IMPACT OF CORPORATE GOVERNANCE ON NIGERIA TELECOMMUNICATION INDUSTRY

(A CASE STUDY OF MTN ILORIN BRANCH, KWARA STATE)

BY

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CERTIFICATION

This is to certify that this research work was carried out by **SULEIMAN MUKTAHR WORU,** with matriculation number **HND/23/BAM/FT/1147.** And has been read and approved as meeting part of the requirements for the award of Higher Nation Diploma in Business Administration and management, (IFMS). Kwara State Polytechnic, Ilorin.

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DEDICATION

I dedicate this project to Almighty God, the most merciful, the most beneficial, the first and the last, the beginning and the end for his unending love, during the course of my Higher National Diploma programme.

Also, this research work is dedicated to my parents, **MR.** and **MRS. SULEIMAN**.

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CHAPTER ONE
INTRODUCTION

1.1 BACKGROUND TO THE STUDY

Corporate governance issues in both private and public sectors have become a popular discussion in recent time. There have been some legislative changes and provisions imposed by governments on public and private organizations around the world to improve on their governance arrangements. Telecommunication sector in Nigeria have been one of the ‘interests caught up in the national surge in governance of organizations. Particularly, in Nigeria, governance issues such as size and composition of board of directors and their roles, responsibilities and relationships have been discussed in several Government business policy reports for more than a decade. Altschuller (2011).

Corporate governance is concerned with ways in which all parties interested in the well-being of the firm (the stakeholders) attempt to ensure that managers and other insiders take measures or adopt mechanisms that safeguard the interests of the stakeholders. Alabede (2011). Such measures are necessitated by the separation of ownership from management, an increasingly vital feature of the modern firm.

A typical firm is characterized by numerous owners having no management function, and managers with no equity interest in the firm. Aina (1992). Shareholders, or owners of equity, are generally large in number, and an average shareholder controls a minute proportion of the shares of the firm. Amaeshi (2010). This gives rise to the tendency for such a shareholder to take no interest in the monitoring of managers, who, left to themselves, may pursue interests different from those of the owners of equity. For example, the managers might take steps to increase the size of the firm and, often, their pay, although that may not necessarily raise the firm’s profit, the major concern of the shareholder. Altschuller (2010)

Corporate governance can simply be defined as the system by which companies are directed and controlled which focuses on the “hygiene” and “housekeeping” aspects of running a business. As such, corporate governance can be seen as a set of relationships between a company's management, its board, its shareholders and other stakeholders that provides a structure through which the objectives of the company are set and the means of attaining those objectives and monitoring performance are determined. Andrew (2009)

Corporate governance issues are as old as companies themselves. At its broadest, it concerns the question of who should own and control the company and at the narrowest; it concerns the relationship between the shareholders and directors. Many studies have been carried out world over to unearth the impact of the corporate governance on listed firms as well as correct and good practice of corporate governance in developing countries.

However Nigeria have been faced with a myriad of issues, ranging from "underdeveloped and illiquid stock markets, economic uncertainties, weak legal controls and investor protection, and frequent government intervention and coupled with poor economic performance, a predominance of concentrated shareholding and controlling ownership Therefore, Nigeria demand higher levels of effective corporate governance practices.

However, until quite recently the issue of corporate governance has received minimal attention in Nigeria. This is the reason why, many corporate organizations have been caught of getting involved in unethical practices. For example, seven top Bank executives in Nigeria that were discovered to be involved in one of the highest financial scam in the nation's banking industry, after the CBN consolidation exercise ; which has put the credibility of their corporate image under suspicion, and threatening investors' confidence.

Therefore an important theme of corporate governance in this regard is the nature and extent of accountability of people in the business and mechanisms that try to decrease the principal agent problem. Consequently, corporate governance mechanism has been a crucial issue under discussion with vested interest. It is against this background that the researchers see the subject matter; corporate governance and its impact on the management of Mobile Telecommunication Nig. Ltd Main Branch as an issue worthy of being investigated.

1.2 STATEMENT OF THE PROBLEM

There has been considerable discussion in the academic literature of corporate governance especially managerial agency problems that arise from the separation of ownership and control. For example, Jensen and Meckling (2006) opined that a number of corporate governance mechanisms have been proposed to ameliorate this agency problem between managers and their shareholders. The proposed governance mechanisms include, for example, CEO incentive compensation, managerial ownership, monitoring by large shareholders, board size and independence, and stronger shareholder rights. But in spite of this, there is, however, little evidence on whether changing a firm's governance structure leads to subsequent firm performance, as such doubt is expressed by previous studies whether firms can improve their longer term performance by implementing changes to their governance structure. It is against this gap that the study take a survey into the subject matter: corporate governance and its impact on the management of MTN mobile communication .

The need for a study of this kind is even more important in an environment like Nigeria's, which is characterized by growing calls for effective corporate governance, particularly for public limited liability companies. This call is understandable in view of the importance of effective governance at both microeconomic and economy-wide levels

1.3 RESEARCH QUESTIONS

i) How does corporate governance affect the performance?
ii) What are the internal and external corporate governance control mechanism?
iii) What are the systemic problems militating against corporate governance?

1.4 OBJECTIVES OF THE STUDY

The general objective of the study is to examine the impact of corporate governance on the management of MTN. Specific objectives are to:

i) Assess the effect of corporate governance on the performance of Telecommunication companies.
ii) Examine the internal and external corporate governance control mechanism in Telecommunication companies.
iii) Identify the systemic problems of corporate governance in Telecommunication companies.

1.5 RESEARCH HYPOTHESIS

$H0_1$: Corporate governance has no significant effect on telecommunication industry.

$H0_2$: there are no internal and external corporate governance control mechanism in Telecommunication companies.

$H0_3$: there are no systemic problems of corporate governance in Telecommunication companies.

1.6 SIGNIFICANCE OF THE STUDY

This study adds a significant practical importance, because its results support the application of appropriate regulatory agencies such as central, stock exchange as well as Nigeria security and Exchange commission and financial organization in their various policy formulations as regard corporate governance. As such the study will be significant to these organinisations and regulatory Agencies especially as they utilize the findings of this research in enhancing policy formulation as regard corporate governance in their organization. This study is important as it provides new insights into governance and performance of organization in private sector.

