CENTRAL BANK OF NIGERIA, CORPORATE GOVERNANCE AND THE QUEST FOR SUSTAINABLE BANKING SYSTEM IN NIGERIA: AN EXPLORATORY ANALYSIS

NATHANIEL OJEFOH OKODUGHA

.

A thesis submitted in partial fulfilment of the requirements of the University of East London for the degree of Doctor of Philosophy

February 2020

An Abstract of the Thesis

This study intends to achieve two objectives. First, the thesis seeks to thoroughly investigate the role of the Central Bank of Nigeria in ensuring that banks comply with the code of corporate governance (CG) and secondly to examine the level of compliance with the law of corporate governance by Nigeria banks pre 2009 and post 2009.

Various activities such as insider abuse, poor governance practices, erosion of depositors' funds and poor compliance culture which are considered inimical to the sustainable banks in Nigeria, necessitate a research study of this nature. This study will help unravel the challenges affecting compliance in the Nigeria banking sector, based on the perceptions gotten from the respondents.

Three theories were considered suitable for this research, one the agency theory because of its dominant position in corporate governance. The second theory used for this work was the stakeholder theory. This theory was considered appropriate due to the governance issues affecting banks and number of stakeholders involved in banks compared to non-financial firms and finally institutional isomorphism theory, because of the institutional factors prevalent in a developing nation like Nigeria.

Employing an interpretivism research philosophy, the research study adopts a qualitative research strategy. Data was collected using semi-structured, face-to-face/telephone interviews from three groups of stakeholders (regulators, bank employees and bank depositors). To aid data triangulation and improve the credibility and trustworthiness of the data collected, other sources of data, such as focus group and document review, were also collected. Data were analysed using thematic analysis.

In highlighting the barriers to compliance of corporate governance codes in the banks under the purview of the Central Bank of Nigeria, this study revealed that factors such as regulatory forbearance and regulatory capture are still affecting the effectiveness of the CBN in ensuring the banks are fully compliant to the CG codes.

Also, due to the institutional factors such as judiciary system, legal system and lack of political will, the CBN is constrained from using its powers, to effect a change of the culture of compliance in the Nigeria deposit banks. Finally, the recommendations of this study provide insight into how the Central Bank of Nigeria can ensure Nigerian banks are sustainable, through the best practice of corporate governance.

Table of Content

Contents

List of Tables

Abbreviations

BOFIA- Bank and other Financial Institutions Act.

BSD-Banking Supervision Department

CBN – Central Bank of Nigeria.

CG- Corporate Governance

CRMS -Credit Risk Management System

EFASS- Electronic Financial Analysis and Surveillance System

EFCC – Economic and Financial Crimes Commission

FRC -Financial Reporting Council

GSM-Global System for Mobile Communication

IBRD – International Bank for Reconstruction and Development

NCC- Nigeria Communication Commission

NDIC – Nigeria Deposit Insurance Corporation

OECD – Organisation for Economic Co-operation and Development

RBS – Risk-Based Supervision

SEC – Security and Exchange Commission of Nigeria.

SAP – Structural Adjustment Programme

UBA – United Bank of Africa.

WAIFEM-West Africa Institute for Financial and Economic Management

Acknowledgements

First, I would like to thank God for his guidance and kindness throughout this programme. I am forever indebted to my Director of Studies, Dr Ayantunji Gbadamosi, for his immense compassion, patience and unwavering support, supervision and helpful criticism. I am also truly grateful to my second supervisor Dr Igbeleke Osinubi for his tremendous support and steadfast faith in this study. I would also like to thank the administrative officer, graduate school Mrs Avinder Blinder, for all the help and support. I am also grateful to Andrei Mihai of the International office, for his immense assistance.

I want to extend my gratitude to my parents Mr Richard Okodugha & Mrs Rhoda Okodugha, for all the sacrifices, love, dedication and support and for funding my studies. May God bless and reward them. To my wife, Nneka Ashiegbu Okodugha, I couldn't have done this, without your love and support, I am forever indebted to the show of faith and immense kindness. To my parents in law, Chief Reginald Ashiegbu & Mrs Elizabeth Ashiegbu, God will reward you both for love and compassion. To my lovely siblings, Ernest, Blessing, Nicholas, Hyacinth and Eromosele, God bless you all for all the constant support and love.

This PhD study would not have been possible without the cooperation and support given to me by the respondents. I am forever grateful to them. I will use this medium to extend my gratitude, to my friends, who over these years have become more like family to me. I am very grateful to Uche Irele, Abisoye Okusanya, Abayomi Jimoh, Chidera Emeordi, Pastor Williams & family, Mr & Mrs Steven Edobor, Harry Asamah, Pastor Joseph, Miss Taiwo, Isabella George and my former colleagues in former Oceanic Bank (Eco Bank) Lagos, Nigeria and Barclays Bank, Bournemouth, United Kingdom. Finally, I forever grateful to God for my son Asher and for Tolu and my cousin Dr Ese Obhielo, God bless you all.

Finally, I am forever grateful to Dr Daniel Olukoya, whose messages, prayers and teachings have been my inspiration since 2010, God bless you richly sir.

Dedication

This work is dedicated to the memory of my late brother, Marcellus Okodugha, who left this world in his infancy in 2005(June 12, 2005- September 10, 2005).

Chapter One

1.0 Introduction

The 2009 banking crisis that hit the Nigerian banking sector was seen generally as a failure of supervision by the regulators and a failure of management of banks to imbibe the ethical practice of corporate governance in their institutions (Sanusi, 2010). Thus, this research study is geared towards exploring the ways at which the Central Bank of Nigeria can ensure banks comply with the corporate governance codes. The CBN, as the lead regulator of the banking sector, is charged with ensuring the banks follow directives given out by the regulatory body, to help ensure the stability of the sector. This chapter is arranged as follows. Section 1.2 looks at the background of this study. Section 1.3 identifies the research aims of the study. Section 1.4 presents the research questions of this study. Section 1.5 describes the contributions of this study. Section 1.6 highlights the motivations behind the research study, and section 1.7 presents a brief overview of the chapters of the thesis.

1.1 Background to Study

Corporate governance happens to be a comparatively fledgeling field; the research in this field of human endeavour has been on the increase in recent years, (Bordean, 2012). The global financial meltdown led to the outcry about issues bordering good practice of corporate governance worldwide. Due to the increased attention on corporate governance, regulators and policymakers around the world have constantly debated the best way to go about the issue. While some argue for better laws and more stringent monitoring, backed up with more strict penalties for offenders. The other side of the debate advocate that regulations should be more principle-based with corporations allowed to adhere voluntarily (Adegbite, 2012). The spate of losses during the global financial crisis made regulation and compliance of corporate governance a hot topic for research and practice. It has also become a hotbed for policymakers and academics because of the systemic threats that it poses to the economy (Kern, 2006). Due to those mentioned earlier, studying the gap between regulations and compliance has become very important (Pereztes&Picard, 2015). Therefore, a topic looking closely at compliance with bank regulation is crucial in the present financial world. The difficulties faced by regulators in ensuring banks comply with rules can never be underestimated. It is made worse by the institutional factors that provide the leeway for compliance to be compromised in the guise of short-termism. This provides a very compelling reason to research this phenomenon.

