

**EFFECTS OF CORPORATE GOVERNANCE ON AN ORGANIZATION'S
PERFORMANCE: CASE OF COMPETITION AND CONSUMER PROTECTION
COMMISSION**

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DECLARATION

I, *Chibulo Foster Mwachikoka*, hereby declare that “to the best of my knowledge”, this Dissertation is my original work and has not been presented before by anyone else at University of Zambia or at any other University except where due acknowledgement has been made in text as will be seen in the document.

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CERTIFICATE OF APPROVAL

The dissertation of *Chibulo Foster Mwachikoka* entitled: “Effect of Corporate Governance on organizational performance. A Case of Competition and Consumer Protection Commission” is approved as fulfilling the requirement for the award of Master of Business Administration of the University of Zambia.

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DEDICATION

I would like to dedicate my Dissertation to my parent Margaret Kasebwe Liteta Mwachikoka who always wished me the best in life as her son. Not forgetting my siblings both deceased and alive.

ACKNOWLEDGEMENTS

I wish to acknowledge my dear wife Idah Mungandi Mwachikoka who supported me throughout during my studies. My supervisor **Dr. Norman Kamanga** and **Mr Kingsley Namangala the MBA coordinator** for their relentless efforts in correcting my work whenever i called upon them, my employers at Competition and Consumer Protection Commission Livingstone Office, for according me time to study during residential schools. I would be failing in my duties not to ultimately acknowledge the good Lord for remaining faithful and for having given me the grace and knowledge to complete my studies.

ABSTRACT

This study investigated the effects of corporate governance practices on organizational performance, focusing on the Competition and Consumer Protection Commission (CCPC) as a case study. By analysing the relationship between corporate governance structures, processes, and outcomes, this research aimed to provide insights into how effective governance influences the performance of regulatory bodies. The study utilized quantitative and qualitative methods to examine the CCPC's governance framework and its implications for operational efficiency, regulatory effectiveness, and stakeholder satisfaction. Key findings highlight the significance of transparency, accountability, board composition, regulatory compliance, and stakeholder engagement in shaping organizational performance within regulatory agencies. The research contributed to the existing literature on corporate governance and organizational effectiveness, offering practical recommendations for enhancing governance practices to optimize performance outcomes in regulatory contexts. To provide answers to the specific objectives of the study, a case study research design was adopted in which the Competition and Consumer Protection Commission was regarded as the single entity being studied. To create a primary source of data, probability sampling procedure were used to select sample size of 62 respondents from the Commission employees. The study applied questionnaire and in-depth interview for accurate purposes to collect data from selected sample and then analysis of those collected data was done quantitatively and qualitatively based on the data collected. The data was analysed using descriptive statistics and multiple regression analysis. The findings revealed from this study show that the CCPC apart from being complied with practice of good corporate governance, also its practice of corporate governance, the organizational performance improvement occurs through having an effective board of directors, accountability, transparency, audit committee and separating the role of the board chairman and the Executive Director. The revealed findings show the Commission's balanced board size and the audit committee have a strong positive relationship to the Competition and Consumer Protection Commission's performance while the separating role of the board chairman and the Executive Director has a strong positive relationship to the Commission's performance in a long run. The study provided recommendations for performance improvement to the management and to the board of the Commission. Also, further recommendations for further studies were given in the research.

Keywords: Corporate Governance, Organizational Performance, Competition, Consumer Protection, Case Study.

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LIST OF ABBREVIATIONS

CCPC	Competition and Consumer Protection Commission
MOF	Ministry of Finance
PFMS	Public Financial Management System
MCTI	Ministry of Commerce, Trade, and Industry
ZDA	Zambia Development Agency
CG	Corporate Governance
UNZA	University Of Zambia
AGO	Auditor General Office
ACCG	Accountant General
IDE	Institute of Distance Education
DRGS	Directorate Research and Graduate Studies
MBA	Master of Business Administration
ED	Executive Director
GRB	Government Regulatory Body
OP	Organizational Performance
BOD	Board of Directors
CEO	Chief Executive Officer

CHAPTER ONE

Introduction

1.1 Overview

This Chapter provides the background to the research, the statement of the problem, main and specific objectives of the research, the research questions, significance and scope of the research, limitations and operational definitions of key terms.

1.2 Background

The degree to which a country's public entities observe basic principles of good corporate governance is an increasingly important factor for attracting investment capital, maintaining economic stability and encouraging growth Al-Matari, E.M (2018). Corporate governance has become increasingly important in Zambia especially at this time when the country is faced with challenges of restructuring for greater efficiency and attracting investment. This has brought the need for State Owned Enterprises to be managed effectively by competent people who are able to formulate and implement effective strategies important for business success and economic growth. Corporate governance therefore becomes important to ensure long-term sustainability, attracting investment capital, maintaining economic stability and growth, Robinett, (2006). Corporate governance can be defined as a system by which companies are directed and controlled, Cadbury Report, (1992). It includes an environment of trust, ethics, moral values and confidence as a synergic effort of all constituent parts that is: stakeholders including government, the general public, service providers, professionals and the corporate sector, Seifi and Crowther (2011, p.11). The Corporate Secretaries International association further defines it as a set of processes, customs, values, codes, policies, laws and structures governing the way a corporation is governed controlled and held accountable. Good corporate governance maximises profitability and long-term value of the firm for shareholders. It is therefore about putting in place the structures, processes and mechanisms that ensures that the firm is being managed and directed in a way that enhances long-term shareholder value through accountability of managers and enhancing organisational performance (Velampy 2013, p.229). Simply put corporate governance is a system by which an organisation makes and implements decisions in pursuit of its goals. Corporate governance is all about providing a secure institutional platform and guidelines that preserve the interests of stakeholders while enhancing corporate performance (Bathula, 2008). Corporate governance can be viewed as the design of

institutions and mechanisms that include control, board of directors and management to best serve the interests of shareholders in a company and resolve conflicts among them, subject to the 18 constraints, economic, legal and ethical norms (Ho, 2002). Sound corporate governance is good for maximising the shareholder value and productivity of companies (Lin, 2004). It is a key element for the improvement of economic efficiency, stakeholder confidence, organisational competitiveness and improvement of economic growth (Todorovic, 2013). An argument has been advanced time and again that the governance structure of any corporate entity affects the firm's ability to respond to external factors that has a bearing on its performance (Miring'u and Muoria, 2011). In this regard it can be noted that well governed firms largely perform better and that good corporate governance is the essence of firms. Corporate governance affects the development and functioning of capital markets and exerts a strong influence on resource allocation (Maher and Anderson, 1999). It impacts the behaviour and performance of firms, innovative activity entrepreneurship and development. There is evidence from many researchers that good corporate governance produces direct economic benefits to the company making it more profitable and competitive (Todorovic, 2013). Good corporate governance helps prevent corporate scandals, fraud and potential civil and criminal liability for companies thus enhancing the organisation's image and reputation making it more attractive to investors, suppliers, customers and other stakeholders. In the wake of large-scale financial collapse of viable corporations such as Enron, Worldcom and Parmalat, the world awoken to the need to implement sound corporate governance practices. This drew the attention of governments, investors and stakeholders to the importance of corporate governance and included legislation to prevent similar situations in the future, (Ahmed and Haudan, 2015). Committees and commissions have been established in response to such scandals, these include the Treadway Committee (1987), Sarbanes Oxley Committee (2002), Cadbury Committee (1992), King Committee (2002) and the Greenbury and Higgs Committee (2003). These have led to the development of various corporate governance frameworks in different countries. The pervasiveness of financial scandals in Zambia as can be seen in the Auditor general's report of 2020 and 2021 has revealed a lot of concerns on corporate governance in both the private and public sectors. Corporate governance has attracted a great deal of attention since the mid-1980s when concerns about the way companies were controlled and held accountable were overshadowed by their commercial success Crowth and Seifi (2011). Corporate governance has become one of the most talked about issues in Zambian corporate circles. Issues of corporate governance have become particularly important in developing countries like Zambia because of the rise in abuse of corporate privileges and responsibilities by corporate directors

and their allies. Corporate governance in Zambia has attracted a lot of attention since the time of the Willowgate scandal in the mid 1980's and this rose in the 2003 financial crisis. Several companies have faced problems associated with corporate governance. Government regulatory bodies and state-owned enterprises are set up by specific Acts of parliament and are managed by boards of directors appointed by the government. They are established outside central government and are involved in the commercial, economic and social service delivery requiring a large degree of autonomy and freedom from bureaucratic interference. Their affairs are subject to the scrutiny of Parliament and their Parent Ministries. Regulatory bodies and state-owned enterprises play a critical role in promoting socio- economic development by providing a wide range of products and services and social infrastructure such as food, water, electricity and health. They are an important tool for economic and societal development as they provide a link between government's economic agencies and the public. The operation of these institutions thus has an impact on ordinary citizen's everyday lives while playing a huge role in the overall competitiveness of the economy. This has however been declining due to a myriad of factors with the weaknesses of governance structures among them (Ministry of Finance Midterm Fiscal Policy 2019). In 2020 the Auditor General exposed a host of corporate management challenges in government regulatory bodies and selected ministries with corrupt tendencies and financial scandals being the major issues, (Auditor General Report, 2020). An analysis of individual institutions revealed structural and organisational problems of incomplete accounting and financial statements, illegal governance practices, poor management and investment decisions manifesting through the flouting of tender procedures, diverting company property for personal use and awarding unjustifiably hefty salaries by some chief executives (Auditor General Report, 2020). These corporate scandals have brought corporate governance to the limelight and with such challenges; the effectiveness of the current corporate governance mechanisms becomes questionable. Whether or not the company grows or not depends on the sense of purpose and direction, their values and the will to generate stakeholder satisfaction and the drive to achieve them. State owned enterprises and parastatals face distinct governance challenges that include undue hands on politically motivated ownership interference leading to unclear lines of responsibility, lack of accountability and losses in corporate operations. More fundamentally corporate governance difficulties derive from the fact that accountability for the performance of government regulatory bodies and state-owned enterprises involves a complex chain of agents (management, board, ownership entities, ministries, the government and legislature. Without clearly and easily identifiable lines of responsibility, conflicts of interests arise and this may motivate decisions based on criteria

rather than the best interest of the enterprise. To structure this complex web of accountabilities and in order to ensure efficient decisions, corporate governance becomes important and requires profound attention. The existing corporate governance framework in Zambia's State-Owned Enterprises and regulatory bodies has not been effective in improving their performance and effectiveness due to lack of commitment, consistency, political interference weak enforcement mechanism and the general and wilful disregard of the rule of law. Consequently, corporate governance systems were not regulated leading to a myriad of problems that include frequent incidences of improper activities of managers expropriating resources; this has promoted intense re-examination and scrutiny of the existing corporate governance practises and interest in research in the effectiveness of various corporate governance mechanisms. A number of corporate governance initiatives and frameworks have been introduced to govern the operations of Parastatals and State-Owned Enterprises. Enforcement of such laws, rules and regulations to ensure compliance with good corporate governance practices has been a major challenge. There has been research on different aspects of corporate governance but very little attention has been paid on its impact on performance of organisations. It is therefore important to analyse and evaluate the effectiveness of the current Corporate Governance mechanisms in enhancing the performance of Government statutory bodies in Zambia. This study therefore sought to examine the effects of Corporate Governance on organizational performance, a case study on Competition and Consumer Protection Commission while finding solutions to the existing corporate governance challenges. It particularly focused on Corporate Governance initiatives, laws and regulations aimed at enhancing the performance of these public institutions with a view to establish the level and nature of compliance to such. The effectiveness of Zimbabwe's corporate governance frameworks was analysed and an attempt to identify the major constraints and their effects on the overall performance of government regulatory body is done. Thereafter the research proffered solutions to improve the effectiveness of corporate governance mechanisms.

1.3 Problem Statement

In the past, so many Governments statutory Bodies in Zambia have been involved in unethical practices, which puts the credibility of their corporate image in doubt. As corporate scandals and financial crises have highlighted the consequences of weak corporate governance, it has become increasingly vital to understand the intricate relationship between corporate governance practices and an organization's overall performance. As such Competition and Consumer Protection Commission just like other Government regulatory body have been constraint with issues arising from such scandals. Previous research into the subject has brought to light the poor governance of so many companies with indebted accounts in Zambian economy. Their accounting systems did not reflect the company's financial status. A typical example is the financial scam as reported by Auditor General's report of 2021. Most management of such outfits were not accountable to stakeholders of the companies. Besides, the counts and the regulatory agencies were short of authority, corruption and kickbacks were part of the system in the organizations. The poor governance practices led to the collapse of so many memorandums of understanding with cooperating partners which led to the withdraw of funding to the Zambian Government. Hence the need to study corporate governance and its effects on the management of Competition and Consumer Protection Commission.

1.4 Aim of the study

The aim of this study was to establish the relationships between corporate governance and organizational performance of a government statutory body.

1.5 General Objective

This study was premised on the examination of effects of corporate governance on Organizational performance of the Competition and Consumer Protection Commission

1.6 Specific Objectives

1. To establish the effects of accountability on organizational performance of the Competition and Consumer Protection Commission
2. To establish the effect of board size relationship and responsibility on the organizational performance
3. To determine the effects of audit committee on the organizational performance of the government regulatory body

1.7 Research Questions

1. What is the effects of accountability on organizational performance of Competition and Consumer protection Commission?
2. What is the effects of transparent on organizational performance of the CCPC?
3. What is the effect of audit committee on the organizational performance of the government regulatory body?

1.8 Significance of the Study

The findings of this research helped policy makers to gain value information on corporate governance as a key to policy formulations that will help in the smooth running of government regulatory bodies. Effective corporate governance can help organizations identify and mitigate risks. Studying its effects provided insights into how these practices impact risk management and resilience. Corporate governance mechanisms, such as board structures and disclosure practices, can enhance transparency and accountability within organizations. Understanding how these mechanisms affect performance is crucial for stakeholders, strong corporate governance can contribute to an organization's long-term sustainability by promoting ethical behaviour and responsible management. The findings of this research added to the existing body of knowledge and other organizations will find this information helpful regarding how they can harmonize corporate governance on organizational performance.

1.9 Scope of the Study

The scope of this study was limited to the Competition and Consumer protection Commission. The reason for the choice for this is the purpose of maximizing the limited time and the available fund for this research. The study embraced the staff of the Commission as population of the study from which the sample size was determined in coming up with a well-researched dissertation for policy makers.

1.10 Limitation of the Study

Hardly to control extraneous variables from intervening the results of this study. The study on the effect of corporate governance on the performance of organization was conducted in the nature setting where controlling extraneous variables apart from corporate governance was extremely difficult. Below are the limitations the researcher encountered during the study.

- **Causation vs. Correlation:** Establishing a causal relationship between corporate governance and organizational performance can be challenging. This was one of the

limitations the researcher encountered during the study which was carried at the CCPC. Correlation does not imply causation, and other factors may influence performance.