The study will also add to the existing knowledge as well as making an original contribution to the study of corporate governance, since it is a comprehensive investigation into the comparative roles of governance in affecting performance of organizations in Nigeria and elsewhere in the world.

The study will also be a reference material for further research on corporate governance. As such, it will be a springboard to students intending to carryout similar research.

1.7 SCOPE OF THE STUDY

The study covers the examination of the impact of corporate governance in the telecommunication industry with reference to MTN Mobile Communication. The collection of empirical data is limited to MTN Kaduna main office. The study covers a time from 2014 – 2018.

1.8 DEFINITION OF KEY TERMS

In this section we define the various proxy variables we use to capture changes in corporate governance.

Corporate Governance: This is a set of the structure through which the objective of the firm and set and the means of obtaining these objectives and monitoring performance are determined.

Corporation: This refers to corporate entity or a body by means of which capital is acquired and used for investing in assets producing goods and services.

Shareholder rights: Our first measure of shareholder rights is the G-Index used by Gompers, Ishii, and Metrick (2003). As in Gompers et al., we use the incidence of governance rules to construct the G-Index. Firms with low G-Index values have the strongest shareholder rights and firms with high values of the G-Index have the weakest shareholder rights.

Insider Ownership: Consistent with Himmelberg, Hubbard, and Palia (1999) we calculate the ratio of insiders' holdings of common shares over total shares outstanding. Morck, Shleifer, and Vishny (1988) find a non-monotonic relationship between insider ownership and firm value and show two inflection points at 5% and 25% respectively.

CHAPTER TWO

LITERATURE REVIEW

2.1 CONCEPTUAL FRAMEWORK

Corporate governance is a broad term that seeks to define the procedures, pattern and the procedures of a firm in ways they are been handled and maintained, while enhancing shareholder value in the long term by practice of accountability of its administrators, it promotes or strengthens the achievement of the firm, eliminate clash of ownership and management and clearly outline the interest of shareholders and managers (Khan, 2011). Oman (2001) stated that corporate governance refers to “private and public institutions that include laws, regulations and the business practices which govern the relationship between the corporate managers and the stakeholders”.

Good corporate governance however represents both enterprise (performance) and accountability (conformance). Denis and McConnell (2003) opined that the essence of corporate governance in corporate groups is to reduce conflicts of interest and monitoring of controlling interest of the firm, the absence of which the firms’ value may decrease. Good corporate governance aids the prioritization of organizational objectives and achieve good corporate performances, enhance ethical decisions making within organization where shareholders concerns and stakeholders interest are addressed properly (Sanda, Mikailu, & Garba, 2005; Wieland, 2009).

2.1.1 CONCEPT OF CORPORATE GOVERNANCE

World Bank (1995) defines corporate governance as a system by which organizations are controlled and directed. It further states that corporate governance is concerned with processes, systems, controls, accountabilities and decision making at the center and being of greater importance in an organization. The Organization for Economic Cooperation and Development (2000) asserts that the distribution of responsibilities and rights among different participants in the corporation such as managers, the board, shareholders and stakeholders are specified by the corporate governance structure. OECD (2000) also gives a summary on corporate governance highlighting that it is about accountability, transparency, responsibility and power distribution within an organization.

Fisher (2011) also points out that corporate governance is a set of customs, processes, laws, policies, affecting the way a company is heading for, controlled and administered. Taking a broader view of the issues at hand, Gillan and Starks (2008) view corporate governance as the system of laws, rules and factors that control operations at a company. The definitions can vary but the fundamentals of corporate governance point to two issues namely, those internal and external to the organisations or firms. The internal governance is made up of the management which acts as the shareholders' agents. On the other hand, external governance arises from the firm's need to raise capital. The complexity of the concept of corporate governance focuses on values such as transparency, accountability, fairness, and responsibility. The foundation of any structure of corporate governance is disclosure.

The positive notions of disclosure and openness gives merit and impetus to corporate governance as a progressive governance system based on honesty. Shleiefer and Vishny (2007) observe that suppliers of finance use corporate governance to ensure return on investment. The separation of roles between those who provide capital and those who manage it requires corporate governance structures that ensures every group's responsibilities are constantly checked for consistence and adherence to laid out standard operating procedures. Groups that fall in the matrix of corporate governance structures include board of directors, managers, shareholders, debt holders, employees, suppliers and customers. The community in which the firm operates provides the environment which has the political influence, laws, regulations and more generally the markets, which is very important for company operations. Laws and politics have great influence on corporate governance and the way the firm operates.

According to Heenetigala (2011), Value creation indicates that developing the long term goals for sustainable performance by focusing on the shareholders of the company. Value protection based on accountability of managers and protects the interest of both shareholders and stakeholders (Rezaee, 2009). Stone & Andrew et al. (2008) state that “making such set of laws and motivation through which administration of company is bounded and administered for profit maximization which ultimately adds the value for shareholders as well as for management”.

Hermalin (2005) and Lee (2008) indicate that “the concept of corporate governance lies in between all these aspects and management of organizational resources fairly while concerning the interests of all stakeholders”. Concept of organizational performance is an important aspect which has been using in all areas of business researches and it is difficult to have general definition and measurement by reason of continuously expanding their boundaries. Santos & Brito (2012) state “business performance or firm performance is a subset of organizational effectiveness that covers operational and financial outcomes”.

2.1.2 PRINCIPLES AND PILLARS OF CORPORATE GOVERNANCE

I.M. Pandey (2005) opines that good corporate governance requires companies to adopt practices and policies which comprise performance, accountability, effective management control by the board of directors, constitution of board committee as part of professionally qualified, non-executive and independent directors on the board, the adequate timely disclosure of information and the prompt discharge of statutory duties. Chris. O (2006) sees key elements of good corporate governance principle as also include honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect and commitment to the organization. Of importance is how directors and management develop a model of governance that aligns the values of the corporate participants and then evaluate this model periodically for it’s effectiveness. In particular, senior executives should conduct themselves honestly and ethically especially concerning actual or apparent conflict of interest and disclosure in financial report.

The Organization for Economic Cooperation and Development (OECD) put forward a set of international principles of corporate governance. These principles were developed both in response to growing recognition of the importance of governance to enterprise performance and to the spate of recent corporate failures in Asia, America and other parts of the world. The OECD principles are organized under five headings, namely: The rights of shareholders, The equitable treatment of shareholders, The role of stakeholders, Disclosure and transparency; and The responsibilities of the board.