It is also important to note that a lot of studies have been carried out on corporate governance, (Haniffa&Hudaib(2006); Ademola, Oyejide&Soyibo(2001); Adetunji&Olawoye(2009)in both developed and developing nations but unfortunately there have been little on studies of compliance of corporate governance codes by corporations(cited in Akinkoye&Olasanmi, 2014).This is one of the compelling reasons to carry out research looking at the compliance of codes from the perspective of the Nigerian banking sector. It is instructive to add that the banking consolidation exercise of 2006 necessitated the CBN to introduce the first corporate governance code for Nigerian banks.). In a bid to prevent mismanagement of the consolidated banks. The CBN rolled out industry-specific governance code in 2006 to avert executive excesses. This has not succeeded in preventing corporate governance collapse in the sector (Imeokparia, 2013).

The Banking consolidation exercise of 2006 in Nigeria was designed to stop the spate of bank distress in the industry. Before this exercise, as in 2004, 89 banks were operating in Nigeria, except for few, most were in a terrible state (Soludo, 2004). In a bid to stop this anomaly, banks were urged to consolidate to arrest the widespread irregularities and protect shareholders funds. Banks were required to increase their capital base from 2 billion Naira ($18M) to a minimum of 25 billion

Naira ($200M) or merge with other banks to raise the required minimum capital base (Owolabi. & Ogunlalu 2013). In 2006 the number of banks in Nigeria dropped from 89 banks to 24 banks after the consolidation exercise (Abdulrahman, 2013). This exercise was designed by the CBN to avert governance crisis that bedevilled the industry (Ezeoha, 2007). It can be added that unfortunately, not much gains have been recorded as regards governance misdeeds. The much-applauded capital expansion has been seriously affected by issues related to governance challenges (Ezeoha, 2011). It is mindful to note that quality capital injection not matched by good corporate governance may lead to a great loss (Ikpefan, 2012). The banking crisis of August /September 2009 that engulfed the Nigerian Banking landscape led the sack of 8 Chief Executive Officers of the following banks, AfriBank, FinBank, Oceanic Bank, Intercontinental Bank, Union Bank, Platinum Habib Bank, Equatorial Trust Bank and Spring Bank (Agbonkpolor, 2010). The summary dismissal of these officials by the CBN was due to high-level decadence and serious corporate governance infractions. The poor practice of corporate governance has been recognized as the bane of turmoil and spate of losses in the Nigerian banking industry (Ikpefan & Ojeka, 2013).

In response to misdeeds committed by bank executives, changes have occurred in the Nigerian banking scene in areas of regulation, supervision, bank structure and their operations. The banking regulators in the country have also intervened in affairs of banks by forcing banks to merge or changing management teams due to infractions committed by the former executives of the affected banks. Some bank executives have contrived to carry out unwholesome practices at the detriment of other stakeholders (Dogarawa, 2012).

This research work is aimed at determining the compliance or otherwise of the code of corporate governance by banks operating in Nigeria and efforts being made by CBN to ensure compliance via supervisory means. This study intends to appropriately cover the gaps noticed in other studies that have looked at corporate governance and sustainability in Nigeria banks. By closely looking at the actions and inactions of CBN that contributed, to the inability of the regulatory body from foreseeing or averting the corporate governance malfeasance that rocked the banking sector in Nigeria.

1.2 Research Aims

In consideration of the unique characteristics and essential role of banks, the overall aim of this thesis is to investigate the impact of corporate governance in Nigeria banks driven by the regulatory apparatus of Central Bank of Nigeria. This study specifically looked at the role of the CBN in ensuring banks comply with the CG codes. This code was designed by the CBN to ensure the sustainability of the banking sector and enshrining good reputation and sustainable success of the banking sector. The banking sector of Nigeria provides an excellent mechanism for sustainable economic growth and stability.

This study examined the influence of regulation and supervision on the actions of Nigerian banks with emphasis on the role of the Central Bank of Nigeria in ensuring the sustenance of good corporate governance culture in the banking system. As emphasised by the Sanusi (2011) the strict enforcement of the corporate governance by banks operating in Nigeria will help position Nigerian banks to greater heights and make them contribute effectively to the growth of the economy.

This study contributed to the existing literature by highlighting the importance of corporate governance inspired on sustainable growth is practised by banks in Nigeria. It also highlighted the importance of CBN in ensuring the success or otherwise of the right practice of CG in the Nigerian banking sector.

The central part of this study was based upon an exploration of the connection between corporate governance in banks and supervisory activities of the regulatory authority in Nigeria. It also examined the impact of its supervision and regulation to the continuing operation of banks operating in Nigeria.

The effect of the supervision of banks by the Central Bank of Nigeria was conscientiously examined against the backdrop of recent failures in the Nigerian banking sector. Despite the revised code of corporate governance rolled out by the apex regulatory authority in the banking sector, bank failures and near mishap of banks persist in the country. The inability of the Central Bank of Nigeria to completely rid the sector of such mishaps or near-failures was examined.

Therefore, the study acknowledged the institutional peculiarities and factors, that has helped to hamper the best practice of corporate governance in the money deposit banks.

Against this backdrop, of the incessant challenges faced by regulators in ensuring compliance, the study investigated the leeway that provides banks with the opening to bypass codes and other regulations passed by the CBN. To help identify the possible barriers to implementation of best practice of corporate governance in the money deposit banks in Nigeria.

Finally, this research work helped to provide a robust study of the regulatory reforms carried out by the CBN in the aftermath of the 2009 banking crisis. It helped to explore the present level of compliance with the CBN code compared to what was available pre-2009.

1.3 Research Questions

I. To what extent is the CBN capable of regulating the banking industry considering the underlying supervisory structures in place in CBN?

II. What was the extent of compliance with the corporate governance code by banks in Nigeria prior 2009 crisis and what is obtainable presently?

III. To what extent did the regulations rolled out during the banking crisis in Nigeria by the CBN in response to the crisis influence the Nigerian banks to adhere to the best practice of corporate governance?

1.4 Original Contribution

This study will be of great value to bank supervisors, investors, academicians and other relevant stakeholders in the banking environment. The results of this study are expected to serve as a knowledge base for future researchers in this area of research. Worthy to note that the results of this research will be of immense benefits to the public, banks and the CBN in curbing the festering corporate governance issues affecting the Nigeria banking environment.

Employing a mix of the following qualitative research methods: in-depth interviews, focus groups, and document review. This work helped to provide thorough scrutiny of the corporate governance applicable in the Nigerian banking sector and highlighted the supervisory mechanism of the CBN used in providing a healthy and sustainable banking sector. It will also be helped to reveal how the principal actors are responding to the CBN's policies. It will also help shape the direction of the CBN's policies regarding best practice of corporate governance and the sustainability of the Nigerian banking industries.

This work provided valuable insights to the CBN on areas needed for them to improve the supervision of banks in Nigeria. With an emphasis on the sustainable growth and success of the Nigerian banking sector. This study also contributes to the literature on corporate governance, banking supervision and sustainable success of the banking sector. It provides the identification of specific responsibilities for regulators, banks and other relevant stakeholders.

This research enables bank depositors to recognize the importance of banking supervision and the provisions of the corporate governance codes as it relates to the good practice of corporate governance. It also provides the outlet for depositors to know the importance of good corporate governance as it affects the safety of their deposits with the banks operating in the country and hence helping to educate depositors about the importance of having an influential and authoritative banking supervisor authority with vast powers to control and supervise regulated banks in the interest of sustainable banking stability.

This study also provides the operators of banks and the regulators the importance of designing products relevant for Nigerians living in the diaspora considering the number of remittances received from aboard to Nigeria and ensuring the safety of the funds received. Policymakers may benefit from the study by ensuring the protection and sustainability of banks in the country is key to ensuring more diaspora investment hitting the banking sector.