- **Time Constraints:** The study was limited by a specific time frame which was not met by the researcher according to the time the researcher had allocated, potentially missing long-term effects or changes in corporate governance practices.
- **Methodological Issues:** Flaws in the research design, measurement methods and data analysis techniques can introduce biases or inaccuracies. This was another limitation the researcher encountered during the study.
- **External Factors:** Economic and market changes beyond the study's control can impact organizational performance, making it difficult to attribute changes solely to corporate governance. This also was another limitation the researcher encountered.
- **Cross-Cultural Variations:** Corporate governance practices can vary significantly across cultures and regions, impacting the applicability of findings globally. The researcher encountered these limitations when reviewing the literature from other regions.
- **Dynamic Nature of Governance:** Corporate governance practices evolve, and the study might not capture the latest trends or changes in governance structures.
- **Unobserved Variables:** Some relevant variables influencing organizational performance may not be included in the study, leading to incomplete insights.

1.11 Definition of key terms

- **Corporate Governance:** Corporate Governance refers to the structure in which managers at the top of organization are controlled by the board of directors or trustees who control managers through Corporate Structure, Executive incentive and assortment of tools for monitoring performance of the organizational function (Donaldson, 2008). Also, Corporate Governance has been defined as the system by which organizations are directed and controlled (Cadbury, 1992). With Corporate Governance, management or managers of the organizations are directed, controlled and held to account by board of directors or trustees.
- **Organizational Performance:** Organizational performance refers to capability of organization to accomplish its goal and objectives (Mahapatro, 2013). Commonly, it has been argued that organization by itself cannot perform any activity, but it is through the existence of management that activities get performed so as determine

organizational performance. According to Iun and Criveanu (2016), organizational performance refers to actual results through which organization tends to be measured against its intended goals and objectives. While Cherrington (1989) defines organizational performance is regarded to be an indication of the organizational manner of performing effectively to achieve its objectives successful.

- **Board of Directors:** A group of individuals elected by shareholders to oversee the management and strategic direction of a company. They play a crucial role in corporate governance.
- **Transparency:** The extent to which a company's actions, decisions, and financial information are open and accessible to stakeholders. Transparency is a key principle of good corporate governance.
- **Accountability:** The obligation of an organization's leadership, including the board and management, to take responsibility for their actions and decisions, especially concerning the use of company resources.

These key terms were fundamental to understanding the relationship between corporate governance and organizational performance. Effective corporate governance practices can have a significant impact on how well an organization performs and how it is perceived by its stakeholders.

1.12 Chapter Summary

The first chapter of this research starts with the introduction and the background of the study, and it further describes the statement of the problem and the aim of the study at hand. It is followed by research objectives, research questions, the significance of the study and definition of key terms. The next chapter looks at the literature review.

CHAPTER TWO

2.1 Literature Review

2.2 Overview

This chapter briefly presents the overview of corporate governance, organizational performance and the literature reviewed on similar studies. This chapter also reviews significant theories in corporate governance which are relevant to this study which include the Agency theory. This chapter also provides theoretical literature review, empirical literature review based on the specific objectives of this study, identified research gap and conceptual framework that sheds the light to this research study.

It is known that the world's leading organizations are listed firms (Casillas & Pastor, 2015). Corporate governance features are inclined by law which opens the opportunity for new investors (Houcine et al., 2021). In the non-presence of a defined structure, investors find it difficult to know about their investments. Also, it makes it easy for internal management to find flaws for misusing the assets which affect the shareholder's wealth and firm performance. A strong link is found between corporate governance and the performance of the firm (Sami et al., 2011). According to Shaheen & Nishat (2005), corporations that do not follow corporate governance procedures usually bear the loss or a lack in their desired profits.

They also state that firms with no or fewer corporate governance practices achieve fewer financial advantages. Firms with competent corporate governance procedures pay high value to the investors (Nandelstadh & Rosenberg, 2003). Corporate governance procedures address every sector within the organization and set a rule to improve the functional capability of the organization. The goal of every organization is to increase the shareholder's wealth (Gompers et al., 2003), and to do so corporate governance processes need to be followed. Internationally, there has been plenty of research, but the empirical evidence varies from country to country. Almost, researchers have found results from their work, but these results have never been consistent.

The result has been going around in both ways. According to one school of thought, CEO duality, firm size, board sovereignty, and ownership structure has a constructive effect on the performance of the firm, whereas other schools of thought, states opposite to it by claiming that these variables harm firm performance. The result of adverse relation of board size and performance of the firm was found by Mashayekhi & Bazaz (2008) and Yermack (1996). Whereas constructive result was found in the study by Abor & Biekpe (2007); Kiel &

Nicholson (2003) when comparing board size and corporate performance. Some researchers also found no correlation between firm size and the performance of the firm in their studies (Mohd Ghazali, 2010; Ali, 2015; Ali and Audi, 2015; Ali, 2018). In the studies related to independent directors and business performing Jackling & Johl (2009); Mashayekhi & Bazaz (2008); Rosentein & Wyatt (1990; Alim et al., (2021); Alim et al., (2021); Audi et al., (2021)) found the independent board members are certainly related to firm performance whereas Agrawal & Knoeber (1996) stated that independent directors harm the firm performance. Also, some researchers found no relation of outside directors on the firm (Coles et al.,2001) 3 | Page CEO duality is considered to harm the profitability of firm performance in the corporate governance procedure but in different studies, opposite results were found, according to Abor & Biekpe (2007), CEO duality has a positive relationship whereas according to Ehikioya (2009), CEO duality harms the performance of the firm. Jackling & Johl (2009) stated no relationship between the CEO duality and firm performance.

The Sri Lankan researcher, Guo & Kumara (2012) tried to find the procedures of corporate governance in the Columbian stock market and found an inverse connection between performance and board size. He also noticed that independent directors have a destructive relationship with firm performance. For the Chinese market, Sami et al. (2011) found positive relations amongst the board size and education of directors with firm performance According to Lam & Lee (2008), different theories give different results, and he suggested that mixture of both agency and stewardship theory can only improve quality and performance relationship. The result of Lam and Lee (2008) found a favorable impact of CEO duality on non-family firms but an adverse effect on family firms. According to Hermalin & Weisbach (1998), board success relies upon the structure of the board whereas Ehikioya (2009) states that there is no relationship between the structure of the board and business performance. Ujunwa (2012) recommended that an inverse link exists between the board size and the performance of the organization. Li et al., (2008) recommended a beneficial link between outside directors and organizational performance.

According to Eloumi & Gueyie (2001), firms that have financial crises are mostly found with few or no independent directors. Krivogorsky (2006) endorsed many studies and states a positive relation of board independence with profitability ratios in European companies. Yermack (1996) insisted on the shaky relationship between the board size and performance whereas Vafeas (1999) and Golden & Zajac (2001) forecasted that no link exists between performance and the board size. No link was found by Abdullah (2004) and Daily & Dalton

(1992) of the creation of the board and firm performance. Donaldson & Davis (1991); Brickley et al. (1997); Coles et al. (2001) stated that board structure should have consisted of independent and dependant directors. According to Ujunwa (2012), Nigerian firms have negative relation of firm performance with CEO duality but if board size is small, then CEO duality provides a better impact on firm performance. Kang & Zardkoohi (2005) explain in their research that CEO duality result compared with firm performance is still not sure and requires more research. Fama & Jensen (1983) stated the result that CEO duality is the cause of agency cost as it gives equal chance to the CEO to keep control upon board decisions and an eye on management. Laing & Weir (1999) found in their research that the CEO dual role is unfavourable for investors' money as more self-interest decisions are made in the dual role rather than maximize the shareholder's wealth. There has been plenty of work done on the investigation of different corporate governance procedures and measurement of firm performance but still, outcomes are confusing. No one-line statement can be provided. As corporate governance style differs from country to country (Gulzar & Wang, 2010) so no solution has been found to date. The only point that is common amongst all research is that the future of any organization is conditional to the successful implementation of corporate governance and that is why Porfirio & Carrilho (2020) emphasis applying corporate governance in every firm. Hence, this issue is still unresolved especially for the firms of Pakistan. To resolve this dispute, we took a sample of Pakistani listed firms and linked the corporate governance and performance, expecting to obtain valuable findings which will improve the firm performance of listed companies of Pakistan.

Over the last few decades, a corporate governance revolution has occurred, resulting in the creation of numerous anchoring theories. The agency hypothesis is by far the most popular theory in corporate governance. The most common theories in corporate governance are based on agency theory (Aguilera et al., 2019, Dinh and Calabro, 2019). Table 1 displays the definition of corporate governance. The theoretical framework for the study is the agency theory (Figure 1). The concepts are discussed briefly here, along with an evaluation of how they have been employed in journal papers. When it comes to the application of superiority in corporate governance, agency theory is unique (Madhani, 2017, Wiley and Monllor-Tormos, 2018). The corporate governance has been developing for over two decades now. It has been used in many fields of study including politics, economics, business, management, psychology and many others. The agency problem is termed as the conflict that arises as agents tend to think for themselves and how they can maximise self-enrichment as opposed to advancing

shareholder value. The agency problem and how to address it are best explained using agency theory. The agency idea is supported by the stewardship and stakeholder theories (Booth-Bell and Jackson, 2021; Wang, 2021).

To support this dissertation on the work that has already been done and to benefit from such work, a review of works on effects of corporate governance was carried out. The review of work focused on global perspective, developed nations, Developing nations, Africa, and Zambia.

2.3 Previous studies

The impact of corporate governance on organization's performance:

Shahid (2018) study focused on the impact of corporate governance practices on firm performance the main objectives of the study were to examine the impact of corporate governance on firms' profitability in sugar sector of Pakistan. The study used a panel data approach to facilitate removal of the unobservable heterogeneity that may exist in the different firms and measure the effects that are not possible to observe in pure cross section or pure time series data. In addition, the purpose of the study was to evaluate the effect of corporate governance on firm's performance while examining the sugar industry of Pakistan. The results show that corporate governance has a significant impact on firm performance. Hence, the researcher concluded that board size significantly impacts on firms' performance, board composition has an insignificant impact on return on assets and CEO / chairman duality have a significant impact on return on assets (ROA) and collectively all independent variables had a significant impact on corporate governance.

Mohan (2018) study revealed a concern over the corporate governance factors that needs to protect the interest of the stakeholders and that there is a need to undertake the monitoring process to lead to superior's firm performance. The researcher also found that if board size increased beyond a certain point these inefficiencies outweigh the initial advantages from having more directors to draw on, leading to lower level of corporate performance.

Getachew (2014) study focused on the impact of corporate governance on firms' performance in Ethiopia. The main objective of the study was to identify the corporate governance such as board size, board composition, firms' size, compositions of women in the board of directors and leverage of the firms' performance of the selected insurance companies in Ethiopia. The study used a correlation analysis which is a statistical tool used to determine the level of

associations to variables. The researcher found that board gender diversity, leverage and firms' size have a positive effect on ROE (return of equity) and significant whereas board size and board compositions have negative effect and positive effect respectively on ROE, but they have insignificant effect on ROE of selected government enterprises.

The effect of corporate governance on organization's performance:

Wanjiru (2013), the study founded that various aspects of board size affect the financial performance of companies to a great extent. From the regression analysis, board size was founded to negatively affect the financial performance of companies and the on the effects of board composition on the financial performance the study established those various aspects of compositions of the board mostly affects the financial performance. The researcher also founded that the composition of the board positively influences the financial performance of the companies to a great extent.

Xavier (2015) founded that there is a negative effect of board size and board composition on the financial performance of firms. A non-effect of financial performance of firms may partly be due to the fact that the shares are considered by board member as a wealth by which everybody is looking for.

2.4 Global Perspective

Corporate governance is a critical factor influencing organizational performance worldwide. Scholars like Jensen and Meckling (1976) introduced the agency theory, emphasizing the need for aligning interests between shareholders and management. This theory has been the foundation for corporate governance discussions globally.

2.5 Developed Nations Perspective

In developed nations like the United States and European countries, strong corporate governance mechanisms, such as stringent regulations and active shareholders, are in place. Research (Adams and Mehran, 2012) has shown that robust governance practices positively impact firm performance by reducing agency costs and ensuring transparency. Research in developed countries Developed economies such as the United Kingdom (UK) and Australia have well developed capital markets. Corporate governance in these economies contributes to the integrity, transparency and accountability of the companies in these developed economies (Marn & Romuald, 2012, Okpara, 2009). One of the corporate governance research areas in the developed countries has been corporate governance practices focusing on the corporate

governance structures. Scholars and analysts have focused on how the corporate governance structures relate with company financial performance. For example, Florackis (2005) in United Kingdom, as well as Rebeiz and Salameh (2006) in the United States of America investigated how the board structure impacts on company performance. Others have investigated how other structures such as ownership structure, managerial ownership and the legal framework (Henry, 2008) affect company performance in Australia. The results of these studies have varied and have been inconclusive. In the United Kingdom, Florackis (2005) found that managerial ownership contributes to good company performance.

2.6 Developing Nations Perspective

In developing nations, corporate governance practices vary widely. Research by La Porta et al. (1999) found that legal systems, investor protection, and ownership structures significantly affect governance and performance. Weak governance in these regions can lead to corporate scandals and reduced investor confidence. Developing countries are countries in which the majority of the population has far less income and weaker social indicators than the population in high-income countries (Library of Congress Collections Policy Statements, 2008). The people living in developing countries live on far less money and often lack basic public services in comparison to the population in highly industrialised countries (Library of Congress Collections Policy Statements, 2008). The World Bank (2012) further contends that developing countries have small domestic markets, poor health and education systems, their populations are largely rural and hunger and poverty prone. Such countries are also referred to as emerging economies. Although Africa consists of developing countries, levels of economic activities have been on the rise as Africa is a continent of business opportunities (Akwagyiram, 2013). Africa is now one of the world's fastest growing regions (Akwagyiram, 2013; Chuhan-Pole, Agwafo, Buitano, Dennis, Korman & Sanoh, 2013). In developing countries such as Malaysia, Taiwan, Indonesia and India, there has been limited research conducted on the relationship between corporate governance and financial performance. The research results of the extant literature by many scholars such as Baccar, Mohamed and Bouri (2013), Jackling and Johl (2009), Mashayekhi and Bazaz (2008), Garg (2007), Eisenberg, Sundgren and Wells (1998) and Jensen (1993), have been inconclusive (in terms of the influence of corporate governance structures on company performance) as has been the case in the developed economies. For example, in India Garg (2007) and Wang, Jeng and Peng (2007), found that boards of directors' characteristics, such as the board size, have a negative effect on the performance of the company. However, Jackling and Johl (2009) found that larger boards have a positive

relationship with company financial performance. In Malaysia, Haniffa and Hudaib (2006) found that large boards positively affect company performance whereas in Indonesia, Nuryanah and Islam (2011) found that board size did not affect company performance. Many Sub-Saharan countries such as South Africa and Zambia, have implemented economic reforms requiring adoption of good corporate governance practices to foster sustainable economic growth (Munisi & Randoy, 2013; Berry, 2009; Asiedu, 2002). Despite this development, many scholars have focused research on corporate governance practices (Mulenga, 2013; Mulili, 2011; Chilolo, 2009) but with little focus on the relationship between corporate governance structures and financial performance. Some of the limited research studies in Africa have focused on listed companies drawn from Ghana, South Africa, Nigeria and Kenya. One of the few research studies conducted in Ghana have revealed that corporate governance had a positive relationship with financial performance of the sampled listed companies (Kyereboah-Coleman, 2007).