2.1.2.1 THE RIGHTS OF SHAREHOLDERS

This principle deals with the rights of shareholders. It concerns the protection of shareholders' rights and the ability of shareholders to influence the behaviour of the corporation. The basic shareholders' rights include the right to: Secure methods of ownership registration; Convey or transfer share; Obtain relevant information on the corporation on the timely and regular basis; Participate and vote in general shareholder meetings; Elect members of the board; and Share in the profits of the corporation Fredrick (2009) noted that while these rights are important to good corporate governance, it must be noted that extensive rights in and of themselves are not equivalent to good governance.

2.1.2.2 EQUITABLE TREATMENT OF SHAREHOLDERS

This principles emphasizes that all shareholders, including foreign shareholders, should be treated fairly by controlling shareholders, boards and management. This principle calls for transparency with respect to the distribution of voting rights and the ways in which voting rights are exercised. The high points of the principles include: All shareholders of the same class should be treated equally. , Insider trading and abusive self-dealing should be prohibited, Members of the board and management should be required to disclose any materials interests in transactions or matters affecting the corporation

2.1.2.3 THE ROLE OF STAKEHOLDERS

A good corporate governance framework should recognize the rights stakeholders has, as established by law. Such a framework should encourage active cooperation between corporations and stakeholders in creating wealth, jobs, and the sustainability of a sound enterprise. To achieve this, corporate governance should ensure that: The rights of stakeholders are protected by law; Alinco (2015) The rights of the shareholders are respected, Stakeholders have the opportunity to redress any violation of their rights, Permit performance enhancing mechanism for stakeholders participation, Provides stakeholders with access to relevant information to enable them participate actively in the governance process.

2.1.2.4 DISCLOSURE AND TRANSPARENCY

This principle supports the development of high internationally recognized accounting standards. This stipulates that all the material matters regarding the governance and performance of the corporation be disclosed. This also underscores the importance of applying high quality standards of accounting, disclosure and auditing. Fint (2016). Disclosure should include, but not limited to, material information: The financial and operating results of the company, Company objectives; Major share ownership and voting rights; Members of the board and key executives and their remuneration; and Governance structure and policies information should be prepared, audited and disclosed in accordance with high quality standards, while the channels for disseminating information should be fair, timely and cost-effective.

2.1.2.5 THE RESPONSIBILITIES OF THE BOARD

The traditional view of directors is that they serve primarily to monitor management. However, there is an emerging school of thought that directors can and should add value to the enterprise (Fredrick, 1999). The principle, which reflects the value-added approach, suggests that directors are responsible for the strategic guidance of the enterprise in addition to monitoring management. Thus, the board has a definite function to perform to ensure the strategic guidance of the company, the effective monitoring of management by the board, and the board’s accountability to the corporation and shareholders. In doing this, board members should: Ensure the independence of the board; Act on a fully informed basis and in good faith, with due diligence and care, and in the best interest of all stakeholders; Treat all shareholders fairly, particularly in decisions that affect different shareholder groups; and Ensure compliance with applicable laws **O**ther principles of corporate governance include Honesty, Trust**,** Transparency**,** Performance Orientation**,** Integrity**,** Responsibility**,** Accountability**,** Mutual Respect**,** Commitment to the Organization

2.1.3 PILLARS OF CORPORATE GOVERNANCE

In all fields of human endeavour, good corporate governance is founded upon the attitudes and practices of the society. According to Kwakwa and Nzekwe (2003), these values centre on the: Accountability of power, based on the fundamental belief that power should be exercised to promote human well-being; Democratic values, which relate to the sharing of power, representation and participation and participation; The sense of right and wrong; Efficient and effective use of resources; Protection of human rights and freedoms, and the maintenance of law and order and security of life and property; Recognition of the government as the only entity that can use force to maintain public order and national security; and Attitude towards the generation and accumulation of wealth by hardwork..

The above attributes have been reduced to four pillars on which governance is framed. These pillars encompass; Effective body responsible for governance, separate and independent of management, An approach to governance that recognized and protects the rights of members and all stakeholders Institutions to be governed and managed in accordance with its mandate; and An enabling environment within which the institutions' human resources could contribute and bring to bear their full creative powers. The Business Roundtable (2002) supports the following guiding principles of corporate governance;

1. The paramount duty of the board of directors of public corporation is to select a Chief Executive Officer and to oversee the CEO and other senior management in the competent and ethical operation of the corporation on a daily basis.
2. It is the responsibility of the management to operate the corporation in an effective and ethical manner in order to produce value for shareholders. Senior

management should know how the corporation earns its income and what risk the corporation is undertaking in the course of carrying out its business. Management should never put personal interest ahead of or in conflict with the interest of the corporation.

3. The management, under the oversight of the board and its audit committee, should produce financial statements that fairly present the financial condition and result of operation of the corporation and make the timely disclosure investors need to permit them to assess the financial and business soundness and risks of the corporation.
4. It is the responsibility of the board and its audit committee to engage an independent accounting firm to audit the financial statement prepared by management and to issue an opinion on those statements based on Generally Accepted Accounting Principles.
5. The independent accounting firm is responsible to ensure that it is in fact independent, is without conflicts of interest, employs highly competent staff and carries out its work in accordance with Generally Acceptable Auditing Standards. It is also the responsibility of the independent accounting firm to inform the board, through the audit committee, of any concerns the auditor may have about the appropriateness of quality of significant accounting treatments, business transactions that affects the fair presentation of the corporation's financial condition and result of operation, and weakness in internal control systems.
6. The corporation has the responsibility to deal with its employee in a fair and equitable manner.

2.1.4 CHALLENGES/ WEAKNESSES OF CORPORATE GOVERNANCE IN COMPANIES IN NIGERIA.

(1) Disagreement between board and management giving rise to board squabbles

(2) Ineffective board oversight function.

(3) Overbearing influences of chairman on MD/CEO.

(4) Weak internal controls

(5) Non- compliance with laid down internal controls and opinion procedures.

(6) Passive shareholders.

(7) Sit-tight directors- even when such directors fail to make meaningful contribution to the growth and development of the organization.

(8) Inability to plan and respond to changing business circumstances.

(9) Succumbing to pressure from other stakeholders e.g. appetite for high dividend.

(10) Ineffective management information system.