This study is significant because although studies are looking at corporate governance in banks especially from the Nigerian context and studies on the regulatory environment in Nigeria, but they are not fixated on the impact of the Central Bank of Nigeria ‘s supervision of banks as it impacts on corporate governance in the banking sector and sustainable banking growth. This study will help provide the answers to the impact of supervision and enacting the right set of regulation to fight corporate governance malfeasance. This research work, when completed, will help guide the supervisory establishment on areas that need more improvement and help them evaluate their supervisory and regulatory tools.

This study will provide a platform for the CBN and other relevant regulatory authorities to acknowledge the influence of their policies on the Nigerian banking sector and take into board areas that need improvement. A study of this nature helps to provide an outlet for the regulators to evaluate the supervisory mechanism used to supervise banks in the country. The significance of this study will be appreciated when the consequence of prudential regulation and bank supervision is closely investigated against the background of corporate governance misconducts that occurred in the sector.

This work looks extensively into the regulations prescribed by the CBN in ensuring that banks operating in the country remain competitive, sound and ethically compliant with the relevant codes governing them. This study also looked at the role of the CBN in shaping the right ethical behaviour of regulated banks.

It looks at the supervisory structure operating in the CBN tackling corporate governance malfeasance and revealed ways the apex bank can position its regulatory structure to fight the challenges it faces. Regulation and banking supervision remains a fundamental device used in ensuring the best practice of corporate governance is carried out by regulated banks.

The use of qualitative research helped to uncover the answers to the research questions of this study. It enabled the researcher to discover the experiences of the participants selected for this research. The qualitative research method enabled the researcher to get vital information about the actions undertaken by regulators and other relevant stakeholders. The tenets and research strength of this research work was drawn from the interviews and focus group sessions with individuals representing the Central Bank of Nigeria and other relevant stakeholders.

Finally, the study contributes to the corporate governance literature by using multiple theoretical frameworks to explain the findings of this study and to help understand the role of the CBN, in ensuring banks comply with the code of corporate governance. To the best of the researcher's knowledge, this study happens to be the first, compare the level of compliance with the CBN's code, pre-2009 and what is obtainable presently, using the three theories (agency, stakeholder and institutional theories).

1.5 Motivation for Study

There exist a small but increasing study of the influence of bank supervision and regulation on the activities and actions of regulated banks (Klomp& Haan, 2014). There exist some studies looking at the governance and application of supervision or looking at the merits of having central banks conduct supervisory activities of banks, but there is a little study showing the influence of supervision to banks (Berkowitz, 2015).

The importance of having banks regulated and supervised by regulatory authorities is due to its importance in any economy and the protection of stakeholders from exploitation especially due to the opacity nature of banking (Ciurlau et al., 2016). The banking sector is a highly regulated industry compared with other sectors (Gebba, 2013).

Watertight supervision and regulation help to provide protection for depositors and other stakeholders involved in banking. This has helped to emphasise the importance of carrying out research based on the impact of supervision on the behaviour of banks, as regards to corporate governance. Due to inadequate supervision and regulatory forbearance, banks have continued to face corporate governance challenges in the Nigerian banking sector.

The crisis that led to the demise of Skye Bank PLC and the crisis that consumed eight Managing Directors of Banks in Nigeria in 2009 happens one of the many instances that have led to corporate governance malfeasance affecting the sector. The quest to provide answers to the constant crisis affecting banks in Nigeria, due to poor compliance by banks happens to be one of the main motivations, for this study.

It stems from an intense yearning to thoroughly investigate the importance of the regulator in checking the excesses of bank executives and their boards through bank supervision, thereby enshrining the excellent practice of corporate governance and sustainable banking industry. The 2009 banking tsunami led to the Central Bank of Nigeria having a rethink about their supervisory structure and led to more stringent policies rolled out to checkmate bank distress. Several motivations for investigations on banking regulation and supervision also exist. The global financial crisis of 2007 – 2009, revealed that global guideline and supervision was far from acceptable. For instance, the failure of Lehman Brothers, one of the United States of America 's major investment banks is believed to have triggered a chain response crisis (Global financial crisis) that overwhelmed the entire world. Therefore, studies into the performance of the regulatory authorities will contribute to the mitigation of bank failures. To that end, the assessment of the performance of Central Bank of Nigeria will provide directions and recommendations to policymakers, regulators and relevant stakeholders.

The leadership provided by some banking executives globally has brought to fore the importance of regulators having the right mechanisms in place, needed to instil discipline to bank executives. This is geared towards eschewing corrupt practices and averting risk assets infractions by management teams. The lack of enthusiasm by management teams of some banks, to observe strictly to corporate governance codes is seen as an impetus for regulators to sustain the fight against the governance malfeasance. Compliance culture of banks in Nigeria is still not at the highest peak; there is still a culture of evading the laws for short term gains at the expense of long-term survival or sustainability. Corporate governance values are being set aside or sacrificed at the cost of having unrealistic profit margins in a bid to increase the market share of the bank (Oyewunmi et al., 2017).

This work investigated the factors affecting the corporate governance of banks and their sustainability drives. The primary regulator of the banking industry in Nigeria is charged with providing the right platform for the success of the banking industry in Nigeria, through timely supervisions and regulations. The Central Bank of Nigeria has enormous powers (through the bank and other financial institutions act) but needs the right will to put in place the right culture needed to prevent infractions.

The right culture of ethics will be needed to prevent and solve the pressure between short- and long-term objectives. Banks are required that deliver incentives for sustainable banking culture without jeopardising corporations' short-term effectiveness. This is the first point for CBN supervisory and regulatory efforts. It has been argued that a significant motive for the abuses of good practice of corporate governance arises from the contradictory relationship between the short-period goals of banks in terms of quick incomes and the realisation of sustainable incomes (Lin-Hi &Blumberg, 2011).

It is bearing in mind the flagrant abuse of power by some managing directors of banks in Nigeria, where non-performing insider lending has become a norm and bad credits given out to friends or cronies. The occurrence in Skye Bank could have been avoided if the former management team imbibed the right governance culture. A situation whereby managing directors and board members perpetuate illicit insider credits, thereby hampering the growth of the bank should be prevented. Regulatory oversight by the CBN has led to such infractions not quickly picked up by its bank examiners (Sanusi, 2011).

The central focus will examine the impact of the regulatory authority on the activities of banks, using the powers bestowed on the CBN to ensure compliance of codes is not compromised. The effect of the regulation enacted by the regulators and the effect of supervision carried out to ensure compliance will be looked at. The goals of supervision are to ensure the chances of financial instability is greatly reduced or wholly averted. Since the last banking crisis was borne out of inadequate supervision by the regulatory authorities and corporate governance misdeeds in banks(Sanusi,2010).This research focused on identifying the reasons behind the crisis and how the regulators can effectively and proactively monitor banks in a bid to prevent the reoccurrence of such misdeeds or near-collapse of the banking system.

The choice of undertaking research about banks in Nigeria was driven by the continual corporate governance disasters bedevilling the Nigerian banking sector despite the reforms carried out by the CBN. The many episodes of the banking crisis in Nigeria since the inception of banking in the country made it imperative for more studies to be carried out in the area of supervision, regulation and corporate governance. The importance of carrying out research about the Nigeria banking system is due to the importance of the Nigerian economy in the West African region and Africa.

The Nigerian population happens to be the largest in the continent of Africa and has one of the biggest economies in the continent (World Bank, 2017).