2.7 Africa Perspective

Africa presents a unique corporate governance landscape. Many African countries have adopted codes and regulations inspired by international best practices. However, implementation remains a challenge. Studies (Ifeanyi et al., 2018) indicate that governance mechanisms, like board independence and transparency, can positively impact firm performance in African contexts. Many Sub-Saharan countries such as South Africa and Zambia, have implemented economic reforms requiring adoption of good corporate governance practices to foster sustainable economic growth (Munisi & Randoy, 2013; Berry, 2009; Asiedu, 2002). Despite this development, many scholars have focused research on corporate governance practices (Mulenga, 2013; Mulili, 2011; Chilolo, 2009) but with little focus on the relationship between corporate governance structures and financial performance. Some of the limited research studies in Africa have focused on listed companies drawn from Ghana, South Africa, Nigeria and Kenya. One of the few research studies conducted in Ghana have revealed that corporate governance had a positive relationship with financial performance of the sampled listed companies (Kyereboah-Coleman, 2007)

2.8 Zambia Perspective

Zambia, like many African nations, faces governance challenges. Research by Nyirenda (2019) suggests that improved corporate governance practices in Zambia, such as better board composition and regulatory compliance, can enhance organizational performance. However,

the effectiveness of these reforms may be hindered by external factors like political instability. As discussed in the previous sections, corporate governance in Zambia and in Zambian companies is a new development representing a topical research area. According to Chisanga (2017) corporate governance practices are being appreciated in both public and private companies. Corporate governance is a fairly new development in Zambia. Furthermore, there has been limited research on corporate governance in Zambia. The limited research on corporate governance has focused on the role of the boards of directors and establishing the presence and quality of corporate governance practices in the listed and non-listed companies in Zambia (Chilolo, 2009). Despite the limited research, calls have been made about improving corporate governance practices in Zambian companies (Kabaila, 2014 Lusaka Times, 2013). This has been as a result of poor economic growth of the country in general and in particular the poor performance of Zambian companies. Once investors are attracted to invest in Zambian companies, the companies will have capital to develop the economy. Enhanced financial performance of companies may improve the country's economy and will also attract further investments from both local and international investors (Marn & Romuald, 2012, Okpara, 2009). According to Pandya (2011), Wang et al. (2007), Rossouw (2005), Okeahalam (2004) and Armstrong (2003), good corporate governance can result in many benefits that include improved company performance (Wang et al., 2007), an improvement in strategic planning (Pandya, 2011), providing market discipline and transparency, acting as a deterrent to corruption, providing assurance of integrity of financial reports and creating a reputation among internal and external stakeholders. The World Bank (2006) and the Centre for International Private Enterprise (2008) resonate with this and add that good corporate governance attracts investment, sustains growth and stimulates production and innovation. Furthermore, poor corporate governance practices contribute to the poor financial performance of companies (Kabaila, 2014, Udoh, 2013). Scholars and practitioners (Pandya, 2011, Wang et al., 2007, Rossouw, 2005, Okeahalam, 2004, Armstrong, 2003) have argued that strengthened corporate governance structures positively relate with the good financial performance of companies. However, there has been limited published research on the relationship between corporate governance structures and companies' financial performance in Zambia. Thus, the study on the relationship between corporate governance structures and the financial performance of the Zambian LuSE listed companies is of paramount importance. At the heart of corporate governance are the corporate governance structures that explain its importance. Corporate governance structures comprise internal structures (including boards of directors and managerial ownership) and external structures (relating to market control and legal framework)

(Gill, Vijay & Jha, 2009). It is inferred from this that corporate governance structures form the basis from which the benefits of corporate governance can be realised. As the internal structures are indeed under the control of the company, it becomes easier to measure the relationship between internal corporate governance structures and financial performance than using the external corporate governance structures. This research therefore focuses investigating the relationship between internal corporate governance structures and company financial performance as shown in Figure 1 below. Corporate governance plays a crucial role in organizational performance across the globe. While developed nations generally have stronger governance systems, developing nations like Zambia are making efforts to improve their governance frameworks, recognizing the positive impact on performance. However, challenges persist in implementing and enforcing these measures effectively, especially in the African context. Further research is needed to explore the nuances of corporate governance in specific regions and their direct effects on organizational performance.

2.9 Research Gaps

Corporate Governance is important in all organizations regardless of their industry, size or level of growth. Good Corporate Governance has a positive economic impact on the Institution in question as it saves the organization from various losses such as those occasioned by frauds, corruption and similar irregularities. Besides it also spurs entrepreneurial innovation enabling the organization to better seize the economic opportunities that come its way. The main Corporate Governance themes that are currently receiving attention are adequately separating management from the board to ensure that the board is directing and supervising management, including separating the chairperson and chief executive roles; ensuring that the board has an effective mix of independent and non-independent directors; and establishing the independence of the auditor and therefore the integrity of financial reporting, including establishing an audit committee of the board.

Good Corporate Governance aims at increasing profitability and efficiency of organizations and their enhanced ability to create wealth for shareholders, increased employment opportunities with better terms for workers and benefits to stakeholders. Thus, the main tasks of Corporate Governance refer to: assuring corporate efficiency and mitigating arising conflicts providing for transparency and legitimacy of corporate activity, lowering risk for investments and providing high returns for investors and delivering framework for managerial accountability. The studies cited in the literature mostly concentrate on the developed countries

whose strategic approach and Corporate Governance systems are not similar to that of Zambia. In Zambia, the studies done in financial services sector have focused on other companies other than Government regulatory bodies.

For instance, Thomas (2010) conducted a study of Corporate Governance practices among the quoted companies in Zambia, Bwalya (2009) did a study on the relationship between Corporate Governance mechanisms and performance of firms quoted on the Lusaka stock Exchange, Malambo (2005) researched on Corporate Governance and organizational performance the case of companies quoted at the LUSE while Matongo (2010) did a study on the relationship between Corporate Governance practices and performance: the case of banking industries in Zambia. None of these studies have focused specifically on the relationship between Corporate Governance and organizational performance of Government statutory bodies. Many other researchers have examined the relationship between variety of governance mechanisms and organizational performance. However, the results are mixed. Some researchers examine only one governance mechanism on performance while others investigate the influence of several mechanisms on performance.

2.10 Theoretical Framework

2.11 Agency theory

Certainly, one relevant theory that was applied to the topic of Effects of Corporate Governance on an Organization's Performance was the Agency Theory. Agency theory is one of the most popular academic frameworks which has led to the development of the Anglo-Saxon model of corporate governance (Deegan, 2004). The model is widely used to help the board of directors' curb excessive executive power in the hands of management (Pande, 2014). Agency Theory is a theoretical framework used to analyse the relationship between principals (usually shareholders or owners) and agents (typically executives or managers) in an organization. It suggests that conflicts of interest can arise between these two groups due to differing goals and incentives (Dmytriyev et al., 2021).

Monitoring the functioning of boards (Farag and Mallin, 2019; Federo and Saz-Carranza, 2020), is an important focus of corporate governance research. The fundamental theoretical framework that connects this monitoring function to company performance is taken from agency theory, which predicts that conflicts of interest can occur in organisations due to the separation of ownership and control (Fama and Jensen, 1983; Dong et al., 2021). The agency problem is how can an organization, through its owners and its stewards, minimize the posited

tendency for managers to inappropriately leverage their advantage when managers' interests are not consonant with those of owners (Walsh and Brief, 2007). The agency problem (AP) has been defined as managerial power and discretion that managers and executives yield (Tan and Liu, 2016; Wangrow et al., 2015; Liang and Renneboog, 2018). A formal contract, in theory, is a tool that could mitigate the agency problem (AP), as formal contracts tend to align the interests of shareholders with those of managers (Barako et al., 2006; Healy and Palepu, 2001). The board represents a monitoring and control mechanism aimed to analyse and evaluate the work of top management and ensuring profit maximisation for shareholders (Donnelly and Mulcahy, 2008). Figure 2 show the agency relationship model (adapted from (Mitnick, 1975; Ross, 1973). As shown in Figure 3, the governance structure that emerged as a result of the convergence of directors and managers was dubbed in the business firm model (Napier, 1998). At a theoretical level, the connections between shareholders, directors, management, and auditors have been widely studied using various methodologies. Shareholders nominate and elect directors to safeguard their interests, while directors accept a fiduciary obligation to be stewards of those interests, according to stewardship theory (Shah and Napier, 2019; Barzuya et al., 2019). On the other hand, agency theory sees the owners of the business employing managers, who may act in ways detrimental to the owners' interests (Dong et al., 2021, Karim et al., 2020).

2.12 Philosophical Approach

The relationship between corporate governance and organizational performance is a complex and multifaceted topic that has been explored from various philosophical perspectives. Here are some detailed philosophical approaches to understanding this relationship:

Utilitarianism

Utilitarian philosophers argue that corporate governance should aim to maximize the overall happiness or well-being of all stakeholders, including shareholders, employees, customers, and the broader society. From this perspective, effective corporate governance should be evaluated based on its ability to create the greatest net positive impact on all stakeholders' welfare. Utilitarianism, a moral and ethical theory, focuses on maximizing overall well-being and happiness. When applied to the study of corporate governance and organizational performance, utilitarian principles provided a framework for evaluating the consequences of governance practices.

Stakeholder Consideration: Utilitarianism encourages the consideration of all stakeholders' interests. In the context of corporate governance, this means assessing how governance structures and decisions impact not only shareholders but also employees, customers, communities, and other relevant parties.

Long-term Effects: Utilitarianism emphasizes the long-term consequences of actions. In studying corporate governance, this could involve examining how governance practices contribute to sustained organizational success, ethical behaviour, and positive societal impact over time.

Balancing Interests: Utilitarianism suggests finding a balance between conflicting interests to maximize overall happiness. In the realm of corporate governance, this may involve navigating the interests of shareholders, management, employees, and other stakeholders to achieve a harmonious and beneficial outcome for all.

Ethical Decision-Making: Utilitarianism can guide ethical decision-making within corporate governance by evaluating the ethical implications of decisions and practices. This aligns with the idea that ethical behaviour tends to contribute positively to overall well-being.

Adaptability: Utilitarianism allows for adaptability in decision-making, considering the changing circumstances and evolving needs of the organization and its stakeholders. This adaptability can be essential when studying the effects of corporate governance on organizational performance in dynamic business environments.

In summary, Utilitarianism provides a normative framework that considers the overall impact of corporate governance on the well-being of stakeholders. Applying utilitarian principles to the study of corporate governance helped the researcher and practitioners make decisions that contribute to the long-term success and ethical standing of organizations.

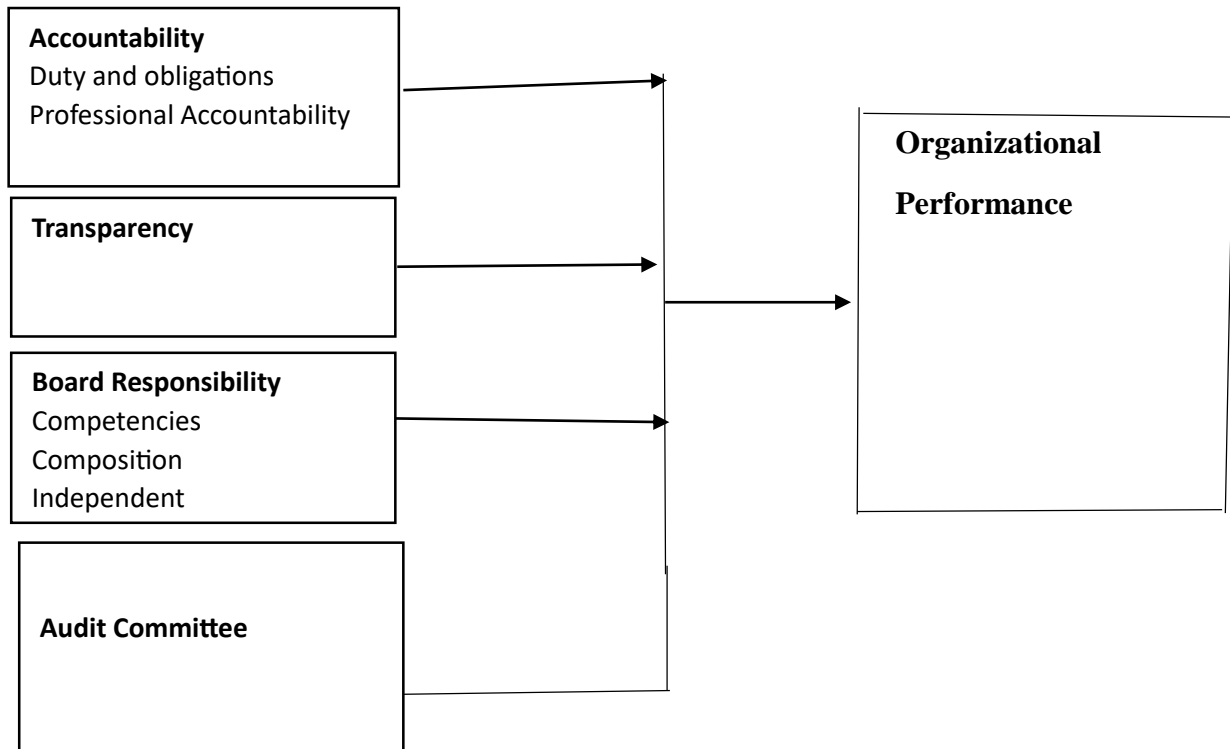
2.13 Conceptual Framework

The conceptual framework details relationships between variables under study. It embraces the widely fronted linkage between the dependent and independent variables. A conceptual framework is a key part of research design and comprises the system of concepts, assumptions, expectations, beliefs, and theories that inform the study (Miles, Huberman, & Saldana, 2014). It also refers to a visual or written relationship between various variables often derived from one or more theories and traces the input-process output paradigm of the study (Saunders et al., 2016). This section described a conceptual framework of study and how the dimensions of

stewardship theory was tested. The model, derived from Eddleston, Kellermans, and Zellweger (2010), shows four independent variables, with a mediating variable, and a dependent variable.

2.14 Conceptual Framework of Effect of Corporate Governance on the Organizational performance

Independent Variables



2.15 Independent Variables

An independent variable, so called because they are determined outside the process being studied, is a variable that is expected to influence the dependent variable in some way (Zikmund et al., 2013). Independent variables are those that probably cause, influence, or affect outcomes and are also called manipulated or predictor variable (Creswell, 2014) as they are manipulated by the researcher to cause an effect on the dependent variable (Cooper & Schindler, 2014).