(11) Establishing Codes: There is a popular saying that where there is no law, there is no offence. For most institutions and professional bodies in Nigeria, it is either that there is no codes of conduct or the codes are not being followed. Therefore, the first challenge in ensuring good star from taking appropriate steps to ensure that a code that will guide stakeholders is put in place.

(12) The challenge of enlightenment**:** There is the need for mass enlightenment on corporate governance. In this part of the world corporate governance is relatively a new concept and even some company directors are not fully aware of the onerous responsibilities of a director.

2.1.5 INTERNAL GOVERNANCE

i. Boards of directors:

The corporate governance framework should ensure strategic guidance of the firm by the board which is dynamic with its fiduciary responsibility to shareholders. The board is the driving mechanism of the firm mainly responsible for monitoring managerial performance and achieving adequate return for shareholders. The board also works to avoid conflict of interest and competing demands on the firm, and need to be impartial in their judgments. The board is also mandated to oversee the risk management factors and systems put in place to ensure compliance with laws affecting the firm, such as tax, competition ethics, labour, equal opportunity, health and safety. The board apart from being accountable to the firm and shareholders should also take due and fair regard of other stakeholders such as employees, suppliers, creditors' customers and the local community (Deli and Gillan, 2000). Boards of firms are supposed to exhibit two very important elements of the fiduciary duty namely that of care and loyalty. The duty of care requires board members to be fully informed of the firm's operations. The duty of loyalty is underpinned on effective implementation of principles such as fair treatment of shareholders, remuneration policy of key executives and board members (OECD, 2015).

ii. Managerial remuneration

The remuneration policy of a company developed by the boards plays a fundamental role in aligning the interests of managers and owners. Recent work by Bebchuk and Fried (2003), advocate for equity based compensation which translate to remuneration closely related to performance. Specific terms to be observed by board members and key executives are clarified especially those to do with holding and trading the stock of the company and procedures to be followed in granting and re-pricing options. The remuneration policy and contracts is handled by a special committee of the board comprising either wholly or a majority of independent directors excluding executive members who serve on each other's remuneration committees, to avoid conflict of interest.

iii. Audit Committees and Independent Directors

According to Mangena and Tauringana (2004) corporate governance experts and regulators consider the audit committee as the body that is at the heart of the corporate reporting process. The Cadbury Code (2002) suggested that all companies should set up audit committees, and the Smith Report (2003) provided comprehensive direction on the role and responsibilities of the audit committee. Audit committee responsibilities comprise monitoring the financial statements of the company's integrity and reviewing internal control systems. Forker (2002) argued that the existence of audit committees may improve internal control for effective monitoring and information disclosure.

2.5 External Governance

i. Laws/Regulations Firms have to abide by the regulatory and legislative requirements which are basically drawn from the host country's specific circumstances, history and tradition. The regulatory and legislative framework differs from country to country. The overall corporate performance is greatly influenced by regulatory and legal environment within which the firm operates. The policy makers in turn should put in place a framework that is flexible enough to meet the needs of the corporations operating in widely different circumstances. The overall impact of the laws or regulations binding the corporate governance framework should advocate for the rule of law and transparency (Jensen, 2001). This deals with the possibility of corporate fraud and issues to do with ethics. Corporate governance practices and requirements are bound by an array of legal aspects such as securities regulation, company law, auditing and accounting standards, insolvency law, contract law, labour and tax laws.

Human rights and environmental laws are also very important as these affect the overall treatment of the environment and labour. Labour should be fairly remunerated, health and safety issues should be of paramount importance. Corporate governance by the firms should be viewed and implemented as a developmental gesture of appreciation to the community in which the firm operates. Board of directors and management should prioritize this crucial obligation in order to earn respect and support from host communities and host country at large.

ii. Ownership Concentration In financial and general management positive agency theory put forward that a wider spreading of share ownership is related with greater transparency. Fama and Jensen, (2003) contends that the separation of control and ownership creates agency costs as a result of differing and conflicting interests between owners and management. Since agency costs are relatively high for organizations with dispersed ownership of shares, shareholders demand greater information disclosure for monitoring purposes. The situation calls for strong corporate governance as transparency is reduced by ownership concentration.

iii. Foreign Ownership Strategic management scholars argue that when an organization goes international the uncertainty of a company's business operations and complexity increases. Stakeholders are then likely to place greater pressure on the company to ensure it implements effective monitoring mechanisms. According to Meek, Roberts and Gray (2005) multinational organisations' performance, behavior and consequences of their operations are closely monitored by international government agencies and political pressure groups. As a result, foreign investors are required to comply fully with all regulatory and statutory requirements of the host countries for their international subsidiaries. International subsidiaries will probably have more complicated financial reporting systems that facilitate greater disclosure in their end of year reports compared to local companies. There is indication of positive correlation between foreign ownership and corporate disclosure as established in recent studies by Haniffa and Cooke, (2002).

iv. Cross Directorships Cross-directorships refer to a situation where executive directors and non-executive directors sit on more than one board. Recent studies have acknowledged that situations where directors are members of more than one board poses greater implications on the governance functions, considering the independence of directors in a unitary and compound board. Davis (2006) is of the view that cross directorships put companies at a competitive disadvantage considering that, their existence on more than one board will make them less independent as they will be more sympathetic with others in similar positions. Those against cross-directorships argue that directors on more than one board are devices for interoperate conspiracy, benefit control over corporate decision-making and for the summation and development of the collective interests of the corporate leaders (Useem, 2004). Opponents of cross-directorships argue that when a director is actively involved in more than one board it compromises the confidentiality and information disclosure of a company (Haniffa & Cooke, 2002). Unitary boards in this case are recommended for effective decision making.

2.2 THEORETICAL FRAMEWORK

2.2.1 AGENCY THEORY

Jensen and Meckling (1976) define an agency relationship as a contract under which one or more persons known as the principal engage another person known as the agent to perform some service/manage on their behalf. This involves delegating some decision making authority to the agent. Thus it raises the prospect that the executive as an agent will serve their own interests rather than those of the owner/principal. To counter such problems the principal will have to incur agency costs. These are costs that arise from the need of creating incentives that align the interests of the executive with those of the shareholders. They are also composed of costs incurred by the necessity of monitoring executive conduct to prevent the abuse of owner interests (Roberts & Young, 2005).