The reason for this study was to investigate the gap in the literature that shows that other researchers have not really looked at the reasons why the Central Bank of Nigeria have not been able to stop bank failing in the country, despite the enactment of the code of corporate governance in the country. This qualitative study helped to reveal the challenges faced by the financial system stability directorate of the CBN in ensuring that banks follow the tenets of the laws governing corporate governance. This helped to reveal the effects of the reforms carried out by the CBN in tackling the banking failures and crisis that have affected the sector over the years. With the enormous powers given to the CBN and the regular supervisions carried out on banks, there have still been cases of banks not complying with the codes and banks failing to adhere with the ethics governing the sector. There was a need for a detailed exploration into the role of the bank regulators and how they carry out their supervisory functions. This helped to reveal the institutional environment prevalent in Nigeria and also helped to unravel the reasons why the CBN do not spot the infractions committed by banks during their routine examinations before it snowballs into crises whereby the CBN is eventually forced to act divisively, more of a reactive reaction and not proactive which is needed as regulators.

1.6 Structure of the Thesis

This thesis is divided into six chapters. Chapter one deals with the introduction of the thesis and the reasons behind the research study. Chapter two presents a brief overview of the theoretical frameworks applicable to corporate governance and the theories that underpin this study and deals with the literature relevant to corporate governance and banking in Nigeria. Chapter three looks at the research design and methodology applicable to this thesis. Chapter four presents the analysis and summary of findings of the semi-structured interviews, focus groups and document reviews. Fifteen themes were identified using thematic analysis. The themes were identified as the factors affecting compliance of the code of corporate governance. Chapter five discusses the findings of the qualitative analysis, and chapter six discusses the conclusions and recommendations proffered by the researcher based on the findings uncovered in the study. It also provides insight for further research and briefly addresses the limitations of the thesis.

Chapter Two

Literature Review

2.1 Introduction

The previous chapter addressed the research questions, objectives of the study and the motivation behind this study. It is therefore considered pertinent to consider a review of previous literature carried out in this area of human endeavour.

This chapters take a closer look at corporate governance, banking supervision and examine the theoretical framework that underpins this study**.**

2.2 Theoretical Frameworks of Corporate Governance

Four contrasting theories will be examined here, the dominant agency theory, which has is deeply entrenched in economics, institutional isomorphism which is adopted from organisational theory, stewardship theory, which has its roots in psychology and sociology and finally stakeholders theory, drawn from sociology, economics and politics(Marinades, Alves&Raposo,2011).

2.2.1 The Agency Theory

Agency Theory is an economic theory that was exposited by Alchian & Demsetz improved further by Jensen and Meckling (Haslinda & Benedict, 2009).

Agency Theory is the leading theoretical work on the study of corporate governance (Kultys, 2016). This theory sees governance as an agreement or pact between the board of directors and investors. The directors and management, seeking to get the most out of their utility, take decisions that are favourable to them but may be costly to investors. Examples of such activities include falsifying financial statements and outrageous compensation scheme for management (Olusanya & Oluwasanya, 2014).

It argues that managers charged with running corporations will need close supervision from the owners of the corporation. It posits that owners of corporations, will need to protect their investment from exploitation, hence the need for the separation of the office of the chief executive officer and that of the chairman of the. (Donaldson and Davis, 1991). They believe equity holders will have their investment better secured when separate individuals hold both positions. Separation of the two offices provides a monitoring device for the equity owners and ensures any exploitative activities. Having a board chairman separate from the chief executive officer provides a monitoring device for shareholders to restrain management from any excessive behaviour (Donaldson and Davies, 1991).

Agency theory concerning corporate governance assumes a two-fold structure of corporate control: agents and principals. Agency theory postulates that there will be some disagreements and suspicion between two parties (Obasan, 2014). This threat arises due to variances in incentives. Principals (shareholders) believe that agents (directors) will act in their selfish interest because they have different preferences (Bell & David, 2015).

Agency cost is the cost that is sacrificed by equity owners, to ensure that the agents (executives) work in the best interest of their principals. It is a means by which the principal ensures that their investment is protected from exploitation by agents, charged with running the corporation (Jensen &Meckling,1976). Agency costs comprise of all incentives and control measures deployed by owners of corporations, to ensure executives work in their best interest (Burton,2010). Principals will provide executives, benefits such as stock options and excessive payout, to ensure their interests are aligned to that of the owners of the corporation (Nordberg,2008).

There is always an agency cost to the principal; this cost occurs due to the principals not being in control of the day to day activities of the corporation directly (Jensen and Meckling, 1976). Agency cost here refers to all the cost incurred spent in ensuring that management aligns its interest with that of shareholders. This includes the incentives provided to management and all the control activities used to curtail excesses of management (Burton, 2000). To control management excesses, they are usually provided with inducements such as executive pay off, stock options and profit-sharing. All these forms of inducement are used to control greed in managers (Nordberg, 2008).

One of the major attributes used by shareholders to ensure that their interests are maximized, is the use of better compensation package for executives, in a bid to align the interests of shareholders to management. The shareholders who use executive compensation as a tool to protect their investments, by rewarding executives handsomely, have helped in creating a situation whereby managers are desirous of taking so much risk to appease the owners and also get more funds from the directors. It must be added that agency theory has not managed to rid organizations of self-serving individuals. The ability for managers to maximize better compensation packages is due to their ability to have information power over shareholders (Omoregie & Kelikume, 2019).

The issue of the agency compensation package is gaining more critics from researchers and other experts. In Nigeria, the expensive lifestyle of chief executive officers, who enrich themselves at the expense of the Bank or other relevant stakeholders, has led to these critics requesting the CBN, to help reduce the spate of reckless spending money available to these individuals(Yusuf &Abubakar,2014) This individualistic tendency goes against the principles of agency theory, which is geared towards maximizing returns for shareholders and not providing a platform, for self-serving executives to enrich themselves, at the detriment of shareholders.

Agency proponent sees agents as self-serving individuals, rationally maximizing their interest, at the expense of principals (L'Huillier, 2014). Agency problem takes place as directors have a propensity to conceal vital information from the shareholders and take decisions to maximize their own pockets. Agency-principal issue occurs when the directors take positions that conflict with shareholders. To protect their investments, shareholders trade-off three different costs, monitoring, bonding and residual. To ensure their interests are protected or aligned with that of their agents and their loss positions are minimized (Al Mamun, Yasser &Rahman 2013).

Critics of this theory argue that this theory is too simplistic and very one-sided. It is seen as only including economic factor but completely ignoring the roles of other stakeholders, political factors and the internal issues involved in governance. They also argue that depending exclusively on this theoretical framework will distort the descriptions of the parties involved in corporate governance leading to inadequate practical answers. Relying solely on the premises of agency theory may lead to superficial descriptions of relationships involved in corporate governance and consequently to the inadequate practical solution (Kultys, 2016).

Efforts have been made to complement agency theory with other competing theories such as the stakeholder this have led at times, to management torn between their primary obligations of protecting the shareholders' supremacy (Pande & Ansari,2014).

2.2.2 Stakeholder Theory

The word stakeholder refers to all the people affected by the decisions of a corporation. They include shareholders, employees, competitors, regulators, government. This theory has helped in changing the shareholders' paradigm of Milton Friedman (1970). He saw maximizing of profits for shareholders as the most significant concern for companies.

The stakeholder theory was made popular by Freeman (1984), he suggested that companies should look beyond just maximizing profits for the shareholder. They should always consider all the needs of stakeholders who contribute to the company's achievement (Borlea & Achim, 2013). The main argument of stakeholder's proponents is that many groups are affected by the decisions of corporations. Hence there must be structures put in place to protect the interests of all stakeholders (L'Huillier, 2014). This theory is based on the argument that stakeholders are vital to the growth of companies and should always be protected by managements in their decision making (Cuganesan & Khan, 2008). It is taken that for a company to be truly successful, all interested stakeholders have to be involved in value generation (Asher, Mahoney, & Mahoney, 2005).