Accountability, Transparency, Board Responsibility, and an effective Audit Committee are crucial components of corporate governance that can significantly impact organizational performance.

Accountability: Fosters responsibility and ensures that individuals and entities within the organization are answerable for their actions. This can contribute to a culture of responsibility and drive better performance.

Transparency: Enhances openness in communication and decision-making processes. Transparent organizations are better positioned to build trust among stakeholders, attract investment, and make informed decisions, positively influencing performance.

Board Responsibility: A responsible and effective board plays a pivotal role in strategic decision-making, risk management, and ensuring the organization's long-term sustainability. Boards that actively fulfil their responsibilities can positively impact organizational performance.

Audit Committee: Provides oversight of financial reporting, internal controls, and risk management. A well-functioning audit committee can help identify and address financial irregularities, enhancing the reliability of financial information and contributing to overall organizational stability.

Collectively, these elements contribute to a sound corporate governance framework, fostering a conducive environment for improved organizational performance studied at the Competition and Consumer Protection Commission.

Board responsibility and firm performance

Hermalin and Weisbach (2003) argued the possibility that larger boards can be less effective than small boards. When boards consist of too many members agency problems may increase, as some directors may tag along as free riders. They argued that when a board becomes too big, it often moves into a more symbolic role, rather than fulfilling its intended function as part of the management. On the other hand, very small boards lack the advantage of having the spread of expert advice and opinion around the table that is found in larger boards. Furthermore, larger boards are more likely to be associated with an increase in board diversity in terms of experience, skills, gender and nationality (Dalton and Dalton, 2005). Expropriation of wealth by the CEO or inside directors is relatively easier with smaller boards since small boards are also associated with a smaller number of outside directors. The few directors in a small board are preoccupied with the decision-making process, leaving less time for monitoring activities.

Vafeas (2000) reported that firms with the smallest boards (minimum of five board members) are better informed about the earnings of the firm and thus can be regarded as having better

monitoring abilities. Echoing the above findings, Mak and Yuanto (2003) reported that listed firm valuations of Singaporean and Malaysian firms are highest when the board consists of five members. Bennedsen, Kongsted and Nielsen (2004), in their analysis of small and medium-sized closely held Danish corporations reported that board size has no effect on performance for a board size of below six members but found a significant negative relation between the two when the board size increases to seven members or more. Bhagat and Black (2002), found no solid evidence on the relationship between board size and performance. To compare the effects of board structure on firm performance between Japanese and Australian firms, Bonn, Yokishawa and Phan (2004) found that board size and performance (measured by market-to-book ratio and return on assets) was negatively correlated for Japanese firms but found no relationship between the two variables for its Australian counterpart. However, contrary to the Japanese firms the ratios of outside directors and female directors to total board numbers have a positive impact in the Australian sample (Bonn, 2004).

Contrary to the above findings, a positive impact on performance was recorded with larger board size by Mak and Li (2001) and Adams and Mehran (2005); however, in examining 147 Singaporean firms from 1995 data, Mak and Li (2001) support the argument that board structure is endogenously determined when the results of their OLS indicate that board size, leadership structure and firm size have a positive impact on firm performance but their 2SLS regressions do not support this result. Adams and Mehran (2005) found a positive relationship between board size and performance (measured by Tobin's Q) in the U.S banking industry. Adam and Mehran's results suggest that such performance relationship may be industry specific, indicating that larger boards work well for certain type of firms depending on their organizational structures. A meta-analysis based on 131 studies by Dalton and Dalton (2005) revealed that larger boards are correlated with higher firm performance.

Boards with many directors can be a disadvantage and expensive for the firms to maintain. Planning, work coordination, decision-making and holding regular meetings can be difficult with many board members. Generally, Empirical evidence on the relationship between board size and firm performance provide mixed results. While, Ahmadu et al. (2005), Chan and Li (2008), De Andres et al. (2005) and Mustafa (2006) found that larger boards are associated with poorer performance, Beiner et al. (2004), Bhagat and Black (2002) and Limpaphayom and Connelly (2006) found no significant association between board size and firm performance

Board Composition and Organizational performance

Boards mostly compose of executive and non-executive directors. Executive directors refer to dependent directors and non-Executive directors to independent directors (Shah et al., 2011). At least one third of independent directors are preferred in board, for effective working of board and for unbiased monitoring. Dependent directors are also important because they have insider knowledge of the organization, which is not available to outside directors, but they can misuse this knowledge by transferring wealth of other stockholders to themselves (Beasley, 1996). A board composed of members who are not executives of a company, nor shareholders, nor blood relatives or in law of the family (Gallo, 2005). An independent board is generally composed of members who have no ties to the firm in any way, therefore there is no or minimum chance of having a conflict of interest because independent directors have no material interests in a company. Dalton, Daily, Ellstrand, & Johnson (1998) saw Jacobs (1985) stating that independent directors are important because inside or dependent directors may have no access to external information and resources that are enjoyed by the firm's outside or independent directors (e.g., CEOs of other firms, former governmental officials, investment bankers, social worker or public figures, major suppliers). Moreover, for advice/counsel inside or dependent directors are available to the CEO as a function of their employment with the firm; their appointment to the board is not necessary for fulfillment of this function.

Staikouras et al. (2007) find that board composition does not affect firm performance although its relationship with performance was found to be positive. These findings were like those of Adusei (2010) who found no relationship between board composition and bank performance in Ghana although board composition was found to have positive effect on bank efficiency. At the same time, Alonso, and Gonzalez (2006) studied 66 banks in OECD countries from 1996 to 2003. They established an inverted U-shaped relation between the measures of bank performance (Tobin's Q, ROA, the annual market return of a bank shareholder) and board size which they posit justifies a large board but imposing an efficient limit on size. According to Jensen and Meckling (1976), boards dominated by outsiders or NEDs may help to mitigate the agency problem by monitoring and controlling the opportunistic behavior of management. The results of previous studies that investigated the relationship between board composition and firm performance are inconsistent. Dehaena et al. (2001), Omar (2003) and Rhoades et al. (2000) found that NED has a positive relationship with financial performance. For example, Krivogorsky (2006), Lefort and Urzúa (2008) and Limpaphayom and Connelly (2006) also found a positive relationship between board composition (the proportion of independent

directors on the board) and firm performance. Hasnah (2009) showed that Non-Executive Directors is significantly related to firm performance that is measured by ROA. On the other hand, Coles et al. (2001) demonstrated that there is a negative impact of outside directors on firm performance. Erickson et al. (2005) also found a negative relationship between greater board independence and firm value. However, Bhagat and Black (2002) and De Andres et al. (2005) found no significant relationship between the composition of the board and the value of the firm.

2.16 Summary of the Chapter

The chapter presented a review of the literature from global perspective, developed nations perspective, developing nations perspective, Africa perspective, Zambia at large and research gaps on the subject matter. There is a proof in some looked literature that effective corporate governance increases the organizational performance, and the separation of the role of a CEO and chairman enhances organizational performance.

CHAPTER THREE

3.1 Research Methodology

3.2 Overview

This chapter discusses the methodology that was used in gathering data, its presentation and analysis. It also includes research design, target population, sample design, data collection methods, data analysis techniques and ethical consideration.

3.3 Research Design

Descriptive research design was used in this dissertation. The suitability of this plan was that it enabled the researcher to utilize quantitative information in attempting to build up the effects of corporate governance on an organization's performance. Descriptive survey structures were utilized by the researcher to assemble data, abridge, display and translate it so as to get more meaning on the subject matter. The quantitative methodology was utilized in this dissertation. Also, with adoption of case study research strategy, researcher was be able to get a detailed understandings concerns the context of the study as well as activities which are taking place within such context of the study which was undertaken at all provincial offices and the head office of the Competition and Consumer Protection Commission, triangulation was practiced so as to facilitate the application of multiple methods of data collection into the multiple sources of data or evidences.

3.4 Research Methods

This research integrated the two types of research. The use the mixed approach to offset the shortcomings of each of the methods.

3.5 Quantitative Research

Quantitative approach was used in this research because of the nature of this research which is social research, and this is one of the most used approaches. It is rooted in a strong academic belief that puts significant and substantial trust in numbers that represent different opinions and/or concepts. As a result, quantitative research can be conducted through emphasising quantification in the collection and analysis of data.

3.6 Qualitative Research

This is the other method which was used in this research. In contrast, the qualitative approach concentrates mainly on words and observations to express reality and tries to describe people

and research phenomena in natural situations (Amaratunga, 2002; P: 19). Although quantitative and qualitative methodological approaches are different, it is wrong to oppose them as two competing methodologies (Morvaridi 2005; P: 3). this research argued that qualitative research facilitates and illustrates quantitative research and quantitative research does the same thing with both approaches helping to add to the available accumulative knowledge. Therefore, qualitative method was used in this research because of the nature of the research.

3.7 Research Population

The population makes a reference to a group of individuals in which the study is interested in examining (Welmam, et al., 2005). This study was interested in the population of the Competition and Consumer Protection Commission employees, management and board members.

3.8 Sample Size Sampling Technique

Being a case study, purposive sampling method was used because of the specific institution relevant to the research questions. This method allowed the researcher to focus on the specific cases that were most relevant to the research and a total population of 165 was estimated which included Employees, Management and Board of Directors. To minimize error, the sample size was obtained as follows:

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

Where:

- n = Sample size
- N = Population (168)
- C = Coefficient of variation (10%)
- e = Sampling error (1%)

Hence

$$n = \frac{(168) (10\%)^2}{(10\%)^2 + (168-1) (1\%)^2}$$

$$n = 62$$

The researcher sought to understand the implementation of Corporate Governance in Zambia and the performance of the Competition and Consumer Protection Commission from the perspectives of its boards of directors, chief executive officer, company secretary, senior management as well as selected shareholders and their representatives. In this case Government is the major shareholder and its interests are safeguarded by the Ministry of Commerce, Trade, and Industry while public interest is expressed through the parliament. The research will therefore seek the opinion of senior management in the Ministry of Commerce, Trade and Industry as well as other stakeholders.

The main rationale for selecting the above-mentioned participants was their significant role they play in making decisions that determine the company's direction thus playing a major part in the implementation of Corporate Governance principles. It was also the researcher's consideration that people at such levels will also normally have relevant experience and reasonable understanding of Corporate Governance and they will thus provide informed and comprehensive answers to research questions. Sample size according to Kothari (2004) refers to the number of items to be selected from the universe (targeted population) to constitute a sample while Noum (2007) refers sample size as a specimen or part of whole population which is drawn to show what the rest is like. Sample size is advised to be large so as to give accurate information and avoidance of too small sample size which cannot guarantee accurate information. The target sample size was 62.

3.9 Sampling

Sampling is the process in which a representative part of a population for the purposes of determining the parameters or characteristics of the whole population is selected, Kothari (2004 p 56). In the context of studying the effects of corporate governance on organizational performance, sampling methods are crucial. the Researcher typically employed a combination of random and purposive sampling. Random sampling ensured a representative sample from the entire population, while purposive sampling targets specific entities relevant to corporate governance and performance.

3.10 Sources of Data for the Research

According to Gitlow, et al. (2015) that data is information collected about a product, service, process, individual, item, or thing. In order to achieve the objectives of this research both primary and secondary data sources were explored

3.11 Primary Data

Primary data collection involves gathering data from first-hand experiences and sources, which haven't been available in the past. It's quite simply the first information in its basic form. Primary data is specific to the motive of research and is highly accurate. Primary data sources are tailored or chosen to meet the specific requirements of a given problem or research. It's important to first identify the aim of the survey or research and the target population to determine what online or offline source was best suited.

There are two types of primary data collection methods, quantitative and qualitative methods of primary data collection. Establishing a clear goal and target audience helps efficiently determine which one of the two types of primary data collection methods was the best to achieve the set goals. Primary data is data which is collected for the specific research problem using procedures that fit the research problem, Hox and Boeije (2013, p. 1). It is original in nature and is directly related to the issue or problem. Primary data was collected through questionnaires.

3.12 Secondary Data

Secondary data collection refers to gathering information that's already available. The data was previously collected, has undergone necessary statistical analysis and isn't owned by the researcher. This data is usually one that was collected from primary sources and later made available for everyone to access. In other words, secondary data is second-hand information that's collected by third parties. A researcher asked others to collect data or obtain it from other sources. Existing data was collated and summarized to boost the overall effectiveness of a research.

3.13 Data Collection Instrument

3.14 Questionnaire

This is quantitative technique which was used in this study not only for collecting quantitative data but also qualitative data through application of open-ended questionnaire. According to Kothari (2004), questionnaire refers to "a method of collecting data which uses a set of

questions for collecting data”. In collecting data, combined questionnaire which consisted of both close-ended and open-ended questions to cope with the study flexibility will be used. Open-ended questionnaire will be used especially to avoid forcing respondents to answer in a certain way while close-ended questionnaire with box ticking will be used because of the possibility of the study to collect quantitative data from the field and the simplicity of this method include easiness to analyze data and easiness to compare the obtained information from different respondents (Kumar, 2011).

Combined questionnaire with different questions was applied to all categories of the respondents (board members, managerial employees and non-managerial employees) available in the organization. Through application of combined questionnaire technique, the collected responses was used to answer the three specific objective (to examine the relationship between board composition and the performance of the Competition and Consumer Protection Commission, to examine the relationship between board audit committee and the performance of the Competition and Consumer Protection Commission, to examine the relationship between separation of role of chairman and chief executive and the performance of the Competition and Consumer Protection Commission and to examine the relationship between accountability and the performance of the.

3.15 Data Analysis

Data analysis is the practice in which raw data are ordered and organized to extract the useful information from them (Kumar, 2011). Qualitatively, data analysis involves the analysis of qualitative data such as text data from interview transcripts. The collected data that was analysed qualitatively are those data that was be used to answer the first specific objective, the practice of Corporate Governance at the Competition and Consumer Protection Commission and the second specific objective (the extent to which the Competition and Consumer Protection Commission complies with the principles of good Corporate Governance.

Once data is collected using questionnaires, the researcher validated the data for analysis. Descriptive analysis of quantitative data was analysed using SPSS software because it’s easy and simple to use. This helped in achieving the research objective through regression analysis in establishing if there is a relationship between board and Executive director, board and audit committee and management. Descriptive statistics helped in answering the stated objectives through the graphs which was presented in a meaningful way and these graphs are easy to be understood when interpreting data.