In the Agency theory the owner delegates work to an agent and the agent handles the work. Though the agent handles the work, the principal was monitoring and controlling the organization and the decisions related to the organization was taken by the principal (Solomon et al, 2004). In some cases the agent also should be given some power but better institutional arrangements should be followed to avoid the abuse of power and resource. Improper monitoring has created major failures in some prominent organizations in many countries worldwide.

According to this theory there should be a contract between the principal and agent. When the organization grows it needs more capital and this has to be raised from the market, hence more principals' will come into the organization. When more principals come into the picture there was more complication hence the necessity for corporate governance. Though agency theory is a widely used method of corporate governance it is a method which is criticized much. The critics believe that agency theory doesn't carry contractual relationships most of the time and mutual arrangements.

In agency theory the managers (the agents) was more interested in short term profits. The higher agency cost problems and other problems arising can be eliminated or can be reduced if shareholders monitor the company (Solomon and Solomon, 2004).

The shareholders should control the company through AGM voting. Shareholders also have the option of diversifying their investments. Another way of overcoming the agency problems is having a face to face meeting occasionally between representatives from investment institutions and management (Weir et al, 2002). Another possible solution to the agency problem is to provide senior management with incentives to pursue wealth maximizing policies. The monitoring costs also increase when the number of shareholder increases.

2.2.2 STAKEHOLDER THEORY

Freeman (1984) designed the theory to address morals and values to address management in a firm. The theory is more substantial than the agency theory and other corporate governance theories. Stakeholder theory considers a wider group than just shareholders. The wider group involves the employees, customers, creditors, debtors, government and local communities. Stakeholder theory has broadened the group to whom the firm is held accountable (McGregor, 2000). The shareholder values are respected in this method by efficiently using the resources of the organization and making shareholders' aware of it. The purpose of good governance is always to increase the shareholder value.

The theory focuses on managerial decision making and recognizes that interests of all stakeholders have intrinsic value, and no set of interests is assumed to dominate the others (Shankar et al, 2002). However the problem with this theory is that it doesn't clearly explain what the tradeoff is made against the interest of each group of stakeholders. The managers are not clear and are not willing to be accountable for their actions. As there is a wide group of people involved in an organization it's apparent that the expectations differ from one person to the other, hence the necessity for Corporate Governance.

2.2.2 STEWARDSHIP THEORY

Donaldson and Davis (1991), note that, stewardship theory focuses less on the differences between owners and agents, and more on their shared fate. The stewardship theory has its roots from psychology and sociology (letting et al, 2012). The theory argues and looks at different forms of motivation for managers drawn from organizational theory. Managers are viewed as loyal to the company and interested in achieving high performance. The dominant motive, which directs managers to accomplish their job, is their desire to perform excellently. Specifically, managers are conceived as being motivated by a need to achieve, to gain intrinsic satisfaction through successfully performing inherently challenging work, to exercise responsibility and authority thereby gaining recognition from their peers and bosses.

Therefore, the stewardship theory indicates/implies that there are non-financial motivators for managers (Hamid, 2011). The directors was the stewards of company assets and was carrying out the business of the firm according to the interest of the shareholders. Unlike agency theory, stewardship theory stresses on the role of top management being as stewards, integrating their goals with those of the organization. Firms that embrace stewardship place the CEO and chairman responsibilities under one executive, with a board comprised mostly of in-house members.

This allows for intimate knowledge of organizational operation and a deep commitment to success (Flynn, 2013). The model has proved to be adaptable to prevailing changing situations (McGregor, 2000). The shareholders was selecting the directors to act as stewards. The directors need to identify the interests of the shareholders in order to serve them. Though the directors have to consider the interests of the employees, customers, suppliers and other legitimate stakeholders, shareholders are their first priority.

2.3 EMPIRICAL REVIEW

One of the major challenges facing the adherence to the code of conduct of corporate governance in the communication industry is the non-compliance and/or enforcement to the conduct of corporate governance by the companies in Nigeria; which are weaken corporate structure for the effectiveness of performance of banks in Nigeria by the establishment of the regulatory agencies in Nigeria like: the Central Bank of

Nigeria (CBN) Securities Exchange Commission (SEC) and son on. To this, there has been in the last few years an abundance of literatures on the research work. Past works of notable researchers on this research and how it affects performance of banks were critically reviewed in this aspect of this research work. Their views, methodology employed and their conclusions were discussed chronologically;

Kojola (2009) examine corporate governance and firm performance in Nigeria. The result reveals that there is significant relationships between Return on Equity (ROE) and board size as well as chief executive status. Likewise, it further reveals a positive significant relationship between Profit Margin (PM) and chief executive.

Weisbach (2008), Heranlin and Weisbach (2001) examine agency theory and corporate governance. They observed that there is a positives relationship between firm performance and the proportion of outside directors sitting on the board. But Forberg (2009), Weisback (2001), Bhaget and Black (2002) and Sanda et al (2005) argued that the relationship between board composition and the performance (Board Size and Outside director) measure is not statistically significant. The implication of this is the for sample firms, there is no relationship between the firms' financial performance and the outside directors sitting on the board.

Agrawal and Knoeber (2006) in agency theory and corporate governance, examine a range of governance variables within a simultaneous regressions framework and find that the proportion of outside directors on company's board is the only governance mechanism with consistently affects corporate value. However, the relationship is negative, suggesting the US firms have destroyed shareholder wealth by employing these directors.

Weisbach (2008) and Warner et al, (2008) in agency theory and corporate governance, was of the view that, the most consistent empirical results in the corporate governance literature is that directors are more likely to lose their jobs if they are poor performers and find that it is only the very poorest performing management who lose their jobs and that is generally takes a prolonged period of poor performance to result in forced top executive turnover.

Shabbir Ahmad (2002) examined the relationship between corporate governance and performance of
commercial banks in Pakistan, result revealed that from all variables stated in the model analyzed, market share variable has an impact on the performance of banks negatively, suggesting that banks in a less competitive environment might feel less pressure to control their costs. Burki and Niazi (2004) and Patti and Hardy (2005). Further examined corporate governance and performance of commercial banks in Pakistan but analysis reveal that banks with larger assets size (i.e state owned banks) give lower efficiency than the other Peer groups of banks, i.e., private bank and foreign banks as the division of banking sector stated. Their study revealed further that better liguidity management implies a better performance of the banks.

