected using White-adjusted standard errors.

Table 14 columns 2 illustrate the regression result for all the countries together; there is evidence of positive significant relationship between enforcement and corporate governance system with coefficient of 0.16. Also, disclosure and transparency has a positive significant coefficient of 0.07 relationships with corporate governance system. Moreover, we find that firms in Ghana and Nigeria are negatively significant relation with corporate governance system. However, firms in South Africa that is used as a reference category have a positive significant relation with corporate governance system. This finding suggests that South African firms seem to have better corporate governance system than firms in Ghana and Nigeria. This may be due to the past reforms carried out by South Africa government on corporate governance practices of firms such as the King Reports of corporate governance (1994, 2002 and 2010). The Reports followed the corporate governance international standard such as Cadbury report of UK and OECD guideline on corporate governance practices.

Furthermore, Table 14 columns 3, and 5 illustrate the OLS estimate at country level for firms in Ghana, and South Africa, as evidence in each country. We find that regulatory framework and enforcement have a positive significant relation with corporate governance.
In Column 4 for Nigerian firms the result shows that regulatory framework has negative significant relation with corporate governance system. This result implies that Nigerian corporate governance may have a weak regulatory framework that can promote sound corporate governance. In addition, this finding reveals that in Nigeria there may be a lack of enforcement of corporate governance. Also in Nigerian firms ownership is concentrated as a result of lack of enforcement of corporate governance.

In Table 14 Column 4 in Nigeria, there is evidence of low value of R-square. The reason for this value there may be other factors that can affect corporate governance system which are not mention in this study.

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Effect of institutional characteristics on rules and laws of corporate governance

This section reports the empirical evidences on effect of institutional characteristics on rules and laws that promote corporate governance practices of firms for all the countries together. Below are the models estimate and the results of data analysis on Table 4.2.

The Model estimate on regulatory framework of corporate governance in section C is as follow below;

1. $\textbf{Rules\_cg} = \beta_0 + \beta_1(\text{Stk\_Mkt12}) + \beta_2(\text{Dis\_Com15}) + \beta_3(\text{Ind\_Bod16})\ \beta_4(G) + \beta_5(N) + \mu_i$

The Model estimate on enforcement of corporate governance in section D is as follow bellow;

2. $\textbf{Rules\_cg} = \beta_0 + \beta_1(\text{Non\_compl17}) + \beta_2(\text{Invtr\_Prot18}) + \beta_3(\text{Mino\_Shdt19})\ \beta_4(G) + \beta_5(N) + \mu_i$

The Model estimate on disclosure and transparency in section E is as follow bellow;

3. $\textbf{Rules\_cg} = \beta_0 + \beta_1(\text{Insd\_Trad20}) + \beta_2(\text{Inform\_Accf21}) + \beta_3(\text{Aud\_Indpend22}) + \beta_4(\text{MA\_23}) + \beta_5(G) + \beta_6(N) + \mu_i$

The Model estimate on shareholder rights in section F is as follow bellow;

4. $\textbf{Rule\_cg} = \beta_0 + \beta_1(\text{Shd\_rigt24}) + \beta_2(\text{Shd\_Violt25}) + \beta_3(\text{Shd\_Allg27}) + \beta_4(G) + \beta_5(N) + \mu_i$

The Model estimate on ownership concentration in section G is as follow bellow;

5. $\textbf{Rules\_cg} = \beta_0 + \beta_1(\text{Larg\_Con29}) + \beta_2(\text{Pref\_Treat30}) + \beta_3(G) + \beta_4(N) + \mu_i$

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Table 15: OLS estimate on sub-variable of institutional characteristics on rules and laws in Sub-Saharan Africa Anglophone countries Dependent variable: rules and laws that promote corporate governance practice (Q8)