3.16 Validity and Reliability

To ensure high quality and credible research whose evidence contribute to the body of knowledge on this research area, validity and reliability was adequately addressed. Through the process of pretesting data collection instrument, the researcher intended to ascertain the validity of questionnaires. It allowed the researcher to rethink and improves the instruments to ensure validity of conclusion. The instruments used to collect data was questionnaire, these instruments were pretested through a pilot study to a small number of respondents within the sample size. The results were used to strengthen the data collection instruments that it can increase validity and reliability and come up with credible research. The process of assessing the research measurement's reliability and validity started with ensuring the content validity of the research instrument. According to Carmines and Zeller (1991) content validity can be defined as: The extent to which a measurement reflects the specific intended domain of content (Carmines & Zeller, 1991, p.20). On the other hand, The USA Environmental Protection Agency - USEPA (2009) defines it as: The ability of the items in a measuring instrument or test to adequately measure or represent the content of the property that the investigator wishes to measure (The United States Environmental Protection Agency, 2009, P: 1). Based on these definitions and the arguments of researchers (Carmines and Zeller, 1991; Nunnally and Bernstein, 1994 and Haron 2002), a measure has content validity if there is a general agreement among the subjects and researchers that the instruments have measurement items that cover all the content domain of the variables being measured. Moreover, according to McDaniel and Gates (1996), a measurement must satisfy some certain criteria before it can be applied in an empirical fieldwork. These criteria are: 1. carefully defining what is to be measured. 2. Conducting a careful literature review and interviews with the target population. 3. Let the scales be checked by experts. 4. The scale has to be pre-tested. To ensuring the content validity of this research instrument, the criteria proposed by McDaniel and Gates (1996) was adopted. Within this respect, the proposed research variables were developed and defined carefully through a deductive process from the literature review as well as an inductive process through semi-structured interviews with the target population.

Furthermore, reliability is one way that we can determine whether to trust the results of the study. A study with inconsistent results, where the result is different each time the study is completed, indicates that the study has low reliability and isn't very useful. Refers to the consistency of results from the supplied data and the extent to which the data is free from

random or unstable errors Ng and Coakes (2014). Corporate Governance being the subject under study, the information that form part of the research were relied on true information.

3.17 Generalizability

This is defined as the extent to which the findings of a study can be applied externally or more broadly outside the study context Myres (2000)

3.18 Measurement of Variables

Both independent and dependent variable relating to the study on the Impact of Corporate Governance on the performance of Organization was measured.

3.19 Independent Variables

Independent variables in this study were Corporate Governance. The three sub-variable Corporate Governance which are composition of the Board, Board Audit Committee and Separating role of the Board Chairman and Chief Executives and Accountability was measured in terms of their role towards the improvement of the performance of the Competition and Consumer Protection Commission.

3.20 Dependent Variables

Dependent variable in this study was the performance of the Organization. The performance of the Organization as dependent variable was measured by looking at extension the Competition and Consumer Protection Commission manages its Resources, the Size of the Organization and the Growth of the Organization.

3.21 Ethical Consideration

Ethics as the behaviour to be observed and adhered by researcher as recommended by American Psychological Association (APA) was paid attention during the research study. According to Webster's Dictionary (2020) ethics in research means conformance to the standards of conduct of a given profession or group. To ensure ethical consideration, firstly researcher collected a research clearance form from both University of Zambia and consent to conduct a study was politely asked from the management of the Competition and Consumer Protection Commission. Also, researcher ensured availability of verbal consent from Board members, Management and non-Management employees of the Competition and Consumer Protection Commission before starting the process of collecting data. To ensure confidentiality

and objectivity in this study, Respondents were not required to write their names on the questionnaires and the provided responses was purely used only for academic purposes as promised to the target respondents and lastly, the researcher was open and honest in dealing with all the Respondents regardless of their social and physical differences in the society.

3.22 Chapter Summary

The chapter looked at among others, research design, population of the study, sample size and design, data collection instruments, validity and reliability and ethical consideration when doing research.

CHAPTER FOUR

4.1 Data Analysis and Presentation of Findings

4.2 Overview

The chapter presents the data analysis and presentations of findings in relation to the effects of corporate governance on organizational performance at the Competition and Consumer Protection Commission. Throughout this research, 100% rate of responses was obtained since all those given data collections tools at CCPC were returned to the researcher with all those sought after responses. However, based on the presumption that demographic characteristics of the respondents, the study started with studying demographic characteristics of the respondents and then specific objectives of the study. Therefore, to present the revealed findings in a systematic and accepted manner, this chapter is organized into several headings which include, demographic characteristics of the respondents, the practice of corporate governance at the Competition and Consumer Protection Commission, the extent to which CCPC complies with the principles of good corporate governance, the relationship between board composition and the performance of the CCPC, the relationship between audit committee and the performance of CCPC, the relationship between separation of the role of the chairman and the Executive Director and the relationship between accountability and the performance of the Competition and Consumer Protection Commission. Throughout this chapter, the quantitative data was analysed through, frequencies, standard deviations, means and percentages and then presented through tables and figures. SPSS was used in the analysis and the development of headings from the outputs of the content analysed to ascertain the effects of corporate governance on organizational performance.

4.3 Respondent's Demographic Characteristics

The collected responses from the respondents are what served as the primary source of the data for this research, but with the presence of several demographic characteristics, those collected responses tend to be influenced in one way or another by demographic characteristics of the respondents who participated during the study. Throughout the research, gender of the respondent, age of the respondents, education of the respondents and the period in the service were seriously considered for being studied as demographic characteristics of the respondents who participated in this research.

4.4 Respondent's Gender

The gender, which is a social constructed role of and the relationship between males and females was studied as demographic characteristics of the respondents who participated in this research. To reveal the number of males and female's respondents who composed the sample size of this research, all the 62 participated respondents were required to appropriately identify their gender in terms of male or females. Table 1.01 shows a summary of revealed findings on the gender of the respondents in the research.

Table 1.0 1 Gender Response

Respondent's Gender			
		Frequency	Percentage
	Males	35	56.5
	Females	27	43.5
	Total	62	100.0

Source: Filed Data 2023

The findings presented in table 1.01 shows what revealed about the gender of those who participated in the research. Revealed finding shows that majority of the respondents who were 35 (56.5%) were male respondents and the remaining 27 (43.5%) were female respondents. From the above table, the revealed findings show that throughout the study, male respondents were many as compared to females' respondents.

Age of the Respondents

The age of participated respondents was another demographic characteristic of the respondents which was considered for being studied in the research. The age of the respondents like any other demographic characteristics influences those opinions or responses of the respondents. The research used four different age groups in which all the participated respondents were required to appropriately identify age group that best suits them accordingly. Table 4.2 below shows the results of the findings on the age of the respondents in the study.

Table 1.0 2 Age of respondents

Age of the Respondents			
		Frequency	Percentage
	20-30 years old	24	38.7
	31-40 years old	22	35.5
	41-50 years old	10	16.0
	51-55 years old	6	9.8
	Total	62	100.0

Source: Field Data 2023

From the above table 1.02 among those 62 who participated in the research, 24 (38.7%) respondents reported their age to fall in the age group 20-30 years old which formed part of the majority respondents. other respondents who were 22 (35.5%) were found to have ages between 31-40 years old. Other respondents were 10 (16%) reported their age to fall in the age of 41-50 years old and lowest number of respondents were 6 (9.8%) reported their age to fall in the age of 51-55 years old. Revealed findings on the age of the respondents, the results implies that most of the employees who are working at the Competition and Consumer Protection Commission are in the early stages of their career and that is why most of the respondents to this research who were 24 (38.7%) had their ages from 20 years to 30 years old.

Table 1.0 3 Education Level of the Respondents

Educational Level			
		Frequency	Percentage
	Diploma	8	12.9
	Bachelor's Degree	40	64.5
	Master's degree	14	22.6
	Doctor of Philosophy	0	0
	Total	62	100.0

Source: Field Data 2023

The above table presents the summary of the results of the findings on the educational level of the respondents in the research. Based on what is presented on the table, 8 (12.9%) respondents were found to hold Diploma level of education, 40 (64.5%) respondents reported their highest level of education at Degree level and 14 (22.6%) respondents reported the second highest level of education at master's degree level. From the above considerations of the results findings on the educational level of the respondents, most of the respondents who participated in this research on the effects of corporate governance of organizational performance focusing on the Competition and Consumer Protection Commission were found to have bachelor's degree level of education. From these results, it shows that many employees of CCPC have Degrees and are well educated to carry out any challenging assignment for the organization as they maintain the integrity of the organization. The results also revealed that those with master's degrees level of education are in managerial positions as compared to those with Degree level of education.

Table 1.0 4 Number of Years in Service

Period in the Service			
		Frequency	Percentage
	0-5 years	15	24
	5-10 years	40	65
	10-Above	7	11
	Total	62	100.0

Source: Field Data 2023

From the above table, the results show the number of respondents they have been in the service. The results show that 15 (24%) respondents reported to have 0-5 years as the number of being in the service at the Competition and Consumer Protection Commission. Most of the respondents who were 40 (65%) reported to have 5-10 years in their service at the Commission while 7 (11%) reported above 10 years of service at the Competition and Consumer Protection Commission, and this was the lowest number in terms of the number in that category. Based on the revealed findings presented on the table 4.4, the results implies that most employees at the Commission have reasonable working experience as evidenced with their number of years in service at the CCPC where most of them 5-10 years have as revealed through this research.

4.5 The Practice of Corporate Governance at the Competition and Consumer Protection Commission

The Competition and Consumer Protection Commission is a statutory body under the ministry of Commerce, trade and industry which was established by an Act of parliament No 24 of 2010 replacing the Act of 1994 when it was called the Zambia Competition Commission. Being the regulator and promotor of the competition in the country, the Commission is an autonomous government institution which is subject to auditing by the Auditor General's Office. The Commission use the Government Grants it receives from the Government to carry out its

operations and there are guidelines that are set by the Government on how to use the grant through the provisions and how to practice good corporate governance among Government regulatory bodies in Zambia. The following are the revealed findings concerns the state of corporate governance at the Competition and Consumer Protection Commission.

The structure of the Competition and Consumer Protection Commission is comprised of the Board and Management. The board is headed by the Chairman, board secretary and five board members while management is headed by the Executive Director, five departments headed by Directors and nine managers. To make sure that the practiced corporate governance improves the performance of the organization of the Competition and Consumer Protection Commission in a long run, the effective board is responsible in the strategic direction of the organization through the provision of strategic directions, policy formulation, strategic leadership, and control of the organization together with being accountable to the shareholders of the Commission. The management which are headed by the Executive Director is responsible for implementing the decisions of the board to ensure that there is a clear flow of information between them and the board to facilitate evaluation and performance appraisal. The existing shareholders of the Commission which is the Government through the minister are given relevant information regarding the work and the performance of the Competition and Consumer Protection Commission as it is conducted through the annual reports and annual returns to the Ministry of Commerce, Trade, and Industry. The board ensures that the minister is given a copy of the auditor's report before the parliament sit and deliberate on the statutory bodies.

4.6 The extent to which the Competition and Consumer Protection Commission Complies with the Principles of good corporate governance.

The Competition and Consumer Protection Commission proposed six principles of good corporate governance which are the board, Executive Director, audit committee and accountability, transparency, fairness, responsibility, risk management. Chan, A. W., & Cheung, H. Y. (2012). The good corporate governance also encompasses the environmental awareness issues, the ethical, the corporate strategy and the compensation elements as well. Regarding these six proposed principles of practicing good corporate governance, the following are the revealed findings which show the extent to which the Competition and Consumer Protection Commission complies with those principles of practicing good corporate governance in the organization.

4.7 Having a well-established board of directors

Revealed findings from this research shows that the board of directors of the Competition and Consumer Protection Commission is composed of seven members including the board chair. Through the process of establishing a board of directors, the Minister appoints the seven members board members and chooses the board chair. To make the board more effective in undertaking their duties diligently and taking their responsibility of guiding the Commission in a strategic direction, the board members are drawn from different sector of the industry. Three are from the private sector and four are from the public sector. To ensure that the Commission complies effectively to principles of corporate governance, the board of directors is headed by the chairman on top, board secretary comes immediately after the chairman and lastly the board members to complete the structure of the board of directors of the Commission.

4.8 The Role of the Board Chair and the Executive Director

Alim, W. Ali, A. and Rauf, M. M. (2021). To make sure that there is compliance with the principles of practicing good corporate governance, the Competition and Consumer Protection Commission has clear separation on the roles and responsibilities between the board chair and the Executive Director to ensure there is balance of powers and responsibilities among them as well as checks and balances in the organization. The research revealed the role of the board chair to primarily responsible in the organization all that information which is necessary for the board to deal with specially making strategic decisions as well as the provision of necessary information to the public who are the major stakeholders. The Executive Director is obliged in implementing the board decisions. The findings revealed that the board chair was found to be concerned with ensuring that the Commission's strategic goals and objectives are well implemented to give greater priority to award improving the welfare of the Commission.

Shareholders

Abdullah, S.N. (2004). Regarding this principle of corporate governance that requires relevant information about organizational performance to be shared to all shareholders of the organization especially through regular annual reports and newsletters. The research revealed that at the Competition and Consumer Protection Commission, the majority shareholder is the government and through the minister has responsible to give direction to the board on the matters pertaining the growth and the organization meeting its mandate in its operations. The minister also gives the strategic direction to board members on the effects of the corporate governance on organizational performance of the Competition and Consumer Protection

Commission. Through the monthly and annual returns, clarifications concerning the performance of the Commission are provided to shareholders in reflection to what found in the annual reports. The research revealed that the major shareholder is the government through the ministry of Commerce, Trade and Industry and the minister is responsible to give direction to the board of directors on the general information or specific nature of the required performance by the Commission. The findings revealed that the board of directors provides relevant information concerning the performance of the Commission to the shareholders through submitting to the minister a copy of the audited financial statements together with a copy of the report that is prepared by the board established auditors in the year under review.

4.9 Effects of Accountability on organizational Performance of the Competition and Consumer Protection Commission

This was the first objective of the research, to establish the effects of accountability on organizational performance of the Competition and Consumer Protection Commission. The revealed findings indicate a strong positive correlation between the presence of accountability and organizational performance. This aligns with the objective and highlights the importance of accountability and independent oversight in corporate governance. The findings also, revealed that accountability on Organizational performance play a major role in practicing good corporate governance at the commission. Utilitarian philosophers argue that corporate governance should aim to maximize the overall happiness or well-being of all stakeholders, including shareholders, employees, customers, and the broader society. To comply with accountability and the audit principles of practicing good corporate governance, the Competition and Consumer Protection Commission through its board of directors was found to start with the establishment of the audit committee which looks at the risk management and responsibility and transparency in the utilization of the Commission's resources. The revealed findings from this research found that through such accountability, various financial statements prepared by management every year are audited to allow accountability and appropriate action to the people responsible to be taken based on what audited. The findings further revealed that in view of the light given through auditor's report, the board of directors have powers to hold management of the Commission accountable and responsible on the performance of the Commission once the accounts of the board get audited and submitted to the government through the minister of Commerce, Trade, and Industry.