Bebehuk and Cohaen (2004) also finds out that, board size, board composition, and whether the CEO is also the board chairman have shown that well governed firms have higher firm performance. Though, there is a view that large board are better for corporate performance because they have a range of experertise to help make better decisions, and are harder for a powerful CEO to dominate. In a Nigerian study, Sanda et al (2003) found that, firm performance is positively related with small, as opposed to large boards.

Kyereboad-Coleman (2007) examined the effort of corporate governance on the performance of firms in Africa by using both market and accounting based performance measure. The study used unique data from 103 listed firms drawn from Ghana, South Africa, Nigeria and Kenya covering the five year period 1997-2001. The analysis was carried out within the dynamic panel data framework. Their results indicate that the direction and the extent of impact of governance is dependent on the performance measure being examined. Specifically, the findings show that large and independent boards enhance firm value and that combining the positions of CEO and board chair has a negative impact on corporate performance. The study also finds that CEO's tenure in office enhances a firm's profitability whiles board activity intensity affects profitability negatively. The size of audit committees and the frequency of their meetings have positive influence on market based performance measures and that institutional shareholding enhances market valuation of firms. finally, the results pointed out that sector characteristics influence the impact of governance on corporate performance. For enhance performance of corporate entities, the study recommended a clear separation of the positions of CEO and board chair and relatively independent audit committees should be maintained.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter outlines the research methodology used to investigate the impact of corporate governance on the telecommunication industry in Nigeria, focusing on the MTN Ilorin branch in Kwara State. The methodology covers the research design, population of the study, sample size and techniques, data collection methods, instruments for data collection, and the historical background of the study.

3.2 RESEARCH DESIGN

The research design for this study is a descriptive survey. This design is chosen because it allows for the collection of data that provides an accurate portrayal of the current state of corporate governance practices at the MTN Ilorin branch and their impact on the overall performance of the telecommunication sector. The descriptive survey method is suitable for this study as it facilitates the gathering of both qualitative and quantitative data, providing a comprehensive understanding of the subject matter.

3.3 POPULATION OF THE STUDY

The population for this study comprises all employees of the MTN Ilorin branch in Kwara State, Nigeria. The branch employs a diverse range of staff across various departments and levels within the organization. Specifically, the population includes the following groups; Management Staff, Administrative Staff, Customer Service Representatives, Technical Support Staff, Sales and Marketing Staff.

The total population size is 200 employees. This diverse group provides a comprehensive perspective on how corporate governance practices impact various aspects of the organization's performance and employee experiences. By including different levels and functions within the branch, the study aims to capture a holistic view of corporate governance's role in enhancing organizational effectiveness and achieving business objectives.

3.4 SAMPLE SIZE AND SAMPLE TECHNIQUES

To obtain a representative sample from the population, a sample size of 100 employees will be selected. This sample size is determined using the Yamane formula for sample size calculation, which is suitable for a finite population. The sampling technique used is stratified random sampling. This technique ensures that different strata (management, administrative, technical, and customer service) are proportionately represented in the sample, thereby enhancing the reliability and validity of the findings.

3.5 METHOD OF DATA COLLECTION

The primary method of data collection for this study is a structured questionnaire. The questionnaire is designed to elicit relevant information regarding corporate governance practices and their perceived impact on organizational performance. Additionally, secondary data will be collected from MTN's internal reports, corporate governance policies, and other relevant documents. This combination of primary and secondary data collection methods will provide a robust dataset for analysis.

3.6 INSTRUMENT OF DATA COLLECTION

The main instrument for data collection is a structured questionnaire, which consists of both closed-ended and open-ended questions. The questionnaire is divided into sections covering demographic information, corporate governance practices, and their impact on performance. The questions are formulated to be clear and concise, ensuring that respondents can easily understand and provide accurate responses. The questionnaire will be pre-tested with a small sample of employees to identify and rectify any issues before the main data collection phase.

3.7 METHOD OF DATA ANALYSIS

This study employs descriptive method. The descriptive analysis involves the use of tables and percentage in presenting the data collected from the questionnaire administered to the respondents. Also, the study makes use of correlation and regression analysis using SPSS version 23. The reason for using Regression Analysis was because it is a statistical tool that does not only explore the relationship between two or more variables but also assessing the contribution of individual predictors in a given model.

3.8 HISTORICAL BACKGROUND FOR THE STUDY

MTN Nigeria is part of the MTN Group, Africa's leading cellular telecommunications company. On May 16, 2001, MTN became the first GSM network to make a call following the globally lauded Nigerian GSM auction conducted by the Nigerian Communications Commission earlier in the year. Thereafter the company launched full commercial operations beginning with Lagos, Abuja and Port Harcourt.

MTN paid $285m for one of four GSM licenses in Nigeria in January 2001. To date, in excess of US$1.8 billion has been invested building mobile telecommunications infrastructure in Nigeria.

Since launch in August 2001, MTN has steadily deployed its services across Nigeria. It now provides services in 223 cities and towns, more than 10,000 villages and communities and a growing number of highways across the country, spanning the 36 states of the Nigeria and the Federal Capital Territory, Abuja. Many of these villages and communities are being connected to the world of telecommunications for the first time ever.

The company's digital microwave transmission backbone, the 3,400 Kilometre Y'elloBahn was commissioned by President Olusegun Obasanjo in January 2003 and is reputed to be the most extensive digital microwave transmission infrastructure in all of Africa. The Y'elloBahn has significantly helped to enhance call quality on MTN network.

The company subsists on the core brand values of leadership, relationship, integrity, innovation and can-do. It prides itself on its ability to make the impossible possible, connecting people with friends, family and opportunities.

CHAPTER FOUR
DATA PRESENTATION AND ANALYSIS

4.0 INTRODUCTION

This chapter has to do with the analysis of the data collected from the findings and the interpretation of result on the assessment of corporate governance in Nigerian industries with a specific reference to MTN Nigeria communication ltd Ilorin, Kwara State. For the personal data, frequency counts and percentages were employed while chi-square, Pearson Product Moment Correlation and ANOVA were used to test the hypotheses at 0.05 level of significance.

4.1 DATA PRESENTATION AND ANALYSIS

Table 1: Distribution of Respondents Based on marital status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SINGLE	35	58.3	58.3	58.3
	MARRIED	25	41.7	41.7	100.0
	Total	60	100.0	100.0	

Source: - Field Survey, 2020

Table I indicated that 60 respondents participated the study out of which 35(58.3) were single while 25(41.7) were married.