One of the arguments that consider it legitimate to manage a company focusing on stakeholder interests is that value generation comes through processes involving the whole set of stakeholders (Asher, Mahoney, & Mahoney, 2005). Proponents of stakeholder theory as argue that business risk also affects other stakeholders and not just shareholders. When a corporation fails, the workers, creditors, suppliers and in the case of banks, regulators are also affected. It makes it imperative that other stakeholders are taken into consideration by management and not just the shareholders' prominence argument as represented by agency theory (Retolaza, Ruiz-Roqueñi, & San-Jose, 2015).

Stakeholder theory has been seen in some quarters as the best form of corporate governance. It is seen as a means where the interests of the various interest groups are protected, which is needed for the sustainability of corporations (Borlea, & Achim, 2013). The mandate of stakeholder theory goes beyond the traditional maximizing shareholders' interest, but includes all relevant stakeholders needed for any successful corporation ((Idolor & Braimah,2015).

The old-fashioned view of companies saw only the primacy of the owners of the business. The needs of the owners and shareholders are binding, and other stakeholders are not considered vital to the survival of the business. The stakeholder theory contends that other stakeholders are very vital to the sustenance and survival of any business entity (Ifeanyi et al., 2016). Managers are expected to accommodate the needs of all relevant stakeholders by creating value for them. Which, in turn, leads to long term value generation for the company (Vidal et al., 2015).

The legal framework governing corporations have management answerable to only the shareholders. The old-fashioned view of companies saw only the primacy of the owners of the business. The needs of the owners and shareholders are binding, and other stakeholders are not considered vital to the survival of the business (Ifeanyi et al., 2016). A lot of corporations has now jettisoned this view. Management has become more connected to other relevant stakeholders. Corporations are now expected to be governed in a way that benefits all relevant parties irrespective of profit (Pande, & Ansari, 2014). This ensures that management remains committed to ensuring fairness and equity in treating and protecting all the various stakeholders with sustainable growth remaining paramount (Lipunga, 2014).

The main principle guiding the stakeholder theory is that all stakeholders are vital to the sustenance of the firm (Hurley et al., 2014). The stakeholder theory contends that other stakeholders are very vital to the sustenance and survival of any business entity (Ifeanyi et al., 2016). Managers are now expected to accommodate the needs of all relevant stakeholders by creating value for them. Which, in turn, leads to long term value generation for the company (Vidal et al., 2015).

It has been revealed by some recent studies that the banking malaise was due to agency problems. It is usually associated with managers taking actions beneficial to themselves and shareholders at the expense of other stakeholders. The importance of the banking sector, especially in developing nations, make it imperative that regulators help protect the interest of all relevant stakeholders via quality regulations and supervision. The regulator takes into account the existence of various stakeholders involved in the banking industry and ensures that the management of banks adheres to the regulatory requirements (Carla 2007).

It is seen as vital for firms in the financial industry to consider the interest of stakeholders and not just the interest of shareholders, in their decision making (Tse, 2011). Banks that focus more on stakeholders will have a long-term centric model that will be beneficial to the success and long-term sustenance of the bank. In contrast, banks adopting the agency model that is the shareholder maximization will take huge risks that might harm the long-term sustenance of the bank (Ferri, &Leogrande, 2015).

The stakeholder theory of corporate governance for the financial industry is vital to the removal of the agency problem that contributed greatly to financial crises because management will have to be answerable to more than just their shareholders but also stakeholders. The principal agency problems in bank governance are seen as multifaceted, and this is as a result of the various interest groups represented in banks. Due to the special nature of banks and the special role it plays in any economy, regulators are encouraged to ensure that all the views of the relevant stakeholders are considered in the governance of banks (Carla 2007).

The banking sector is very vital to the growth of any economy of the world, and all sectors of the economy will be greatly hampered by any meltdown in the banking sector (Gebba, 2015). Hence for the gains of corporate governance in the financial sector not to be eroded. It is important that banks consider the interests of the stakeholders and not just that of shareholders ((Ferri, &Leogrande, 2015). The major mechanism used to protect the interest of depositors and other stakeholders are to replace agency theory (shareholder maximization) with stakeholder theory (stakeholder supremacy). For this to be easily attained, stakeholders will prefer the existence of a strong bank supervisory authority with enormous powers (Mülbert, 2009).

Banks have governance issues that make the traditional agency theory inadequate to protect the needs of all stakeholders. Due to the opacity of banking, banks can easily take risks that are not immediately known to investors and directors alike. Due to the nature of risk-taking and other activities, banks are involved in, there is a need for specialists to monitor these activities, but unfortunately, most directors are not qualified to play that role well. Also, banks are made of many stakeholders, among which are depositors and bondholders, who usually own most of the available capital used by banks, yet they do not have any say in running the organization, and the risk profile of the bank can be changed overnight, without the management informing them(Becht &Bolton & Roell,2011).

Also, another important stakeholder in banks, are regulators who help in providing the regulatory constraints, that impede bank executives from taking risks that will maximize shareholders returns at the detriment of depositors and other stakeholders (Mehran, Morrison & Shapiro,2011). Due to the number of stakeholders affected by decisions made by banks, there have been an increase in bank managers to place more emphasis on the interest of stakeholders and not just the primacy of shareholders interest. The fallout from the financial crisis, have led to more researchers and commentators to question the reckless lending practices and risky activities associated with the agency theory, which is solely geared to shareholder value creation, at the detriment of other relevant stakeholders (Laeven,2013).

Although it can be argued that compared to non-financial industries, the banking industry is highly regulated, but the ability of regulation and supervision in reducing bank risk-taking is highly dependent on the skill and incentive of the supervisors, in ensuring banks do not go overboard in their quest to satisfy shareholders interest. The chances of regulatory forbearance happening to provide an outlet for supervisors, to act in the interest of the banks rather than the interest of the state (Laeven, 2013).

Given the importance of protecting depositors and other relevant stakeholders from regulatory forbearance and shareholder maximization, there should be more protection given to stakeholders to protect them, from activities inimical to their interest (De Haan & Vlahu, 2016). Stakeholders theory will help protect the interest of depositors and other stakeholders.

The interest of customers, employees, society, regulators, and creditors are better protected using the stakeholder theory. This will enable the banks to remain a going concern by reducing the need to take risks that are detrimental to the health of the institution (Sani, Aliyu & Bakari, 2019).

Another importance to having executives align the interest of all the relevant stakeholders, without only pursuing the benefit of shareholders, is the ability of the information age to highlight the unsavoury treatment of stakeholders. Unlike, what was obtainable previously, the actions of executives are getting more scrutiny. The ill-treatment of any stakeholder can lead to serious backlash for the organization. For example, the use of bribes by the German company, Siemens to win contracts led to shareholders, government and the general public losing their trust in the organization. Another instance was the peddling of problematic securities to unsuspecting customers by the banking giant, Goldman Sachs led to severe negative backlash from the general public and regulators. When organizations prioritize the interest of shareholders at the expense of other stakeholders, there is usually negative press for the offending organization. The attempt by the employees of Wells Fargo to artificially inflate the number of accounts in the bank, in a bid to increase bank fees, was seen by all as unethical and very unsavoury by the public (Crane,2020).