4.10 Effects of the Board Size and responsibility on the organizational performance of the Competition and Consumer Protection Commission

The second objective of the research was to establish the effects of board size and responsibility on the organizational performance of the Competition and Consumer Protection Commission. The findings demonstrate that companies with effective board size and responsibility tend to have lower incidences of financial fraud. This supports the objective by emphasizing the significance of transparent reporting for organizational integrity and performance. The balanced board composition as regarded to be important catalyst in making effective board decisions to practice good corporate governance was studied in terms of the effects of the board size and responsibility on the organizational performance of the Competition and Consumer Protection Commission. The questionnaire with five points Likert scale, the participated respondents 62 were asked to indicate whether they strongly agree, agree, neutral, disagree or strongly disagree on various statements they were asked to measure the effects of the board size and responsibility on organizational performance of the Competition and Consumer Protection Commission. The responses on various statements which use to establish the effects of the board size and responsibility on the organizational performance of the Commission are shown in the table 4.12 below:

4.11 Effects of the Board Size and responsibility on the organizational performance of the Competition and Consumer Protection Commission

Table 1.0 5 Effects on the Board Size and Responsibility on Organizational Performance

STATEMENT	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE	PERCENTAGE
Board composition increases efficiency of the Commission	35	25	1	1	0	100%
Board Composition prevents financial fraud at the Commission	40	20	0	2	0	100%
Audit Committee is independent	50	12	0	0	0	100%
Board composition enhances the operations of the Commission	40	17	0	3	2	100%
Management have access to the documents as they plan	55	7	0	0	0	100%

Source: Field Data 2023

The research findings presented in a summary table 4.12 shows the results obtained about the effects the board size have and the relationship between the board composition and the improvement of the organizational performance of the Competition and Consumer Protection Commission on the different applied statement on the research instrument. regarding the first statement which stated that board composition increases efficiency of the Commission, the majority respondents who were 35 (56.5%) reported being strongly agree, while 25 (40.3%) respondents reported agree, but 1 (1.6%) reported being neutral and 1 (1.6%) respondent reported disagreeing to the statement. The second statement stated that board composition prevents fraud at the Commission in which most of the respondents who were 40 (64.5%) strongly agreed to the statement, however 20 (32.3%) reported that they agreed to the statement and 2 (3.2%) disagreed to the statement. The third statement stated that Audit committee is independent in which most of the respondents were 50 (80.6%) strongly agreed to the statement and 12 (19.4%) agreed to the statement. The fourth statement stated that board composition enhances the operations of the Commission in which 10 (16.1%) reported strongly agreed, while the majority respondents 40 (64.5%) reported agreed and 6 (9.7%) respondents reported disagree and 6 (9.7%) strongly disagree with the statement. The fifth statement stated that management have access to the documents as they plan in which most of the respondents who were 55 (88.7%) reported being strongly agreed while 7 (11.3%) respondents were found to agree with the statement.

Table 1.0 6 Statistical table

	N	Range	Minimum	Maximum	Mean		Std. Deviation	Variance
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Statistic
Age	62	34	21	55	31.87	1.028	8.097	65.557
Valid N (listwise)	62							

Source: Filed Data 2023

From the above table 2.13, the revealed findings show the range which is 34 among the respondents with a Maximum of 21 and a minimum of 55. The revealed findings further show the mean of 1.028 and a standard deviation of 8.097 and a variance of 65.557 on the reported Board size and its effects on the organizational performance of the Competition and Consumer Protection Commission

4.12 Board Composition, Audit Committee and Separation of the Chairman and Executive Director

Table 1.0 7 Board Composition, Audit Committee and separation of the role of Board Chair and Executive Director

		Board composition increases efficiency of the Commission	Audit committee enhances the operations of the Commission	Separating the role of the chairman and Executive Director increases the operations of the Commission
N	Valid	62	62	62
	Missing	0	0	0

Source: Filed Data 2023

The research findings from table 2.14 revealed the number of valid responses that were gotten from the respondents on the three statements which they were asked. The research findings revealed that the total number of 62 (100%) responses were gotten from Board composition increases efficiency of the Commission, 62 (100%) Audit committee enhances the operations of the Commission and 62 (100%) Separating the role of the chairman and executive director increases the operations of the Commission.

**Table 1.0 8 Board Composition Increases Efficiency
Board composition increases efficiency of the Commission.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	3	4.8	4.8	4.8
	Yes	1	1.6	1.6	6.5
	Yes	58	93.5	93.5	100.0
	Total	62	100.0	100.0	

Source: Filed Data 2023

Table 2.15 above shows the revealed findings about the board compositions and how it increases the efficiency of the Commission. A total of 62 questionnaires were administered to the respondents, and out of 62 Respondents, 3 (4.8%) did not agree with the statement and 58 (93.5%) agreed to the statement and a frequency of 1 (1.6%) agreed with the statement.

Table 1.0 9 Audit Committee Enhances the operations of the Commission
Audit committee enhances the operations of the Commission.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	2	3.2	3.2
	Yes	60	96.8	100.0
	Total	62	100.0	100.0

Source: Filed Data 2023

Table 2.16 shows the revealed findings on the statement; Audit committee enhances the operations. From the total number of 62 respondents, 2 (3.2%) did not agree to the statement and 60 (96.8%) agreed to the statement which read audit committee enhances the operations of the Commission.

Table 10 Separating the role of the chairman and Executive Director increases the operation of the Commission
Separating the role of the chairman and Executive Director increases the operations of the Commission

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	2	3.2	3.2
	Yes	1	1.6	4.8
	Yes	59	95.2	100.0
	Total	62	100.0	100.0

Source: Filed Data 2023

Table 2.17 shows the revealed findings on the separation of the role of the chairman and the Executive Director increases the operations of the Commission, and out of the 62 respondents, 2 (3.2%) did not agree to the statement, while 1(1.6%) and 59 (95.2%) agreed to the statement.

**Table 1.0 10 The State of Corporate Governance at the Commission
The State of Corporate Governance at The Competition and Consumer Protection Commission**

		Accountability increases the operations of the Commission	Accountability brings about efficiency to the Commission	THE STATE OF CORPORATE GOVERNANCE AT THE COPMETITION AND CONSUMER PROTECTION COMMISSION
N	Valid	62	62	62
	Missing	0	0	0

Source: Filed Data 2023

Table 11.1 above shows the revealed findings from the three statements which were administered to the respondents in which the response rate was 100% as shown in the table above.

**Table 1.0 11 Accountability increases the operations of the Commission
Accountability increases the operations of the Commission.**

	Frequency	Percent	Valid Percent	Cumulative Percent
No	3	4.8	4.8	4.8
yes	1	1.6	1.6	6.5
Yes	58	93.5	93.5	100.0
Total	62	100.0	100.0	

Source: Filed Data 2023

Table 12.0 above shows the revealed findings based on the response to the statement which the respondents were asked. 3 (4.8%) did not agree with the statement while 58 (93.5%) and 1 (1.6%) agreed to the statement. From the revealed findings, the majority respondents agreed to the statement as compared to the minority which stood at 3 (4.8).

Table 1.0 12 Accountability Brings about Efficiency to the Commission

Accountability brings about efficiency to the Commission.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid No	2	3.2	3.2	3.2
Valid Yes	1	1.6	1.6	4.8
Valid Yes	59	95.2	95.2	100.0
Total	62	100.0	100.0	

Source: Filed Data 2023

Table 13.0 above shows the revealed finding on the accountability brings about efficiencies to the Commission in which 2 (3.2%) did not agree to the statement and 59 (95.2%) agreed to the statement and 1 (1.6%) agreed to the statement respectively. The above findings further revealed that most of the respondents agreed to the statement.

The State of Corporate Governance at The Competition and Consumer Protection Commission

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid No	2	3.2	3.2	3.2
Valid Yes	1	1.6	1.6	4.8
Valid Yes	59	95.2	95.2	100.0
Total	62	100.0	100.0	

Source: Filed Data 2023

Table above shows the revealed finding on the accountability brings about efficiencies to the Commission in which 2 (3.2%) did not agree to the statement and 59 (95.2%) agreed to the statement and 1 (1.6%) agreed to the statement respectively. The above findings further revealed that most of the respondents agreed to the statement.

4.13 Simple Linear Regressions organizational performance, Accountability, transparency, and improvement of CCPC performance

With due consideration to this study which was designed to study the effect of corporate governance on organizational performance of the Competition and Consumer Protection Commission, determining the degree to which one variable (independent) influence or predicts another variable (dependent) becomes necessary for this research. Therefore, simple linear regression was undertaken to reveal the degree of the influence or prediction between organization performance and Accountability, Transparency and Improvement of the Competition and Consumer Protection Commission.

Table 1.0 13 Descriptive Statistics

	Mean	Std. Deviation	N
Board Composition	30.00	7.071	2
Accountability	31.00	26.870	2
Improvement of CCPC's Performance	30.00	14.142	2
Transparency	28.50	16.263	2

Source: Filed Data 2023

Table 14.0 presents the results from the regression analysis on the descriptive statistics based on the responses that were gotten from the respondents in which the revealed findings show a mean of 30 on the Board composition and a standard deviation of 7.071. Further, the revealed findings show a mean of 31 on accountability and a standard deviation of 26.870. The revealed findings show that there is a relationship between board composition and the accountability. The research findings further revealed the findings in which the mean for improvements of CCPC stood at 30 and a standard deviation of 14.142. this shows that there is a serious relationship between board composition and improvement of CCPC performance. The research findings further revealed a mean of 28.5 on the transparency and a standard deviation of 16.263 of the research findings.

Table 1.0 14 Pearson's Correlations

		Organizational Performance	Accountability	Improvement of CCPC's Performance	Transparency
Pearson Correlation	Board Composition	1.000	1.000	1.000	1.000
	Accountability	1.000	1.000	1.000	1.000
	Improvement of CCPC's Performance	1.000	1.000	1.000	1.000
	Transparency	1.000	1.000	1.000	1.000
Sig. (1-tailed)	Board Composition	.	.000	.000	.000
	Accountability	.000	.	.000	.000
	Improvement of CCPC's Performance	.000	.000	.	.000
	Transparency	.000	.000	.000	.
N	Organizational Performance	2	2	2	2
	Accountability	2	2	2	2
	Improvement of CCPC's Performance	2	2	2	2
	Transparency	2	2	2	2

Source: Filed Data 2023

Table 15.0 above shows the Pearson’s revealed findings from the regression analysis, the research findings shows that there is a relationship between organizational performance, accountability, improvement of CCPC’s performance and transparency. Pearson’s correlation shows that there is a significant relationship between the board composition and accountability in the practice of good corporate governance at the Competition and Consumer Protection Commission.

Table 1.0 15 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. Change	
1	.793 ^a	.	.630.	.	.620	.	1	0	.	.488

a. Predictors: (Constant), Transparency

b. Dependent Variable: Organizational Performance

Source: Filed Data 2023

Table 4.4 presents the results from regression analysis (model summary). The R value which represents linear correlation coefficient of the independent and dependent variables is 0.793 which is equal to the degree of correlation between the organizational performance and the transparency of the Competition and Consumer Protection Commission. R square indicates the total variation obtained in the dependent or performance of the CCPC. Therefore, regarding this result from the regression analysis (model summary), the Competition and Consumer Protection Commission can be predicted by transparency and organizational performance that may be attributed by unknown factors.

Table 1.0 16 Anova

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	50.000	1	50.000	54.600.	. ^b
	Residual	.000	0	.		
	Total	50.000	1			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Transparency

Source: Filed Data 2023

Table 17.0 shows the results from the regression analysis (ANOVA). The results in the ANOVA table is mainly for testing if the overall regression model is a good fit for both data and study for accurate report. The results from the ANOVA table show that independent variable which is transparency is statistical significantly predicting dependent variable which is organizational performance as evidenced through $F=54.600$, $P<0.10$, also such results show that the undertaken regression model is good fit for the data and the existing transparency predicts the performance of the Competition and Consumer Protection Commission.

Table 1.0 17 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	17.609	.000		.	.	17.609	17.609
	Transparency	.435	.000	1.000	.	.000	.435	.435

a. Dependent Variable: Organizational performance

Source: Filed Data 2023

Table 4.6 presents the results from regression analysis through coefficient where the shown Beta value determines how significant is transparency (independent Variable) predicting variance in the Competition and Consumer Protection Commission (Dependent variable). The output from regression analysis show transparency exerts strong prediction on the organizational performance of the Competition and Consumer Protection Commission where r is 1.000 which is so significant at the P-value 0.000.

4.14 Effects of audit committee on the organizational performance of the government regulatory body

The third specific objective of the study was to determine the effects of audit committee on the organizational performance of the government regulatory body. The results reveal that effective audit committee structures are associated with increased long-term shareholder value in increasing the performance of the organization. This finding directly corresponds to our objective, emphasizing the role of audit committee in organizational performance. The balanced audit committee composition as regarded to the important ingredients to the moral effects on the performance of the Government regulatory body in making effective board decisions to practice good corporate governance was studied in terms of the moral of integrity and audit committee and the relationship between with the improvement of the organizational performance of the Competition and Consumer Protection Commission in which the questionnaire of five scale level was administered to the respondents.

Table 1.0 18 1Moroal Integrity and Audit Committee on Organisational performance

STATEMENT	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE	Total
Audit committee enhances the operations of the Commission	50	10	2	0	0	100%
Audit committee prevents financial fraud in the utilization of the fund	55	5	0	1	1	100%
Audit committee increases the efficiency of the Commission	58	4	0	0	0	100%
Moral integrity increases performance	56	4	1	1	0	100%
Audit committee facilitate adequate utilization of resources	59	2	0	1	0	100%

Source: Filed Data 2023

Based on the findings presented in the table 5.0, various statements attracted several responses from the participated respondents of this research. The first statement which stated that audit committee enhances the operations of the Commission in which 50 (80%) respondents reported

being strongly agreed with the statement and this was the majority with 10 (16%) reported agreeing with the statement, while 2 (4%) reported neutral to the statement. The second statement which stated that audit committee prevents financial fraud in the utilization of the fund in which 55 (88.7%) respondents reported being strongly agreed with the statement and this was the majority response from this statement. 5 (8.1%) respondents reported agreed, while 1 (1.6%) respondent reported disagreed, and 1 (1.6%) respondent reported strongly disagreed. The third statement which stated that audit committee increases the efficiency of the Commission in which 58 (93.5%) respondents reported strongly agreed to the statement and also this was the majority responses from the respondents, while 4 (6.5%) respondents reported agreed to the statements. While the fourth statement which stated that moral integrity increases the performance of the Commission in which 56 (90.3%) respondents reported strongly agreed to the statement, while 4 (6.5%) respondents reported agreed to the statement and 1 (1.6%) respondent reported neutral while 1 (1.6%) respondent reported disagreed to the statement. The fifth statement stated audit committee facilitate adequate utilization of resources in which 59 (95.2%) respondents reported strongly agreed to the statement, while 2 (3.2%) respondents reported agreed to the statement and 1 (1.6%) respondent reported disagreed to the statement.

4.15 The extent to which the Competition and Consumer Protection Commission complies with the principle of corporate governance.

The revealed findings shows that the Commission complies the principles of the good corporate governance of having a well balances board who gives the strategic directions to the management of the Competition and Consumer Protection Commission. And, the separation of the role of the chairman and that of the Executive Director which ensure that there is balance in power and authority among them so as to facilitate monitoring as well as the ability of the board to hold the Executive Director accountable for management's conduct. The other complied principle by the Commission was the audit committee and the protection of the rights of the shareholders which is the government through the minister of Commerce, trade and industry.