	Regulatory framework (Section C) (1)		**Enforcement (Section D) (2)**			**Disclosure & Transparency (Section E) (3)**			**Shareholders' rights (Section F) (4)**		**Ownership concentration (Section G) (5)**
Variable	**Disclosure (Q15) (1a)**	**Independent board (Q16) (1b)**	**Non-compliance (Q17) (2a)**	**Investor protection (Q18) (2b)**	**Minority Shareholder (Q19) (2c)**	**Insider Trading (Q20) (3a)**	**Information Access (Q21) (3b)**	**Auditor Independent (Q22) (3c)**	**Shareholder rights (Q24) (4a)**	**shareholder alignment (Q27) (4b)**	**Preferential Treatment (Q30) (5a)**
	0.09* 0.05 (1.89	0.19** 0.04 (4.32)	0.11** 0.03 (3.43)	0.09* 0.04 (2.10)	0.22** 0.40 (5.50)	0.12** 0.04 (2.92)	0.20** 0.40 (5.01)	-0.10** 0.03 (-3.05)	0.10* 0.05 (2.34)	-0.11* 0.04 (-2.39)	-0.18** 0.05 (-3.77)
Ghana	-1.87** 0.13 (-14.04)		-1.63** 0.14 (-12.01)			-1.73** 0.13 (-12.84)			-2.13** 0.12 (-17.31)		-2.26** 0.12 (-19.44)
Nigeria	-2.16** 0.13 (-16.19)		-2.08** 0.13 (-16.63)			-2.09** 0.13 (-16.47)			-2.29** 0.13 (-17.46)		-2.48** 0.11 (-23.44)
R-square	0.54		0.56			0.56			0.52		0.53
F-stat.	88.70		138.46			112.76			95.16		119.82
No of observation	541		541			541			541		541
No of countries	3		3			3			3		3

The dependent variable is indicated as rules and laws that promote corporate governance practice (**Rules_cg)** The Independent variables are regulatory framework such as Disclosure (Q15)

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Independent board (Q16), Enforcement such as Non-Compliance (Q17),Investor protection (Q18) and Minority shareholders (Q19).Disclosure and transparency such as Insider trading (Q20), information access (Q21), and Auditor independent (Q22). Shareholders' rights (Q24) and Shareholders' alignment with board of directors (Q27). Ownership concentration such as preferential treatment of large shareholders (Q30).
Countries dummies indicating if the sample is located in Ghana, Nigeria (reference category being South Africa.
There is a test for outliers in order to examine the robustness of the samples. *The numbers with significant level are coefficient value, while the middle numbers are the standard error and Numbers in the parentheses refer to t-statistics. F-Statistic is significant at 1% and 5% critical value*
***significant at 1 percent level.*
**significant at 5 percent level.*
*****Heteroskedasticity is corrected using White-adjusted standard errors.

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Table 15 indicate the estimate result for each sub-variable of regulatory framework, enforcement, disclosure and transparency, shareholders' rights, and ownership concentration on rules and laws that promote corporate governance practice.

Table 15 Column 1 (1a and 1b) the OLS estimate indicates that regulatory framework such as rules and regulatory for disclosure and communication and required independent status of board members (disclosure Q15) and (independent board Q16) respectively have significant positive effect on rules and laws that promote corporate governance practice. In Table 15 Column 2 (2a, 2b, and 2c), we find that sufficient investigation of apparent non-compliance with rules and regulations non-compliance (Q17) Investor protection (Q18) and minority shareholder (Q19). These sub-variables have a positive effect on rules and laws that promote corporate governance practice. This result suggest that non-compliance, legal protection of investors and mechanism of investing inappropriate treatment of minority shareholders matter to improve rules and laws that promote corporate governance practices.