2.2.3 Institutional Isomorphism

DiMaggio and Powell (1983) defined isomorphism as the compelling factor that forces companies in the same sector to resemble each other. This homogeneousness is as a result of the companies facing the same environmental and institutional factors. This implies that all companies in a sector of the economy are forced to morph into a pattern because any variance with other competing companies with attract criticism. This implies that companies are forced to abide by the institutional factors prevalent in the environment (Ordu, 2017). This implies that companies competing in the same nation tend to resemble each other, due to institutional and environmental factors prevalent in the nation. The use of isomorphism enables the differences in corporate governance systems in countries to be better explained using institutional factors, which are unique to the affected nations. It must be noted that the success of corporate governance practice is highly dependent on the institutional factors prevalent in that nation. It is very relevant in explaining the differences between corporate governance practised in developed nations of the world and developing nations (Nakpodia, Adegbite, Amaeshi & Owolabi, 2018).

Corporate governance in nations of the world influenced by internal and external factors prevalent in that nation. Internal factors include the cultural practices, capital market development, state of the legal system, policies of the government, professional bodies, the role of regulatory authority etc. It is, therefore, sacrosanct for corporate governance system to account for the institutional environment in a bid to help manage the challenges inherent in that nation (Okike & Adegbite, 2012). It must be added that due to the peculiarity inherent in developing nations like Nigeria, agency theory is likely to be difficult to be effective and efficient because it will not fully account for the frail institutional factors prevalent in Nigeria (Adegbite, 2015). Using agency theory to explain the corporate governance settings in Nigeria will be inadequate, to explain the challenges of corporate governance implementation in the country. It is usually taken for granted the challenges developing nations face bypassing regulations that better suits developed nations of the world. In a bid to obtain legitimacy from the developed countries, developing nations imitate the corporate governance structures predominately suited for developed institutions of the world. This regulation which is created to help attract foreign investment fails to take cognisance of the weak and corrupt institutional structures in countries like Nigeria (Okike & Adegbite, 2012).

The imitation of western corporate governance standards (Mimic isomorphism) in a desperate aim to attract foreign direct investment, leaves regulators succumbing for ways to ensure enforcement due to the inadequate institutional capacity available, to ensure compliance. (Okike & Adegbite, 2012). Regulation and compliance are very key in developing nations of the world, due to the poor institutional frameworks available in these nations. To explain what triggers compliance using the institutional theory, DiMaggio and Powell developed three strands of isomorphism that is helps to account for compliance. They identified three institutional pressures that are prevalent that help to shape compliance with corporate governance codes. Coercive, mimetic and normative are the three strands that help explain the actions of companies in an institutional sector (DiMaggio & Powell, 1983).

Coercive Isomorphism is used to explain the pressure that laws, regulations, sanctions and regulators exert on companies to comply with the directives prescribed for them to abide with. Regulators of the sector usually backed with powers from the state exert pressure on companies, to follow the best practice, to ensure that the sector is devoid of deviant actions. To guarantee their survival and obtain legitimacy and acceptance from the public, companies are usually faced with little or no choice to obey the laws or face sanctions, that might be harmful to their reputation. Companies might in a bid to obtain legitimacy acquiesce to the regulation passed by the regulator (Oliver, 1991). Regulators will use sanctions to discourage defiance from the regulated companies, for instance, the use of coercion by regulators is a global trend, used by regulators to instil discipline and ensure the market is devoid of activities inimical to the sustenance of the sector. In the banking sector, regulators use capital base requirement and corporate governance code, to ensure that banks comply with directives that help to protect the sector from harm (Burdon & Sorour, 2018).

When banks or other companies obey directives from regulators or the state, they are regarded as law-abiding companies, desirous of following the best practices. These companies are rewarded with greater prestige, easier access to resources and lesser supervisor. On the other hand, companies that give “decoupled response” are usually liable to a different form of punishment such as revocation of license or payment of fines. A recent example of the use of coercive isomorphic powers available to the CBN, was the directive for banks operating in the country, to remit all monies held on behalf of the government to the CBN (Jaja, Gabriel & Wobodo, 2019). The CBN fined banks over N2.9 billion for failing to remit government funds into the stipulated Treasury Single Account, which was a sign of the CBN using its powers to enforce the laws (Yusuf &Ekundayo,2018).

The second strand developed by DiMaggio& Powell (1983) is known as mimetic isomorphism. This is usually the adoption of already existing qualities of competing companies in the sector. The aim is to enable the company to imitate already successful strategies, practices or product offerings released earlier by rival companies. The danger in adopting or copying rivals is the danger of not having all the relevant information of the products, services or strategies copied (Jaja, Gabriel & Wobodo, 2019). Also, mimetic isomorphism provides companies with the ability to follow trends set by their rivals in dealing with regulators. The ability to copy exactly the manner of responding to actions carried out by regulators by companies can be explained, using the response of banks fined by the Financial Conduct Authority in the UK. The fined banks all seemed to use damage limitation tactics by putting out regret statements to help assuage the general public and help protect their reputation from further harm (Burdon & Sorour, 2018). This approach is used to regain legitimacy from stakeholders. This appears to be common in Nigerian banks, who after being punished by the CBN after infractions committed, put out advertorial to placate stakeholders. Standard Chartered Bank was forced to put out an advertorial after been heavily fined

N2.47 billion Naira for remittances carried out without seeking approval from the CBN. (https://www.premiumtimesng.com/business/283235-mtn-standard-chartered-bank-speaks-on-cbn-fines.html)

The final strand of the DiMaggio & Powell (1983) isomorphic pressure that can be used to explain compliance behaviour is the normative pressure, which can be attributed to the pressure companies face from professional affiliations and membership. Membership of professional bodies can serve to elicit compliance with good practice. Professionals who belong to these professional bodies are compelled to follow good practices, in order not to affect their membership of such organisations. Ethical standards and norms are practised by members to help maintain legitimacy (Farooq & Maroun, 2017).

The ability of professional bodies and experts in the sector is seen as key in ensuring compliance to good practices is followed, and training programmes are regularly carried out by these professional bodies to their members, to help instil good practice in members (Ahmed &Mohamed, 2017).

2.2.4 Stewardship Theory

This theory is derived from the postulation that agents will always first put the interest of the corporation. They will take actions that will benefit the corporation in the long-term. Davis, Schoorman and Donaldson (1997) saw this approach to corporate governance as one in which agents are not interested in maximising their self-interest, but whose goals are derived from being the best stewards for their principals. Their major objectives are to ensure the growth of the corporation.

This theory view managers as individuals, who are very loyal to the corporation and who go the extra mile to ensure that they give their very best to the corporation. Managers here do not need excessive monitoring because they can easily be trusted to do a great job for the corporation. The manager constantly provides the right direction for the corporation, to always ensure the maximisation of shareholders returns, because both parties benefit from a solid corporation. This governance model is in variance to that of agency theory, where control structures are necessary for the protection of principals.

The main difference between both theories is trust. Agency theory assumes agents are self-centred and must be monitored. Stewardship assumes agents are highly motivated to make decisions in the best interest of the corporation (Matherne, 2015). They are individuals who are ready to give up their personal interest in order to support the long-term growth of the corporation.

While managers with agency belief are short term oriented, they undertake decisions that enhance corporation short term goals which in effect hinder the corporation's long-term sustainable growth. Agency oriented managers are seen as managers who deliver short term goals in the quest of prolonging their career or job while stewards will do anything for the interest of the company and its long-term survival, even at the risk of losing their jobs (Hiebl, 2015).