4.16 The Possible Measures which can be used to improve the performance of the Competition and Consumer Protection Commission

The research study found necessary to find and recommend on the possible measures that can be used to improve the performance of the Competition and Consumer Protection Commission. To meet this objective, in depth interview method was applied to those participated respondents to get more details for them to recommend on the possible measures that can be used to improve

the performance of the Competition and Consumer Protection Commission. The revealed findings about the possible measures to improve the performance of the Competition and Consumer Protection Commission are as follows.

4.17 People with Qualification Should be appointed to become Members of the Board

The revealed findings from this research, appointing qualified people to form effective board of directors was reported by the respondents as an effective possible measure that can be used to improve the performance of the Competition and Consumer Protection Commission. This possible measure was supported by many respondents who participated in this research due to the presence of the reality that the process of appointing people to establish the effective board of directors may easily attract bias due to political interference which may result appointing of non-qualified people to become members of the board. Based on this possible measure, letting appointing responsibility to the hand of minister as what stipulated in the Act of parliament, such situation was found to be accompanied with political interference and influence, hence letting the process of appointing to be done by an independent board was highly encouraged by the participated respondents in this research.

4.18 Exposing the CCPC Employees into Strategic Training and Development to Good Corporate Governance

Throughout this research which was undertaken at the Competition and Consumer Protection Commission, exposing the employees of CCPC into strategic training and development in good corporate governance was reported to be another possible measure to improve the performance of the Competition and Consumer Protection Commission. With regard to the revealed findings from this research, not all employees of CCPC are well equipped to implement effectively the principle of good corporate governance as stipulated by the Competition and Consumer Protection Commission to bring about the desired level of organizational performance, hence having strategic training and development to those staff of the Commission, the required knowledge and skills about the practicability of corporate governance will be imparted to the Commission's employees.

4.19 Strictly Supervision over the Management by the Board

This was another revealed finding about the possible measure that can be used to improve the organizational performance of the Competition and Consumer Protection Commission was found to be strictly supervision over the management by the board. This recommended possible

measure was found to be necessary for the Commission performance since the board and management depends on each other for the success of the organization and in their way to improve the performance of the Commission regardless their power and authority.

4.20 Enhancement of transparency on the performance of the Competition and Consumer Protection Commission

This was also another revealed finding by this research as another possible measure that can be used to improve the performance of the Competition and Consumer Protection Commission. Throughout the revealed findings, transparency that relates with the provision of performance feedback on monthly, quarterly, or annually was reported to be crucial especially on taking corrective action on the due time so as end what challenges attainment of one's performance objective.

CHAPTER FIVE

5.1 Discussion of Findings

5.2 Overview

This chapter concerns with the presentation of the discussion of the findings on the effects of corporate governance on organizational performance of the Government Regulatory Body (GRB) particularly the Competition and Consumer Protection Commission. The chapter presents the discussion of the findings on the basis of what revealed from each specific objective (the effects of practicing good corporate governance at the CCPC and the extent to which the Competition and Consumer Protection Commission practice good corporate governance in the day to day running of the government regulatory body, the establishing of the accountability on organizational performance, effects of the board size and responsibility, effects of moral integrity and audit committee and the leverage on organizational performance of this study which was undertaken at the Competition and Consumer Protection Commission.

5.3 The Practice of Good Corporate Governance at the Competition and Consumer Protection Commission

Regarding this undertaken research at the Commission, the practice of good corporate governance at the Commission was found through having organization structure which is comprised of the Board and management. In discussing such findings in association to previous studies, the findings from Sydney Chikuta (2020) which entitled "*Effects of corporate Governance on Financial Performance of the state-owned enterprises in Zambia*" such study reported the existence of the same state of corporate governance where the organizational structure of such Competition and Consumer Protection Commission has both parts, which is the board of directors and management designed to check and balance the mechanism in the corporate structure of the organization.

Another practice of good corporate governance at the Competition and Consumer Protection Commission was found through the establishment of the required size of the board which is seven (7) people and through such size, independent audit committee are appointed by the board from time to time to audit various financial statements reports prepared by management every financial year.

In associating such revealed findings to the previous findings especially those presented in the literature review, the study of Crowther, D. and Seifi, S. (2011) reported that the established

audit committee was found to respond positively on risk mitigation on internal audit reports in the time there by increasing transparency and accountability so as to achieve efficiency, accuracy, completeness, timelines, convenience and clarity in the financial reporting which in turn will increase profitability of the Competition and Consumer Protection Commission.

The undertaken research at the Competition and Consumer Protection Commission found the practice of good corporate governance involves the separation of the role of the chairman and the Executive Director to ensure the board could hold the Executive Director accountable. To discuss such revealed findings by considering other previous studies, the study of (Kamudini, 2017, p. 16) revealed that the existing state of corporate governance favour transparency as well as accountability through maintaining an active channel of information disclosure among shareholders, the board and management so as to foster the improvement of the organizational performance of the Commission.

The revealed findings revealed that the shareholders of the Competition and Consumer Protection Commission which is the Government through the minister of Commerce, Trade, and Industry are given relevant information regarding the performance of the Competition and Consumer Protection Commission as it is it is conducted monthly, quarterly, and annually report that shows performance of the Commission. Such revealed findings are in alignment with other previous studies particularly the study of (Mulili, 2017) which reported that through the practice of good corporate governance, protection of shareholders rights and their ability to influence the behaviour of the corporation are guaranteed through board of directors especially through ensuring shareholders have accessibility to relevant information on the corporation on the timely and regular basis together being participated and voting in the general shareholder meetings which involves electing of the members of the board of the corporation.

5.4 The extent to which the Competition and Consumer Protection Commission complies the principles of good corporate governance.

One of the extents to which the Commission complies with the principles of good corporate governance is through its establishment of effective board of directors. To discuss such revealed findings in collaboration with the previous research, the study of Sydney Chikuta (2020) which was undertaken on the state owned enterprises, the study found established board among the state owned enterprises which consist at least ½ of the independent directors of the organization so as to ensure there is balance of existing board size that may result in them to

have the ability to provide independent judgement as required during the board meetings of the organization.

Another found extent to which the Competition and Consumer Protection Commission complies with the principles of good corporate governance was the separation of the role of the chairman and the Executive Director. In discussing such revealed findings, the revealed finding from the study of Sydney Chikuta (2020) which was conducted at the state-owned enterprises in Zambia, compliance of the principle of a clear separation of the role and responsibilities between the chairman and the Executive Director was found to be necessary in the practice of good corporate governance at the Competition and Consumer Protection Commission.

The research which was conducted at the Competition and Consumer Protection Commission found that the Commission comply with the principles of good corporate governance through having shareholders who are the government. In associating the revealed findings to other studies, Akingunola and Adenkule (2013) through their study entitled “*Corporate governance and Bank’s performance in Nigeria*”. The study reported compliance with such shareholders principles in the practice of corporate governance at a commercial bank in Nigeria where protection of the shareholders rights are done through ensuring shareholders have the ability to influence the behaviour of the corporation through the existing board where accessibility to relevant information on the corporation are provided on timely and regular basis together with being participated in the voting process during the annual general meetings of the Commission.

Accountability, Assurance and audit at the Competition and Consumer Protection Commission reveal another extent to which the Commission complies with principles of good corporate governance. To discuss the revealed findings in association with other previous studies, the case of Moeen Umar Cheema, Rahat Munir, Sophia. SU. (2023). The reported established strong audit committee as a necessary principle of corporate governance which determines organizational performance.

5.5 Relationship between Board Composition and Performance of the Competition and Consumer Protection Commission

The revealed findings from this research which was undertaken at the Competition and Consumer Protection Commission, the composition of the board which has other members from the private sector which are three and four from the government was found to be necessary in determining the improvement of the Competition and Consumer Protection Commission’s performance due to the consideration of diverse skills, competencies and expertise of those

who appointed to compose such board in the organization. In association with other previous study, Kumudini Heenetigala (2016) "*Corporate Governance Practices on listed Companies in Sri Lanka*" throughout such study, board composition was reported to be important in influencing organizational performance if allows diversity among members of the board of the organization. Therefore, based on such related findings, the diversity which exist in the Competition and Consumer Protection Commission board has been what was found to improve the performance of the Competition and Consumer Protection Commission.

In collaboration with the revealed findings to the applied theory, the theory of principal agent which argues that to make agents work in the best interest of the principal, board of directors should put at the centre as the monitoring mechanism (Ross 1973). This has been like the revealed findings at the Competition and Consumer Protection Commission where the board of directors as the monitoring mechanism is formed by the people with diverse skills, competencies and expertise in order to monitor the way agents act in order to ensure the interest of the owner who are the Government are achieved in a long run.

5.6 Relationship between Audit Committee and Organizational performance of the Competition and Consumer Protection Commission

In discussing the revealed findings based on what revealed from the previous studies, improvement of the organizational performance was reported to be made possible through a strong audit committee. According to the study of Dipak R. Basu, Victoria Miroshinik. (2020), strong audit committee is highly related with performance and improvement since audit committee prohibit fraudulent activities by ensuring those reported financial statement are clean and free from errors. Hence the case of Competition and Consumer Protection Commission, strong audit committee is necessary catalyst towards improvement of the Commission's performance since with the come up of audit committee, the financial resources of the Commission will be protected from being looted.

The revealed findings are highly related to with the Stewardship theory which was applied to guide this research at the Competition and Consumer Protection Commission. Based on that applied theory, stewards in the organization represents those people who are responsible to work to work for the best interest of the shareholders of the organization through protecting and maximizing shareholders wealth. In associating with such theory to what revealed from this research, steward was found to be responsible in the protecting and maximizing the wealth of the shareholders through forming audit committee to capture financial fraud in the various

submitted reports which concern with financial statement reported by the management of the organization.

5.7 Relationship between the role of the chairman and the Executive Director and the performance of the Competition and Consumer Protection Commission

The separation of the role of the board and the Executive Director as reported in this current research to have a very strong relationship with improvement of the Competition and Consumer Protection Commission's performance, such revealed findings also is evidenced by other previous studies. According to the study of Burner (2019) which entitled, "*Corporate Governance Practices and Challenges in Africa.*" Throughout that study, separating the role of the Chairman and the Executive Director improves organizational performance since such separation provides the structure through which board independence monitors and disciplines management in acting into implementing the board's decision at the best interest of the shareholders as well as organization to ensure good organizational performance.

Linking the revealed findings to the theories which were applied to guide this research, the theory of resource dependence theory which argues that the board of directors should facilitate accessibility of resources of resources including information and other key constituents to facilitate the desirable organizational performance. Similarly, to what revealed from this research, the separation of the role of the chairman was found to be necessary to determine organizational performance as the board tend to set goals and objectives for the management to implement with consideration to external environment and accessibility of resources in the organization.

5.8 Relationship Between Accountability and the Performance of the Competition and Consumer Protection Commission

The revealed findings from this research, accountability as part of corporate governance at the Competition and Consumer Protection Commission determines the improvement of the Commission's performance through the achievement of the objectives of the Competition and Consumer Protection Commission in associating to another research conducted previously. At the Competition and Consumer Protection Commission, the practice accountability which results organizational performance is mainly ensured through the presence of transparency among shareholders, the board and management through meetings and various reports such as financial statements which are audited by the internal audit.

In marrying the revealed findings to the theories applied to guide this research, the theory of principal agent which argues that the principals of the organization are responsible to hire agents to work for the best interest of the organization and the best interest of the principal, but on contrarily agents are not willing to work for the best interest of the of the principal, hence the theory recommends on holding agent accountable for their act through monitoring mechanism. The revealed findings from this research such as monitoring mechanism was found to be the board of the Competition and Consumer Protection Commission which provides the strategic direction for the Commission through accountability in which the Commission by holding agents who are management accountable so that they act in accordance with the best interests of the principal.

5.9 Measures which can be used to improve the organizational performance of the Competition and Consumer Protection Commission

Throughout this research at the Competition and Consumer Protection Commission, the found possible measures was to ensure people with right qualifications and skills and competencies are put and appointed to become the board members. In discussing the revealed findings in collaboration with previous studies, the study of Muath Abdelqader, Tamer K. Darwish, Khalil Nimer. (2022) entitled "*Corporate Governance and IFRS in middle east: Compliance with International Financial Reporting Standards.*" The study reported that once the board is made of qualified people, such board can make strategic national decisions that will create value for the shareholders with ensuring good monitoring mechanism of the performance of an independent auditor to improve the value of a firm as well as forcing the managers to take unbiased decision for the best interest of the organization.

These revealed findings are highly associated with the applied theory of resource dependence which insist that corporate governance results in improvement of the organizational performance once the board takes the central role on reducing environmental dependence together with other uncertainty. Therefore, regarding this theory, the board should be formed with the people who have the right qualification which enable them to take that central role to reduce organizational dependence on its environment and other uncertainties which may undermine organizational performance together with ensuring availability of the necessary resources for good organizational performance to occur at the Commission. To associate the revealed findings with the applied theory of stewardship, the theory states that stewards are responsible to work in the right way to protect and maximize the wealth of the shareholders through improvement of the organizational performance. With alignment of this theory, the

revealed findings from this research, the revealed findings found the importance of exposing staff into the right training program which impart the required skills to enable employees in their way to job performance which will add value to the organization in a long run. For the members of staff to work in the way that results maximization of shareholders wealth through improvement of the organizational performance is what insisted in the theory of stewardship. Strategic training s are the catalyst ingredients in the practicing a good corporate governance as it improves organizational performance.

The other revealed possible measure at the Competition and Consumer Protection Commission was strictly supervision over the management by the board of the Commission. Therefore, in discussing the revealed findings in association to other previous studies, the study of Crowther, D. and Seifi, S. (2011) reported that boards should oversee the running of an organization by its managers and such board in turn should fear being held accountable to shareholders and the organization. The revealed findings are highly associated with the theory of principal agent which stated that board should put itself at the centre as the monitoring mechanism to ensure managers act in the best interests of principal Charterjee SH.D. (2011).

The final revealed findings at the Competition and Consumer Protection Commission found enhancing transparency on the performance of the Commission as another possible measure that can be used to improve the organizational performance of the Commission. In discussing the revealed findings, the research by Pandya, H. (2011) which entitled "*corporate governance structures and financial performance of selected Indian Banks.*" The study recommended on ensuring transparency and accountability of the board members in the organization to enhance organizational performance in a long run since with lack of accountability and transparency, organizational performance tend to suffer if not well managed. Linking the revealed findings of the theory which was applied to guide this research particularly the theory of principal agent, such theory alerts that agents as the people who are supposed to work in the best interest of the principal may contrary work against the best interest of the principal, hence holding them accountable for their act become necessary towards improving organizational performance of the Commission. To align the revealed findings to this theory which insist on the accountability, transparency should be ensured to bring about accountability which forms necessary catalyst towards the organizational performance through the practice of good corporate governance in the organization.