Table 15 Column 3 (3a, 3b and 3c) provide the estimate of insider trading laws (Q20), and equal access of information for all shareholders (Q21) these two sub-variables have a positive effect on rules and laws that promote corporate governance practices. This implies that the insider trading rules, laws and regulation, in addition to equal accesses of information for all shareholders increase the quality of rules and laws that promote corporate governance practices in the region. However, confidence in the autonomy and independence of auditors (Q22) has a negative significant relationship with rules and laws that promote corporate governance practice. This finding suggests that confidence in autonomy and independence of auditors may inhibit rules and laws that promote corporate governance and this because of corrupt practices among the auditors.

In Table 15 Column 4 (4a and 4b) we find that basic rights protections of shareholders (Q24) has a significant positive relationship on of rules and laws. This result indicates that when the basic shareholders rights are protected corporate governance practice seem to be improving because shareholders may be able to exercise their own rights in the firms they invested in; this can allow them to get their return and invest more to the company. As a result, this can lead to effective corporate governance practices. Also, when shareholders are allowed to speak at company meeting only if they are to agree with board of directors (Shareholder alignment Q27) have a negative impact on rules and laws. This evidence suggests that this may adversely affect the corporate governance practice by not allowing shareholders to express their feeling or opinion at the meeting. In Column 5 sub-variable under ownership concentration which is preferential treatment for larger shareholder (Q30) have negative significant effect on corporate governance across countries in the region.

Results of the effect of institutional characteristic on corporate governance based on each country

This section presents the empirical evidences on effect of institutional characteristics on rules and laws that promote corporate governance practices of firms for each of the country. Below are the models estimate and the results of data analysis on Table 4.3.

The Model estimate on regulatory framework of corporate governance in section C is as follow below;

1. $\mathbf{Rules\_cg = \beta_0 + \beta_1(Stk\_Mkt12) + \beta_2(Bod\_Nom14) + \beta_3(Dis\_Com15) + \beta_4(Ind\_Bod16) + \mu_i}$

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The Model estimate on enforcement of corporate governance in section D is as follow bellow;

2. Rules_cg= β_0 + β_1(Non_compl17) + β_2(Invtr_Prot18) + β_3(Mino_Shdt19) + μ_i

The Model estimate on disclosure and transparency in section E is as follow bellow;

3. Rules_cg= β_0 + β_1(Insd_Trad20) + β_2(Inform_Accf21) + β_3(Aud_Indpend22) + β_4(MA_23+ μ_i

The Model estimate on shareholder rights in section F is as follow bellow;

4. Rule_cg= β_0 + β_1(Shd_rigt24) + β_2(Shd_Violt25) + β_3(Shd_Allg27) + μ_i

The Model estimate on ownership concentration in section G is as follow bellow;

5. Rules_cg= β_0 + β_1(Larg_Con29) + β_2(Pref_Treat30) + μ_i

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Table 16: showing OLS estimate on institutional characteristics and rules and laws of corporate governance of in each country
Dependent Variable: Rules and laws that promote corporate governance practice