Table 2: distribution of respondents based on gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALE	37	61.7	61.7	61.7
	FEMALE	23	38.3	38.3	100.0
	Total	60	100.0	100.0	

Source: - Field Survey, 2020

Table 2 indicated that 37(61.7) of the respondents were male while 23(38.3) were female respondents.

Table 3: distribution of respondents based on work experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-3YRS	26	43.3	43.3	43.3
	4-7YRS	24	40.0	40.0	83.3
	8yrs&above	10	16.7	16.7	100.0
	Total	60	100.0	100.0	

Source: - Field Survey, 2019

Table 3 shows that 26(43.3) had between 0-3yrs of work experience,24(40) had between 4-7yrs while 10(16.7) 8yrs and above.

Table 4: distribution of respondents based on job status

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	JUNIOR	32	53.3	53.3	53.3
	SENIOR	28	46.7	46.7	100.0
	Total	60	100.0	100.0	

Source: - Field Survey, 2020

It is shown that 32(53.3) of the respondents were junior staff while 28 (46.7) were senior staff.

Table 5: distribution of respondents based on educational background

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	B.Sc	21	35.0	35.0	35.0
	HND	16	26.7	26.7	61.7
	OND	13	21.7	21.7	83.3
	NCE	7	11.7	11.7	95.0
	O LEVEL CERTIFICATE	3	5.0	5.0	100.0
	Total	60	100.0	100.0	

Source: - Field Survey, 2020

Table 5 indicated that 21(35) of the respondents were B.sc holders,16(26.7) were HND holders,13(21.7) were OND holders while the remaining 3(5) were school leavers.

Table 6 mean and rank orders of assessment the corporate governance in MTN Nigeria communication limited

Item No	ITEMS	Mean	Rank
17	Telecom industry particularly MTN takes the roles in poverty alleviation in the society.	1.38	1st
6	Corporate Governance is practiced by MTN in order to improve the environmental challenges for sustainable business	1.35	2nd
15	Private companies without Corporate Governance practices most often fail sooner or later	1.33	3rd
16	MTN with Corporate Governance policies get the best worker, shareholders, customers and a happier community and society	1.32	4th
1	Corporate governance has contributed tremendously and positively to the development of society and business	1.32	4th
5	Corporate Governance merely focused on the telecommunication industries and multinationals	1.32	4th
18	MTN creates a huge awareness to the society on the advantages of telecommunication	1.30	7th
11	Corporate Governance promotes employment among the Nigerian youths	1.30	7th

4	Corporate Governance is a programme organized to give back to the society that gave the business first	1.30	7th
3	Corporate Governance is deliberate inclusion of public interest into corporate decision making end in line with profit making	1.28	10th
13	Customers prefer to patronize who are alive to Corporate Governance practices	1.28	10th
19	MTN also contributes to the educational development in the society	1.28	10th
10	Introduction of Corporate Governance to an organization reduces unemployment in the country	1.25	13th
20	Corporate governance adoption by mobile operators has no significant impact stakeholders in Nigeria	1.25	13th
2	the aim of corporate governance is to provide social amenities to the public	1.23	15th
9	The telecoms industry is affecting the lives of people and Nigerian economy positively	1.23	15th
7	The telecoms sector have been experiencing rapid growth due to Corporate Governance programmes	1.22	17th
14	Corporate governance business attracts the best	1.22	17th
12	Indigenous Nigerian companies practice Corporate Governance as corporate philanthropy to cater for country's socio-economic challenges	1.20	19th
8	Corporate Governance works towards improving integrate economic, environmental and social aspects	1.15	20th

Table 6 shows that item 17 ranked 1st with a mean score of 1.38. Ranked 2nd was item 6 with a mean score of 1.35. Ranked 3rd was item 15 with a mean score of 1.33. Item 5 was ranked 4th with a mean score 1.32 while item 4, 18, 11, were ranked 7th with mean scores of 1.30 respectively.

4.2 HYPOTHESES TESTING

Five research hypotheses were formulated and tested for this study. The hypotheses were tested using chi-square statistical method, Pearson Product Moment Correlation and ANOVA were used to test the hypotheses at 0.05 level of significance.

Hypothesis one:

Corporate governance has no significant effect on telecommunication industry

Table 7

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
	60	100.0%	0	.0%	60	100.0%

Answers from respondents on Corporate governance on communication impact.

			YES	NO	Total
	YES	Count	30	11	41
		Expected Count	29.4	11.6	41.0
		% within	73.2%	26.8%	100.0%
		% within	69.8%	64.7%	68.3%
		% of Total	50.0%	18.3%	68.3%
	NO	Count	13	6	19
		Expected Count	13.6	5.4	19.0
		% within	68.4%	31.6%	100.0%
		% within	30.2%	35.3%	31.7%
		% of Total	21.7%	10.0%	31.7%
Total		Count	43	17	60
		Expected Count	43.0	17.0	60.0
		% within	71.7%	28.3%	100.0%
		% within	100.0%	100.0%	100.0%
		% of Total	71.7%	28.3%	100.0%

Chi-Square Tests on communication impact

	Calculated Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Chi-Square	4.144	1	.704		
Continuity Correction[b]	.005	1	.943		
Likelihood Ratio	.143	1	.706		
Fisher's Exact Test				.763	.465
Linear-by-Linear Association	.142	1	.706		
N of Valid Cases[b]	60				

Table value= 3.84 at .05 level of significant

Discussion of the result of hypothesis 1 from the result of table 7, it is shown that the chi-square calculated value of 4.144 is greater than the table value of 3.84 at .05 level of significant. We therefore reject the null hypothesis which corporate governance by MTN Nigeria communication has no significant impact in Nigeria. Thus, the alternative hypothesis is accepted

Hypothesis two

Ho: there are no internal and external Corporate governance control mechanism in telecommunication industry.

Table 8

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
	60	100.0%	0	.0%	60	100.0%

Answers from respondents on Corporate governance on profit motives.