CHAPTER SIX

6.1 Summary, Conclusion and Recommendations

6.2 Overview

Chapter six of this dissertation concerns with presentations of the summary of this study which was undertaken at the Competition and Consumer Protection Commission to study the effects of corporate governance on organizational performance. The chapter presents conclusion based on revealed findings and then the chapter ends with providing recommendations that intend to improve the organizational performance of the Competition and Consumer Protection Commission.

6.3 Summary of the Study

The research problem was undertaken into consideration for this research which is the effects of corporate governance on organizational performance of the Competition and Consumer Protection Commission. In order for such research topic well studied throughout this study which was conducted at the Competition and Consumer Protection Commission, three specific objectives which were to establish the effects of accountability on organizational performance of the Competition and Consumer Protection Commission, to establish the effect of board size, relationship and responsibility on the organizational performance, to determine the effects of moral integrity and audit committee on organizational performance of the government regulatory body and to examine the effect of leverage on the organizational performance at CCPC and to recommend on the possible measures that can improve the organizational performance of CCPC. To rationalize the research, both theoretical and empirical literature review was clearly analysed in order to create research gap that gave room for the study on the effects of corporate governance on organizational performance which was conducted at the Competition and Consumer Protection Commission. Research methodology as a systematic procedure to study the developed research problem was clearly presented in which case, study research design was adopted to seek the answers to those developed research questions where the questionnaire and interview techniques with the board members was applied to collect data from respondents and then the collected data was analysed qualitatively and quantitatively throughout the research. The revealed findings based on those four specific objectives are as follows.

The first specific objective which looked at the establishment of the effects of accountability on organizational performance of the Competition and Consumer Protection Commission, the

study found the practice of corporate governance on organizational performance at the Competition and Consumer Protection Commission through a well-structured accountability among the board members and management. It was revealed that management are accountable to the board through serious monitoring mechanism. To operationalize the Commission's performance through good corporate governance, board of directors make decisions and management implement those decisions made by the board to attain those set objectives of the Competition and Consumer Protection Commission. The board of directors was found to be of highly skilled and expertise of seven members who made up the board of directors of the CCPC. The Competition and Consumer Protection Commission was found to have an independent audit committee which made sure that there is prudent utilization of resources at the Commission by management and its employees.

The second specific objective which was to establish the effect of board size, relationship, and responsibility on the organizational performance of the Competition and Consumer Protection Commission. The research found the presence of a strong positive relationship between board composition and the organizational performance of the Commission, and another strong positive was found to exist between audit committee and organizational performance of the Commission and a strong positive strong relationship was found between the board chair and the Executive Director and the organizational performance of the Competition and Consumer Protection Commission.

The third specific objective of the study was to determine the effects of moral integrity and audit committee on organizational performance of the government regulatory body. The study found that there is strong presence of the moral integrity at the Competition and Consumer Protection Commission and there is a strong audit committee put in place by the board to make sure that there is prudent in the utilization of the organization's resources by management and employees.

The other variables which was to explore the extent to which the Competition and Consumer Protection Commission complies with the principle of corporate governance, the research revealed the Commission's compliance with the principles of good corporate governance which include having a well-balanced board of directors which guides the Commission through formulation of the strategic plan for the Commission management, the role of the chairman and the separation of the chairman from the Executive Director in order to have a balance of power and authority among them to facilitate monitoring as well as the ability of the board to hold the

Executive Director accountable for management's conduct in the day to day operation of the Commission.

6.4 Conclusion

Regarding the revealed findings from this research on the effects of corporate governance on organizational performance of the Competition and Consumer Protection Commission, the CCPC practice good corporate governance as mainly through its compliance with the principles of good corporate governance such as the well balanced board of directors who guides the strategic direction of the Commission, the separation of the role of the chairman and the Executive Director to make sure that there is balance of power and authority at the Commission in order to facilitate board monitoring mechanism as well as to establish board to hold accountable the Executive Director for management's conduct. The other principle is the protection of the rights of the shareholders through established board and the accountability and audit committee were established as independent to audit the financial statements of the Commission submitted by the management as well as protecting the fund from serious financial fraudulent and misappropriation of the fund of the Commission. Therefore, based on those complied principles of corporate governance, the corporate governance improves the performance of the Competition and Consumer Protection Commission through the balanced composition of the board of directors and a strong positive relationship to the performance of the Commission and the audit committee which has a strong positive relationship to the organizational performance and the separation of the role of the chairman and the Executive Director which has strong positive relationship to the performance of the organization of the Competition and Consumer Protection Commission in a long run for the betterment of the organization.

6.5 Recommendations

Regarding the revealed findings from this research which was conducted at the Competition and Consumer Protection Commission concerning studying the effects of corporate governance on organizational performance of the Commission, the following are the recommendations to the board and management.

To let the practice of good corporate governance improves performance of the Competition and Consumer Protection Commission, the board must ensure that management utilizes its resources prudently and generates more resources through fines and mergers and acquisition applications to sustain itself in time of delayed funding by the Government. The audit

committee should be well supported by the board of directors as it plays a vital role in providing checks and balances for the Commission through the audit of the financial statements of the annual reports which are submitted to the ministry of commerce, trade, and industry to be presented to the minister. The board should ensure that quarterly and annual reports of the Commission and financial reports are submitted on time for proper decision making.

The study was undertaken to study the effects of corporate governance of organizational performance and improving the performance of the Competition and Consumer Protection Commission, but the performance of the Commission particularly does not only be determined by just the practice of good corporate governance. Therefore, for further studies in the future, taking serious considerations of other factors such as cultural factors, political factors, social factors, and economic factors on how they influence the practicing of good corporate governance towards improving the organizational performance of the Competition and Consumer Protection Commission is necessary and should be highly considered.

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APPENDIX

THE UNIVERSITY OF ZAMBIA

INSTITUTE OF DISTANCE EDUCATION

PART ONE: QUESTIONNAIRE FOR MANAGEMENT AND NON-MANAGEMENT EMPLOYEES

QUESTIONNAIRE

Dear respondents,

My name is *Chibulo Foster Mwachikoka* and I am a post graduate student at the University of Zambia under the Institute of Distance Education. I am conducting research on “The effects of corporate governance on organization’s performance: a case study of competition and consumer protection commission”.

You have been conveniently selected to help in providing your expert knowledge in this study. The exercise is purely for academic purposes. You are therefore requested to freely answer all the questions in this paper for your responses will be treated with the confidentiality it deserves.

Your cooperation is highly valued.

Thank you.

You are free to answer all the questions by ticking.

DEMOGRAPHIC INFORMATION

Yes

No

1. Sex:

Male

Female

2. Age

- 20-30 years old
- 31-40 years old
- 41-50 years old
- 51-55 years old

3. Your Highest level of Education Qualification

- Diploma
- Bachelor's Degree
- Master's degree
- Doctorate Degree

4. Number of years in the Service

- 0-5 years
- 5-10 years
- 10-Above

THE STATE OF CORPORATE GOVERNANCE AT THE COMPETITION AND CONSUMER PROTECTION COMMISSION

i. Does Competition and Consumer Protection Commission practice good corporate governance?

Yes

No

ii. If yes, what are the things that the Competition and Consumer Protection Commission consider in practicing good corporate governance? _____

iii. Please would you describe the state of corporate governance that exists within the Commission?

Yes

No

iv. If yes, please explain in detail _____

THE EXTENT TO WHICH CCPC COMPLIES WITH THE PRINCIPLES OF PRACTICING GOOD CORPORATE GOVERNANCE

i. Do you know any recommended principles of corporate governance that CCPC complies with?

Yes

No

ii. If yes, please mention those principles that CCPC complies with in practicing _____ good _____ corporate governance _____

iii. Among those mentioned above, please describe the extent to which CCPC complies with each principle in practicing good corporate governance _____

MEASURES THAT CAN BE USED TO IMPROVE PERFORMANCE OF THE COMMISSION

i. Are there any measures that can be used to improve the performance of the Commission?

Yes

No

ii. If yes, do you know those measures that can be used to improve performance of the Commission?

Yes

No

iii. If the answer is yes, identify and explain those possible measures that can be used to improve the performance of the Commission _____

i. Effects of the Board Size and responsibility on the organizational performance of the Competition and Consumer Protection Commission

ii. Please tick to the number that appropriately show how you agree or disagree about the relationship between board composition and the improvement of the CCPC performance.

[1=Strong agree, 2=agree, 3=neutral, 4=disagree and 5=strongly disagree]

STATEMENT	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
Board composition increases efficiency of the Commission					
Board Composition prevents financial fraud at the Commission					
Audit Committee is independent					
Board composition enhances the operations of the Commission					
Management have access to the documents as they plan					

- iii. Please tick to the number that appropriately show how you would agree or disagree about the relationship between board audit committee and the improvement of the CCPC
[1=Strong agree, 2=agree, 3=neutral, 4=disagree and 5=strongly disagree]

STATEMENT	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
Audit committee enhances the operations of the Commission					
Audit committee prevents financial fraud in the utilization of the fund					
Audit committee increases the efficiency of the Commission					
Moral integrity increases performance					
Audit committee facilitate adequate utilization of resources					

- iv. Please tick to the number that appropriately show how you agree or disagree about the relationship between separating role of board chairman and the Executive Director and the improvement of CCPC performance.
[1=Strong agree, 2=agree, 3=neutral, 4=disagree and 5=strongly disagree]

STATEMENT	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
Separating the role of the chairman and Executive Director increases the operations of the Commission					
Separating the role of chairman and Executive Director enhances efficiency					

Separating the role of chairman and the Executive Director brings about internal controls					
Separating the role of chairman and the Executive Director facilitate adequate decision making					
Separating the role of the chairman and the Executive Director brings about health in the utilization of financial resources					

- v. Please tick to the number that appropriately show how you agree or disagree about the relationship between accountability and the improvement of the CCPC's performance.
[1=Strong agree, 2=agree, 3=neutral, 4=disagree and 5=strongly disagree]

STATEMENT	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
Accountability increases the operations of the Commission					
Accountability prevents financial frauds relating to the financial resources of the Commission					
Accountability facilitate adequate utilization of financial resources					
Accountability brings about efficiency to the Commission					
Accountability increases transparent at the Commission					

Thank you!

1.1 APPENDIX 2: ETHICAL CLEARANCE APPROVAL



THE UNIVERSITY OF ZAMBIA DIRECTORATE OF RESEARCH AND GRADUATE STUDIES

Great East Road Campus | P.O. Box 32379 | Lusaka 10101 | Tel: +260-211-290 258/291 777 Fax: (+260)-211-290 258/253 952 | E-mail: director.drgs@unza.zm | Website: www.unza.zm

APPROVAL OF STUDY

IORG No. 0005376

HSSREC IRB No. 00006464

28th July, 2023,

REF NO. HSSREC:-2023 - JUN- 030

Mr. Chibulo Foster Mwachikoka
The University of Zambia,

Institute of Distance Education,

P.O.BOX, 32379,

LUSAKA.

Dear, Mr. Mwachikoka,

RE: “EFFECTS OF CORPORATE GOVERNANCE ON AN ORGANISATION’S PERFORMANCE: A CASE STUDY OF CCPC”

Reference is made to your submission of the protocol captioned above. The HSSREC resolved to approve this study and your participation as Principal Investigator for a period of one year.

REVIEW TYPE	ORDINARY REVIEW	APPROVAL NO. HSSREC:-2023- JUN--030
Approval and Expiry Date	Approval Date: 28 th July, 2023	Expiry Date: 27 th July, 2024
Protocol Version and Date	Version - Nil.	27 th July, 2024

Information Sheet, Consent Forms and Dates	<input type="checkbox"/> English.	To be provided
Consent form ID and Date	Version - Nil	To be provided
Recruitment Materials	Nil	Nil
Other Study Documents	Questionnaire.	
Number of Participants Approved for Study		

Specific conditions will apply to this approval. As Principal Investigator it is your responsibility to ensure that the contents of this letter are adhered to. If these are not adhered to, the approval may be suspended. Should the study be suspended, study sponsors and other regulatory authorities will be informed.

CONDITIONS OF APPROVAL

- No participant may be involved in any study procedure prior to the study approval or after the expiration date.
- All unanticipated or Serious Adverse Events (SAEs) must be reported to HSSREC within 5 days.
- All protocol modifications must be approved by HSSREC prior to implementation unless they are intended to reduce risk (but must still be reported for approval). Modifications will include any change of investigator/s or site address.
- All protocol deviations must be reported to HSSREC within 5 working days.
- All recruitment materials must be approved by HSSREC prior to being used.
- Principal investigators are responsible for initiating Continuing Review proceedings. HSSREC will only approve a study for a period of 12 months.
- It is the responsibility of the PI to renew his/her ethics approval through a renewal application to HSSREC.
- Where the PI desires to extend the study after expiry of the study period, documents for study extension must be received by HSSREC at least 30 days before the expiry date. This is for the purpose of facilitating the review process. Documents received within 30 days after expiry will be labelled “late submissions” and will incur a penalty fee of K500.00. No study shall be renewed whose documents are submitted for renewal 30 days after expiry of the certificate.
- Every 6 (six) months a progress report form supplied by The University of Zambia Humanities and Social Sciences Research Ethics Committee as an IRB must be filled in and submitted to us. There is a penalty of K500.00 for failure to submit the report.
- When closing a project, the PI is responsible for notifying, in writing or using the Research Ethics and Management Online (REMO), both HSSREC and the National Health Research Authority (NHRA) when ethics certification is no longer required for a project.
- In order to close an approved study, a Closing Report must be submitted in writing or through the REMO system. A Closing Report should be filed when data collection

has ended and the study team will no longer be using human participants or animals or secondary data or have any direct or indirect contact with the research participants or animals for the study.

- Filing a closing report (rather than just letting your approval lapse) is important as it assists HSSREC in efficiently tracking and reporting on projects. Note that some funding agencies and sponsors require a notice of closure from the IRB which had approved the study and can only be generated after the Closing Report has been filed.
- A reprint of this letter shall be done at a fee.
- All protocol modifications must be approved by HSSREC by way of an application for an amendment prior to implementation unless they are intended to reduce risk (but must still be reported for approval). Modifications will include any change of investigator/s or site address or methodology and methods. Many modifications entail minimal risk adjustments to a protocol and/or consent form and can be made on an Expedited basis (via the IRB Chair). Some examples are: format changes, correcting spelling errors, adding key personnel, minor changes to questionnaires, recruiting and changes, and so forth. Other, more substantive changes, especially those that may alter the risk-benefit ratio, may require Full Board review. In all cases, except where noted above regarding subject safety, any changes to any protocol document or procedure must first be approved by HSSREC before they can be implemented.

Should you have any questions regarding anything indicated in this letter, please do not hesitate to get in touch with us at the above indicated address.

On behalf of HSSREC, we would like to wish you all the success as you carry out your study.

Yours faithfully,



Dr. J. I. Ziwa

DR. J. I. Ziwa

**CHAIRPERSON
THE UNIVERSITY OF ZAMBIA HUMANITIES AND
SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE - IRB**