	Regulatory framework (Section C) (1)				**Enforcement (Section D) (2)**			**Disclosure & Transparency (Section E) (3)**				**Shareholders' rights (Section F) (4)**		**Ownership concentration (Section G) (5)**	
	Stock Mkt (Q12) (1a)	**Board Nomination (Q14) (1b)**	**Disclosure (Q15) (1c)**	**Independent Board (Q16) (1d)**	**Non-Compliance (Q17) (2a)**	**Investor Protection (Q18) (2b)**	**Minority Shareholder (Q19) (2c)**	**Insider trading (20) (3a)**	**Information access (Q21) (3b)**	**Auditor independent (Q22) (3c)**	**Merger & Acquisition (Q23) (3d)**	**Shareholder Rights (Q24) (4a)**	**Shareholder violation (Q25) (4b)**	**Large Concentration (Q29) (5a)**	**Preferential Treatment (Q30) (5b)**
Ghana	-0.01 0.06 (-0.21)	0.23** 0.08 (2.72)	0.33* 0.08 (4.26)	-0.24** 0.08 (-2.94)	0.29** 0.08 (3.58)	0.39** 0.08 (4.97)	0.19* 0.08 (2.35)	0.15* 0.07 (2.24)	0.46** 0.07 (6.68)	-0.06 0.05 (-1.14)	0.17* 0.08 (2.17)	0.21* 0.11 (2.04)	0.06 0.12 (0.48)	-0.21 0.12 (-1.81)	-0.44** 0.09 (-4.83)
R-square	0.37	0.37	0.37	0.37	0.60	0.60	0.60	0.51	0.51	0.51	0.51	0.15	0.15	0.31	0.31
F-stat	16.85	16.85	16.85	16.85	73.79	73.79	73.79	37.54	37.54	37.54	37.54	6.41	6.41	21.33	21.33
Nigeria	0.08* 0.04 (1.91)	0.03 0.06 (0.50)	-0.04 0.06 (-0.79)	-0.10* 0.05 (-2.28)	-0.12* 0.04 (-2.69)	0.09 0.05 (1.82)	-0.01 0.05 (-2.14)	-0.06 0.05 (-1.17)	-0.03 0.05 (-0.68)	0.08 0.04 (1.77)	0.01 0.04 (0.20)	0.07 0.05 (1.32)	-0.12* 0.06 (-2.06)	0.10* 0.05 (1.91)	-0.04 0.05 (-0.83)
R-square	0.3	0.3	0.3	0.3	025	0.25	0.25	37.54	37.54	37.54	37.54	0.10	0.10	0.12	0.12
F-stat	7.14	7.14	7.14	7.14	2.74	2.74	2.74	1.02	1.02	1.02	1.02	1.39	1.39	1.24	1.24
South Africa	-0.01 0.09 (-0.15)	0.15 0.12 (1.30)	0.13 0.09 (1.41)	-0.03 0.09 (-0.33)	0.01 0.07 (0.09)	0.06 0.10 (0.60)	0.20* 0.09 (2.26)	0.04 0.13 (0.31)	0.02 0.07 (0.26)	0.17* 0.09 (1.97)	0.06 0.10 (0.54)	-0.02 0.11 (-0.19)	0.10 0.10 (0.92)	0.01 0.11 (0.59)	-0.09 0.10 (-0.88)
R-square	0.14	0.14	0.14	0.14	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.26	0.26	0.4	0.4
F-stat	2.19	2.19	2.19	2.19	2.94	2.94	2.94	2.30	2.30	2.30	2.30	0.85	0.85	0.85	0.85
Total No.	541	541	541	541	541	541	541	541	541	541	541	541	541	541	541

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The dependent variable is indicated as rules and laws (Q8). The Independent variables are regulatory framework such as stock market listing rules (Q12).Board nomination

(Q14) Disclosure (Q15), Independent board (Q16). Enforcement such as Non-compliance (Q17), investors protection (Q18) and Minority shareholders (Q19) Disclosure and transparency such as Insider trading (Q20), information access (Q21), and Auditor independent (Q22) Shareholders' rights such as protection of shareholders' rights (Q24) and Shareholders' alignment with board of directors (Q27).Ownership concentration such as large concentration (Q29) preferential treatment of large shareholders (Q30).

There is a test for outliers in order to examine the robustness of the samples. *The numbers with significant level are coefficient value, while the middle numbers are the standard error and Numbers in the parentheses refer to t-statistics. F-Statistic is significant at 1% and 5% critical value*
***significant at 1 percent level.*
**significant at 5 percent level.*

*****Heteroskedasticity is corrected using White-adjusted standard errors.

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At each country level Table 16 column 1b and 1c show that it is only firms in Ghana that disclosure (Q15) has a positive significant relationship on rules and laws that promote corporate governance practices. In addition, Independents board (Q16) also has a positive significant association on rules and laws that promote corporate governance practice. Moreover, board nomination (Q14) enhances the promotion of rules and laws on corporate governance practice in Ghanaian firms. This implies that for Ghanaian firms the rules and regulation for disclosure and communication are better follow. This seem to allow the shareholders and other stakeholders to have information about what is going on within their firms; and other matters that are related to disclosure and disseminating of information to the potential shareholders.