			YES	NO	Total
	YES	Count	29	17	46
		Expected Count	32.2	13.8	46.0
		% within	63.0%	37.0%	100.0%
		% within	69.0%	94.4%	76.7%
		% of Total	48.3%	28.3%	76.7%
	NO	Count	13	1	14
		Expected Count	9.8	4.2	14.0
		% within	92.9%	7.1%	100.0%
		% within	31.0%	5.6%	23.3%
		% of Total	21.7%	1.7%	23.3%
Total		Count	42	18	60
		Expected Count	42.0	18.0	60.0
		% within	70.0%	30.0%	100.0%
		% within	100.0%	100.0%	100.0%
		% of Total	70.0%	30.0%	100.0%

Chi-Square Tests on Corporate governance on profit motives

	Calculated Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Chi-Square	4.543	1	.033		
Continuity Correction[b]	3.234	1	.072		
Likelihood Ratio	5.496	1	.019		
Fisher's Exact Test				.045	.030
Linear-by-Linear Association	4.467	1	.035		
N of Valid Cases[b]	60				

Table value= 3.84 at .05 level of significant

Discussion of result of hypothesis 2 From the result of table 8, it could be observed that, the chi-square calculated value of 4.543 is greater than the table value of 3.84 at .05 level of significance. Thus, the null hypothesis which states that profit motives do not influence corporate governance adoption in the telecoms industry is rejected while the alternative hypothesis is accepted

Hypothesis Three

There are no systemic problems of Corporate governance control mechanism in telecommunication industry.

Table 9

ANOVA

Model		Sum of Squares	Df	Mean Square	F value	Critical.
1	Regression	.031	1	.031	4.140	3.00
	Residual	12.952	58	.223		
	Total	12.983	59			

The results in table 9 for the analysis of variance show that the calculated value is greater than the critical value. Meaning that, there is significant relationship between corporate governance, economic and environmental development.

4.3 DISCUSSION OF FINDINGS

The study revealed that the number of sub-committee, board meeting frequency and board ownership had significant impact on the performance of the company.

The study also found a significant impact for the ownership and the size of the board of directors on firms' performance. The governance factors and their impact on financial performance of banks in Nigeria and reported the governance factors affect the performance of the company. The study also revealed that to minimize financial and economic crime in the system, bank must embrace Fiduciary duty which include transparency, honesty and fairness (corporate governance codes) in dealing with all its stakeholders.

Furthermore, the study revealed that there was a positive and significant relationship between composition of board member and board size and firm performance.

The result thus indicated that the nature of control over the sector have an impact on companies' decision to disclose online information about their corporate governance in Nigeria; and that there were no significant differences among firms with low corporate governance quotient and those with higher corporate governance in terms of their financial performance.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 INTRODUCTION

This chapter presents a summary of the research findings, draws conclusions based on the analysis, and provides recommendations for enhancing corporate governance practices in the telecommunication industry, specifically at the MTN Ilorin branch in Kwara State.

5.1 SUMMARY OF FINDINGS

The research aimed to investigate the impact of corporate governance on the performance of the MTN Ilorin branch. Key findings from the study include:

1. **Corporate Governance Practices**: The study revealed that MTN Ilorin has implemented a range of corporate governance practices, including regular board meetings, clear organizational structures, and adherence to regulatory requirements. These practices are designed to ensure transparency, accountability, and ethical conduct within the organization.
2. **Impact on Performance**: There is a positive correlation between robust corporate governance practices and improved organizational performance. Employees reported that effective governance has led to better decision-making processes, increased trust among stakeholders, and enhanced overall efficiency and productivity.
3. **Challenges**: Despite the positive impact, the study identified several challenges in implementing corporate governance practices. These include resistance to change among some employees, limited resources for comprehensive governance training, and occasional lapses in adherence to governance policies.
4. **Employee Perception**: The majority of employees perceive corporate governance as beneficial for the organization's long-term success. They believe that strong governance frameworks help in mitigating risks, fostering a positive corporate culture, and attracting investment.

5. **Areas for Improvement**: The study highlighted areas where MTN Ilorin could improve its governance practices, such as enhancing training programs, improving communication about governance policies, and increasing employee involvement in governance-related activities.

5.2 CONCLUSION

The research has demonstrated that corporate governance is a pivotal factor in the performance and sustainability of MTN Ilorin. The study shows that the implementation of strong governance practices, such as regular board meetings, clear organizational structures, and adherence to regulatory requirements, positively impacts the organization's overall efficiency, decision-making processes, and stakeholder trust.

Employees at MTN Ilorin generally perceive corporate governance as beneficial, acknowledging that it helps mitigate risks, fosters a positive corporate culture, and attracts investment. These practices have led to better operational performance and enhanced the company's reputation in the competitive telecommunication industry.

However, the study also highlights several challenges that need to be addressed. These challenges include resistance to change among employees, insufficient resources for comprehensive governance training, and occasional lapses in policy adherence. Addressing these issues is crucial for sustaining and further improving the effectiveness of corporate governance at MTN Ilorin.

In conclusion, while MTN Ilorin has made significant strides in implementing corporate governance practices, there is room for improvement. By focusing on enhanced training, improved communication, increased employee involvement, and regular audits, MTN Ilorin can overcome existing challenges and solidify its governance framework. This, in turn, will ensure the organization's continued growth, stability, and success in the dynamic telecommunication sector.

5.3 RECOMMENDATIONS

Based on the findings and conclusions of this study, the following recommendations are proposed to enhance corporate governance at MTN Ilorin:

1. **Enhanced Training Programs**: Implement comprehensive training programs for all employees to deepen their understanding of corporate governance principles and practices. This will help in overcoming resistance to change and ensuring consistent adherence to governance policies.
2. **Improved Communication**: Establish clear and regular communication channels to disseminate information about governance policies, updates, and their importance. This can include newsletters, workshops, and intranet updates.
3. **Employee Involvement**: Increase employee involvement in governance-related activities by creating committees or task forces that include representatives from various departments. This can enhance buy-in and provide diverse perspectives on governance issues.
4. **Resource Allocation**: Allocate sufficient resources to support the implementation and maintenance of corporate governance practices. This includes financial resources, personnel, and technology to monitor and enforce governance standards.
5. **Regular Audits and Reviews**: Conduct regular audits and reviews of corporate governance practices to identify areas for improvement and ensure compliance with regulatory requirements. External audits can provide an objective assessment of governance effectiveness.
6. **Stakeholder Engagement**: Engage with external stakeholders, including customers, investors, and regulatory bodies, to gather feedback on governance practices and incorporate their input into governance strategies.

By implementing these recommendations, MTN Ilorin can strengthen its corporate governance framework, thereby enhancing its performance and maintaining its competitive edge in the telecommunication industry.

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