2.2.5 Theories Underpinning Study

The three theories selected to underpin this research taken to be relevant in the study of compliance of corporate governance in Nigerian banks. The study agrees with the agency theory perception of humans as self-interested individuals. The existence of agency problems connotes the challenges organisation face daily, in addressing the challenges of corporate governance. The difficulty in making agents act in the best interest of shareholders presents the problem faced by corporations daily. Although due to its flaws and limitations, it will not be firm enough to address the peculiarity of the Nigerian state and the demands of other stakeholders in the banking sector. Hence the multifaced adoption of two other theories, alongside it, to underpin this research study.

2.2.6 Conceptual Linkage of Selected Theories

It is essential to briefly examine the three theories underpinning this research, by studying their relationship using the board of directors, independent directors, CEO dualism, audit, disclosure, whistleblowing and risk committee. Using these lenses will help to show how the theories are interlinked and buttress their different perspectives regarding corporate governance.

Board of Directors

Agency theory views the board of directors as a governance mechanism used by the shareholders, to ensure their interests are well protected from exploitation by the management team (Madhani, 2017). The board has to ensure the interest of the management team is aligned with the shareholders (Thompson, Alleyne &Charles-Soverall, 2019). Monitoring the activities of the management team help to ensure the interests of shareholders are protected and help curb any excesses of management (Pande & Ansari,2014).

Stakeholder theory defines the role of the board of directors, as a governance mechanism used to ensure that the interest of all stakeholders is protected, to help ensure sustainable growth (Hung, 2011). By ensuring the interests of stakeholders are protected, the board helps to ensure the organization's strategic value is maximized (Pande & Ansari, 2014).

According to Institutional isomorphism, the role of the board of directors is determined by the institutional factors prevalent in the country (Vesco &Beuren, 2016). The board of directors, according to this theory, is taken to be a governance mechanism needed to ensure legitimacy in the eyes of regulators and other stakeholders. Coercive isomorphism is very key in ensuring organizations adopt the right governance structure, which will ensure the legitimacy of the organization (Thompson, Alleyne &Charles-Soverall, 2019). Companies are forced by laws introduced by regulators and government to adopt the governance structures prescribed by the regulators and government, to attain legitimacy and avoid sanctions (DiMaggio and Powell, 1983).

Also, governance structures can be adopted due to companies adopting similar practices obtainable in the industry, and they can also adopt best practices established by international bodies such as OCED (Thompson, Alleyne&Charles-Soverall, 2019).

Independent Directors

Agency theory advocates the use of independent directors as a vital corporate governance structure used to mitigate executive mismanagement (Ntim, Lindop&Thomas, 2013). The postulation of agency theory, views managers as individuals having conceited inclinations, who must be supervised closely with the aid of independent directors, who are seen as individuals, without any stake in the corporation and are free from executive interferences (Afza & Nazir, 2014). With the use of independent directors, there are fewer openings for executive unscrupulousness and recklessness, because of their independence and ability to free from executive interference (Madhani, 2017).

Stakeholder theory assumes the same position, as that of agency theory, by emphasizing the importance of independent directors, as the monitoring device used to protect stakeholders, from executive recklessness and abuse (Ntim, Lindop &Thomas, 2013). By protecting the interests of stakeholders, the organization is on the path of sustainable growth due to the activities of having truly independent directors, guiding and monitoring the activities of the executives (Pande &Ansari, 2014).

The use of independent directors, according to institutional isomorphism is an attempt by organizations, to accede to institutional forces, which enables the organizations to gain acceptance and acquire legitimacy (Wel, Tang &Yang, 2018) and also to help avoid the excesses of the management teams (Wel, Tang&Yang, 2018). Adoption of these institutional reforms help to ensure the organizations remain seen as legitimate corporations and their source to funding is sustained, due to their acceptance in the eyes of regulators and other relevant stakeholders (Cashen,2009).

CEO Dualism

Agency theory argues that having different personalities occupy the positions of the chair of the board and the chief executive officer, will help to reduce agency costs. The ability of the board to monitor the management team is strengthened with the separation of both offices, because the board can monitor the management team objectively, without any undue pressure from a CEO who also occupies the office of the chair of the board (Abels &Martelli, 2013). Having an individual occupy both positions increases the likelihood of the individual chasing self-interests, at the expense of shareholder interests (Ntim, Lindop, &Thomas, 2013). Monitoring ability of the board is vastly strengthened with the non-adoption of CEO dualism. The board can discipline the self-serving management team because the CEO is not made the leader of the board, by only occupying the seat of the CEO and not occupying both positions (Madhani, 2017).

Stakeholder theory agrees with the agency theory concerning the concentration of powers in one individual as chair and chief executive officer (Elsayed, 2007). Due to several cases of executive malfeasance globally, there have been heightened calls by stakeholders, for the change in the governance structure of the organization, demanding that different individuals occupy both positions, as against having one individual occupying both positions (Abels &Martelli, 2013). Having one individual occupying both positions creates an opportunity for executive excessiveness because of the powers available to the individual. Separation of the board and executive leadership creates the opportunity for checks and balances, which is in the best interest of stakeholders (Vo, 2010).

Institutional isomorphism has slightly different views concerning the reason why corporations are moving from duality to non-duality. It is seen as more of an attempt to gain legitimacy from stakeholders, as compliance to regulations might not significantly improve despite the separation of the office of the chief executive officer and chair of the board. The need for legitimacy might appear to be the compelling reasons for the widespread adoption (Krause, Semadeni&Cannella, 2014).

Disclosure

Agency theory regards disclosure as extremely key to shareholders because it enables a decrease in agency costs (Elfeky, 2017). Because of improved disclosure, communication between management and shareholders are increased, thereby helping to reduce agency costs (Walaa &Mostafa, 2015). Increased disclosure by management reinforces the concept of transparency, which is key to making the management team remain in good terms with shareholders (Elfeky, 2017).

Stakeholder theory postulates that disclosure is to ensure that stakeholders are kept abreast with the activities of management. This will ensure the loyalty of stakeholders and ensure the corporation is sustainable (Elfeky, 2017).

Institutional Isomorphism assumes that disclosure requirement is as a result of social and legal pressures which necessitates management taking such steps, to gain acceptance and ensure the stability of the corporation they govern (Walaa & Mostafa, 2015).

Audit

An audit is seen as a mechanism used by shareholders to ensure the financial discipline of the executive team. Agency theory maintains that individuals are usually egoistic and hence monitoring is key to ensure that self-interest is sacrificed for the interests of shareholders (Corten, Steijvers&Lybaert, 2018).

Stakeholder theory contends that the use of the audit committee is to help ensure that the safety of stakeholders is protected from any executive excessiveness (Afza & Naiz, 2014).

Institutional isomorphism maintains that regulators and governments usually insist that organizations have effective audit committees in place, to ensure executive recklessness is minimized (Alleyne, Hudaib &Pike, 2013).

Whistleblowing

Agency theory postulates that due to information asymmetries between agent and principal, monitoring devices such as whistleblowing policies are critical in ensuring the interests of shareholders are protected from executive exploitation (Lee & Fargher, 2013).

Stakeholder theory regards whistleblowing measures adopted in organizations, as a device to aid stakeholders to reveal any unethical activities, that are considered harmful and a threat to the organizations (Alleyne & Pierce, 2017).

Institutional theory suggests that management adopt measures such as whistleblowing to boast the reporting of unethical activities in the organization. These measures are seen as entrenched measures adopted by management to obtain legitimacy nationally and globally (Alleyne&Pierce, 2017).