In Nigeria firms stock market listing rules (Q12) has positive significant relation with on rules and laws that promote corporate governance practice. This finding shows what is happening in Nigerian capital markets presently which result to weak implementation of rules and regulation guiding the capital markets. As a result, most investors do not have confident to invest in Nigerian Capital Markets.

In Nigerian firms the rules and regulation required for independent board member (Q16) is negatively significant on rules and laws. However, the rules and regulation regarding the required independent status of board seem to deter corporate governance system. This is may be due to lack of implementation by the regulatory agencies of corporate governance such as Securities Exchange Commission in Nigeria (SEC) that stipulated that a minimum of five members with a majority of non-executive directors; and not more than two of the same family should sit at the same time on the board of a firm. In addition, there should not be cross membership of the boards of two or more companies, to avoid conflict of interest and misappropriate of corporate opportunity.

Moreover, in Table 16 Column 2 (2a, 2b and 2c), we find that all enforcement of corporate governance sub-variables in Ghanaian firms have a positive significant relationship on rules and laws guiding promotion of corporate governance practice. This result suggests that Ghana enforcement policy and the enforcement agency may improve corporate governance system in terms of rules and laws. There are Institutional bodies such as Ghana Securities Exchange Commission, Bank of Ghana, Institute of Directors and Registered General Department (RGD). All these bodies are involved in implementation so as to ensure that enforcement of good corporate governance practices of firms are adopted in Ghana. They carry out their function through seminars, public lecture, and training to different categories of stakeholders of corporate governance in Ghana.

In South African firms' mechanism for investigating the illegal or inappropriate treatment of minority shareholders (Q19) has a positive effect on rules and laws guiding promotion of corporate governance practice. This may be due to compliance of the King Report Code of corporate governance which strengthened rules and laws on corporate governance in South Africa. The structure, strategy and governance of capital markets in South Africa have also been overhauled. The self regulation via Johannesburg Stock Exchange have also introduced stringent corporate governance requirement so that implementation of enforcement policy can be improve corporate governance system.

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Furthermore, there is evidence within Nigerian firms' that enforcement of corporate governance variable such as sufficient investigation of apparent non-compliance with laws/regulations (Q17) has a negative impact on rules and laws guiding promotion of corporate governance practice.

This result indicates that in Nigerian firms the degree of investigation on non-compliance with laws or regulations by enforcement agency seem to be very weak to move the corporate governance system forward in terms of rules and regulation. This may be due to lack of implementation of enforcement policy of non-compliance with laws and regulation by institutional bodies such Securities Exchange Commission (SEC), Central Bank of Nigeria (CBN), National Insurance Commission (NICOM), and Corporate Affairs Commission (CAC). In addition, corruption by the officers of these institutional bodies may also make it difficult for them to carry out their proper duties of enforcing the rules and laws.

Based on results within countries level in Table 16 Column 3 (3a, 3b 3c and 3d) which shows the estimate for sub-variables under disclosure of corporate governance and on rules and laws guiding promotion of corporate governance practice. Thus, in Ghana firm there is evidence of positive effect of insider trading laws (Q20) and positive effect of equal access of information for all shareholders in firms on rules and laws .There is also positive effect of Transparency in the merger and acquisition of firms (Q21) on rules and laws that promote corporate governance practice. This results indicate that the quality of disclosure and transparency in term of insiders trading laws, equal access to information to all shareholders and transparency in the merger and acquisition for Ghanaian firms have enhance the promotion of rules and laws that guide corporate governance practice in Ghanaian firms.

In South African firms, confidence in the autonomy and independence of auditors (Q22) has a significant positive relationship with rules and laws guiding promotion of corporate governance practice. This evidence is because of the Johannesburg Stock Exchange (JSE) that carried out innovation in disclosure and transparency aimed at exposing conflict of interest among the stakeholders of corporate governance. This action is carried out by compulsory requirement for listed firms to disclose their compliance with King Reports on issue of disclosure and transparency that indicate the level of confidence in the autonomy and independence of auditor.

Moreover, in Table 16 Columns 4a and 4b. We find that shareholders rights such as basic rights to protection of shareholders are not protected (Q24) has a positive effect on rules and laws guiding promotion of corporate governance practice of firms in Ghana. This suggests that Ghanaian firms have better basic shareholder protections and this can improve corporate governance practice. However, in Nigerian firms the degree of violation of minority shareholder rights (Q25) has a negative influence on rules and laws guiding promotion of corporate governance practice. This implies that minority shareholder rights violations are more prominent within Nigerian firms; this may be due to lack of implementation of enforcement policy and law regarding to minority shareholders rights in Nigerian firms.

Furthermore, conflicts of interests between managers and shareholders as well as those between controlling and minority shareholders lie at the heart of the corporate governance literature. With the exception of the US and the UK, ownership concentration is commonly high in all parts of the world. As a result Table 15 and 16 Column 5a and 5b reveals that in

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Nigerian firms' larger concentration of ownership (Q29) have a significant negative relationship with rules and laws that guide promotion of corporate governance practice. This finding suggests that when there is large concentrated ownership the controlling owner may be unwilling to dilute their ownership. In addition, in Ghanaian firms, preferential treatment to large shareholders (Q30) has a significant negative relationship with rules and laws that guide promotion of corporate governance practice. This result may affect effective corporate governance practice in Ghanaian firms because the minority shareholders may not be able to express their own on decision taken by management of firms.

CONCLUSION

The findings from this study make a contribution to the literature that enforcement, disclosure and transparency are likely to improve corporate governance system in all the countries together. In addition, there is a positive significant relationship between the regulatory framework and enforcement of corporate governance in each country such as Ghana and South Africa.

Another contribution of this study is that in Nigerian firms, regulatory framework has a significant negative effect on corporate governance system. This finding seems to be due to a lack of proper implementation of regulatory framework of corporate governance by the institutional bodies such as Securities Exchange Commission (SEC), Central Bank of Nigeria (CBN) and National Insurance Commission (NAICOM). Moreover, lack of proper implementation may possibly be as a result of corruption among the officials of institutional bodies. Furthermore, there are laws in the books and laws in practice, however in Nigeria there are laws in the book for regulatory framework and enforcement policy of corporate governance but there are no laws in practice to execute those rules and regulation and enforcement of corporate governance practices. The institutional bodies and corporate governance system may look good on papers but when they are compromised with corruption, lack of implementation and incompetence the result is likely weak corporate governance practices among firms in Nigeria.

We find that in Nigerian and Ghanaian firms' large concentration of ownership and preferential treatment to large shareholders may have influence on rules and laws of corporate governance practices. The implication is that ownership concentration is prevalent in Sub-Saharan African Anglophone firms.

In a situation of using firms in Nigeria and Ghana as dummy variables, each country has a negative significant relationship on corporate governance system. However, South African firms that serve as reference category can be regarded as positively significant on corporate governance system. This result suggests that corporate governance practice in Ghanaian and Nigerian firms may be relatively weak when compared with South African firms. This finding suggests that in Ghanaian and Nigerian firms, there is a need for improvement of corporate governance practice for those countries. However, the improvements of corporate governance practices in South African firms have been found to be important because of King Report 1994, and King Report of 2002. The primary objective of the Reports is to promote the highest standard of corporate governance in South Africa.

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The sub-variables of regulatory and enforcement of corporate governance may be better in Ghanaian than Nigerian firms. In particular, the rules and regulation for formal transparency in board nomination, election process, disclosure and communication these sub-variables have significant positive effect on rules and laws that promote corporate governance in Ghana. Also, enforcement sub-variables such as investigation of apparent compliance with rules and regulation by enforcement agency, investors' protection and mechanisms for investigating the illegal treatment of minority shareholders have a positive impact on rules and laws that promote corporate governance in Ghana.

In Nigerian firms, the degree of investigation on non-compliance with laws or regulations by enforcement agency seem to be very weak to move the corporate governance system forward in terms of rules and laws that promote corporate governance. Also disclosure and transparency in Ghanaian firms in terms of insider trading, equal access to information and merger and acquisition may promote rules and laws on corporate governance. In South African firms the confidentiality and autonomy of auditors may be better to enhance sound corporate governance systems.

The basic shareholders rights are expected in promote effective corporate governance system firms in Ghana than firms in Nigeria. This result indicates that firms in Ghana have better basic shareholder protections. This is likely due to the reason for some foreign investors within West Africa Sub-region moving to Ghana in recent times. In Nigerian firms, the violations of the rights of minority shareholders hinder corporate governance system. There is evidence to show that shareholders are allowed to speak at company meeting only if they are known to agree with boards of directors. Consequently, this may deters corporate governance system in Nigerian firms.

RECOMMENDATION

Based on the findings which are the perception or opinion of the respondents from the finding on this study, we recommend that there is need for general reform of corporate governance of firms in Nigeria by issue only one corporate governance code of best practices for each industry such as financial or non-financial. This should follow the international standard both in context and the implementation of the codes. The corporate governance code should be reviewed as happened in UK Financial Reporting Council in 2012, and to be tailored towards international corporate governance standard such as Cadbury Report 1992 and King Report (1994, 2002).

The establishment of Financial Reporting Council of Nigeria FRC Act 2011 is significant; under this Act there is section four which provide for a directorate of corporate governance with objectives and function toward effective corporate governance practices of firms. As a result, this Act should be well implemented without any interference from politicians. Also, there should be prudent monitoring of law and stringent penalties with requirements of corporate governance rules, regulatory framework and enforcement policy under this FRC 2011 Act. Therefore, any official of the institutional bodies or any stakeholders found guilty of the offence under this Act should be punished in form of penalty.

In Ghana there is a need for Financial Reporting Council (FRC) in order to have more regulatory and supervisory bodies on corporate governance practices for financial and non-

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financial firms. The respondents from this study provide comments that the Ghana Companies law of 1963 Act 179 have been found to be outdated. There should be a reform of the Companies Act 179 which must include modern corporate code and law guiding Business Corporation. This must also include norms on international standard for corporate governance practices. Furthermore, the shareholders of firms in Sub-Saharan Africa Anglophone countries need strong shareholders' activism through the establishment of shareholders association with aims and objectives of promoting the interest, welfare, enlightenment, and dissemination of information related to management of firms.

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About the Author

Dr. Adeoye Afolabi obtained his B.sc from Obafemi Awolowo University IIe-Ife, M.sc in Accounting and Finance from Ahmadu Bello University Zaria and his M.Phil and PhD in Accounting and Finance from Brunel University London UK. Presently is a Principal Academic Standard Officer at National Universities Commission Abuja Nigeria.

Survey Questionnaire

Section A: Survey Questions 1-7 are related to your background. Please mark(X) only one option.

1. **Gender:** Male ☐ Female ☐

2. **Occupation:** Legislator ☐ Executive Director ☐

Regulator ☐ Non-Executive Director ☐

Academician ☐ Company Executive (CEO) ☐

Individual investor ☐ Company employee ☐

Institutional investor ☐ Judiciary or Legal ☐

Accountant/Auditor ☐ Other

(Specify)………… ☐

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3. **Years of experience in your occupation:** ____ year

4. **Formal education:** Diploma/Certificate ☐ Bachelor Degree ☐

Master Degree ☐ Doctoral Degree ☐

Professional certificate/other ☐

5. **Your location:** ____

6. **How do you rate your knowledge on corporate governance of firms in your country**

Low ☐ Medium ☐ High ☐

7. **Type of Firm:** Financial Firm ☐ Non-Financial Firm ☐

Section B: Statements 8-11 relate to your views on effectiveness of corporate governance practice. Please rate the extent to which you agree with each statement (X) according to the scale below. Please this applies to all sections.

1=strongly disagree 2=disagree 3=Undecided 4=Agree 5=strongly Agree

8. There are adequate and effective rules and laws that promote the practice of good corporate governance of firms in my country of operation.	**1**	**2**	**3**	**4**	**5**
9. The supervisory, regulatory and enforcement agencies have the power, resources and authority to enforce compliance with laws and regulations and guidelines on corporate governance in my country of operation.	**1**	**2**	**3**	**4**	**5**
10. A good legal system in my country of operation helps to improve the corporate governance of firms.	**1**	**2**	**3**	**4**	**5**
11. A well-organized legislature and sound regulatory and supervisory agencies in place promote good corporate governance.	**1**	**2**	**3**	**4**	**5**

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Section C: Statements 12-16 relate to your views on regulatory framework of corporate governance practice in your country.

12. Stock markets listing rules and corporate codes of conduct for firms are often abused or ignored.	**1**	**2**	**3**	**4**	**5**
13. The rules and regulation for appointing and removal of auditors are frequently violated.	**1**	**2**	**3**	**4**	**5**
14. Rules and regulations for a formal and transparent board nomination and election process of firms are often ignored.	**1**	**2**	**3**	**4**	**5**
15. Rules and regulation for disclosure and communication are not often followed	**1**	**2**	**3**	**4**	**5**
16. Rules and regulations regarding the required independent status of board members are often violated.	**1**	**2**	**3**	**4**	**5**

Section D: Statements 17-19 relate to your views on enforcement of corporate governance practice.

17. There is sufficient investigation of apparent non-compliance with laws/regulations by the enforcement agency.	**1**	**2**	**3**	**4**	**5**
18. There is appropriate legal protection of investors and creditors from fraud perpetrated by managers and controlling shareholders within firms.	**1**	**2**	**3**	**4**	**5**
19. There are appropriate mechanisms for investigating the illegal or inappropriate treatment of minority shareholders within firms.	**1**	**2**	**3**	**4**	**5**

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Section E: Statements 20-23 relate to your views on transparency and disclosure of corporate governance practice.

20. Generally, in firms in your country, insider trading laws, rules and regulations are followed.	**1**	**2**	**3**	**4**	**5**
21. There is equal access to information for all shareholders in firms	**1**	**2**	**3**	**4**	**5**
22. There is confidence in the autonomy and independence of auditors for firms within your country.	**1**	**2**	**3**	**4**	**5**
23. There are transparency in mergers and acquisitions of firms in your country	**1**	**2**	**3**	**4**	**5**

Section F: Statements 24-27 relate to your view on shareholders' rights.

24. The basic shareholders rights in your firm are not protected	**1**	**2**	**3**	**4**	**5**
25. Minority shareholder rights of your firm are often violated	**1**	**2**	**3**	**4**	**5**
26. Minority shareholders are often not allowed to express their view at general meetings of firms in your country.	**1**	**2**	**3**	**4**	**5**
27. Shareholders are allowed to speak at company meetings only if they are known to agree with the board of directors.	**1**	**2**	**3**	**4**	**5**

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Section G: Statements 28-30 relate to your views on ownership concentration.

28. The firms in your country have a variety of composition of ownership	**1**	**2**	**3**	**4**	**5**
29. There is large concentration of ownership (few shareholders having majority of shares) in firms in your country.	**1**	**2**	**3**	**4**	**5**
30. Preferential treatment is often given to large shareholders of firms in your country	**1**	**2**	**3**	**4**	**5**

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