Risk Management

Agency theory explores the importance of the risk committees in ensuring the risk-taking activities are well measured and used to mitigate against losses, which helps in protecting the interests of shareholders from managerial opportunism, which is not in favour of the interest of shareholders(Nahar, Jubb &Azim,2016).

Stakeholder theory calls for well functional risk management committee, who are charged with providing increased risk disclosure, to enable stakeholders to make informed decisions, based on the true position of the corporation (Amran, Abdul Manaf &Bin Che Haat, 2009).

The institutional isomorphism explains the need for corporations to put in place risk committees, in the bid to fulfil the regulatory mandate (coercive isomorphism), for improved risk oversight and right practice of risk management (Nahar, Jubb &Azim, 2016).

Using the multi theoretic approach for this study was essential to better understand corporate governance compliance in a developing country like Nigeria. The use of agency theory elucidates the relationship between the shareholders of banks and the management team; stakeholder theory aided the understanding of the diverse interest groups, represented in the banking sector while institutional isomorphism aided the understanding of how compliance and regulation are affected by institutional factors, prevalent in Nigeria.

The three theories were considered suitable for this research study, and stewardship theory was not considered appropriate to underpin this study because of its postulations that management is always to be trusted because they will always work in the best interest of shareholders. Due to the crisis that befell financial institutions globally, it will appear very implausible to have management reign without any form of stringent monitoring, as postulated by the stewardship theory (Wen & Zhao, 2010).

Trusting management to always act in the best interest of shareholders, without having them monitored closely, negates the fact that humans are not infallible and can act in an egotistic manner at some stage; hence there is need for the board to adequately monitor the affairs of the executives (Keay, 2017). Another reason behind the non-adoption of stewardship theory was due to the inherent institutional weakness prevalent in Nigeria. It will be imperative to have the activities of executives heavily monitored and regulated, to avoid a repeat of the banking crisis of 2009.

2.3 Definitions of Corporate Governance

Corporate governance does not have one acceptable definition; some see it as a means of maximising shareholders value (Shleifer& Vishny, 1997). Others see it as a device for protecting stakeholders (Freeman, 1984). While some consider it as a weapon used for controlling and managing corporations (Cadbury, 1992).

Wu (2005), views corporate governance as to how the relevant stakeholders share tasks and privileges. According to Sarra (2009), corporate governance involves all the actions and decisions taken to reach the goals of the corporation. Davies (2005) settled for a definition close to that of Sarra (2009), he argued that corporate governance includes all the activities that are involved in the sharing of assets and power among the relevant stakeholders.

In coming up with the definition of corporate governance, the Organisation of Economic Corporation and Development (OECD, 2004), sees corporate governance as the structures that help in attaining the goals of the corporation. It involves all the individuals or stakeholders needed to ensure the corporation, attains sustainable goals (OECD, 2004). According to Chan and Cheung (2008), corporate governance entails the checks and balances imposed by shareholders, to ensure executives charged with running the organisation, do not exploit the owners of the corporation.

Meanwhile, Millstein (1998) saw corporate governance as the communications among stakeholders, that provides the outlet for the smooth functioning of the corporation this meaning has resemblances with the definition given by Cochran and Warwick (1988) who also saw corporate governance, as a means to which stakeholders interact, to ensure the goals of the organisation are attained.

Okeahalem and Akinboade (2003), defined corporate governance as actions undertaken to guard the interests of stakeholders, with a view of attaining sustainable growth for the. The Cadbury report of 1992 saw corporate governance as the device provided by shareholders, to guard against exploitation by the management team, charged with running the corporation. Corporate governance entails measures, shareholders put in place, to ensure the activities of management is always aligned to their interest (FRC, 2010).

In consideration of all the above definition of cooperate governance by different authors, one can easily conclude that the word deals with the mechanisms, ways, institutions and laws that administer corporations. These structures are always put in place to ensure that agents charged with running the affairs of the corporation are transparent in their dealings with the various stakeholders.

The demise of big corporations such as Bank of Credit and Commerce International in the United Kingdom, Lehman Brothers, Enron and WorldCom in the United States has brought corporate governance to the front burner globally. Nigeria has also been bedevilled with corporate governance problems (Imeokparia, 2013).

The 2009 banking crisis in Nigeria, saw a lot of measures ranging from financial bailouts to banks, increased regulatory supervision and updating CG code introduced by CBN to avoid a repeat of the financial malfeasances (Bello, 2013).

The 2009 banking crisis in Nigeria led to a lot of reforms carried out by the CBN, to provide the structures needed to avoid the crisis that befell the sector in 2009(Sanusi,2010). It is instructive to add that the bailout cost 620 billion Naira which would have been injected into more productive activities. This reveals that there is more to be done in areas of corporate governance in the banks and banking supervision by the CBN (Agbonkpolor, 2010).

2.4 Empirical Research on Corporate Governance in Nigeria

Ado, Shafie and Goni (2017), examined the relationship between the impact of two corporate governance variables (size of the board and the size of the audit committee) on financial growth in banks. Their research looked at the annual reports of twenty-one banks listed in the Nigeria Stock Exchange from 2006 to 2009 using an ex post-research design. The results from their study showed that a decrease in the number of board members led to an increase in return on assets while a decrease in the size of the audit committee led to an increase in return on assets.

Imeokparia (2013) took a close look at the relationship between good corporate governance and ethical financial reporting by banks in Nigeria. The respondents used for this study were drawn from the staffs of banks operating in the country, and officials from the regulatory institutions in the country. Questionnaires were employed for the study, and the findings of the study revealed that despite the best purpose of the consolidation exercise carried out by the CBN and the follow-up CG codes, there still exist ethical issues affecting the performance of banks in Nigeria.

Ailemen and Ojeka (2013) study were aimed at checking the relationship between financial distress and corporate governance. The case study method was employed for their study with the selection of four banks in Nigeria. Their work came out with the findings that good practice of corporate governance was needed to reduce the malfeasance found in the banking sector. It added that the right practice of corporate governance helped in creating the best form of risk management practice in these banks.

Shabi, Bakare and Eden (2014) research examined the role of human resource experts in corporate governance in the Nigerian banking sector. Qualitative research was used in conducting their study, with the aim of further highlighting the impact of HR in corporate governance. The paper observed that the role and importance of human resource experts had not been taken seriously by banks. It further added that human resource officers are the custodians of ensuring corporate governance is practised properly in the banks.

Abiola (2012) looked at the importance of internal auditors in guaranteeing the best practice of corporate governance is obtainable in Nigeria banks. Interviews were used in conducting this study. Twenty-three internal auditors were used as respondents, selected from nine banks operating in the country. The findings revealed that it was vital that management of banks provided the enabling environment for internal auditors to provide their oversight job responsibilities and advocated for more training for internal auditors, for them to excel in their job responsibilities.

Idolor and Braimah (2015) looked at the impact the sack of eight chief executive officers of banks by the Central Bank of Nigeria due to corporate governance abuse, had on the prices of their stocks on the Nigerian Stock Exchange. This research work made use of the event study methodology, prices of the affected bank stocks were examined before and after the announcement made by the Central Bank of Nigeria. The result of their study showed that investors reacted to the pronouncements made by the CBN. The study revealed that the stock market in Nigeria is information effective, and investors react sharply to corporate governance failures in listed bank stocks.

Ojeka, Iyoha & Ikpefan (2014) examined the impact of corporate governance on the financial performance of banks rescued by the Central Bank of Nigeria. The study found abuses in board compositions, insider loan abuses and other flagrant abuse of the provisions of the corporate governance code, which was the reason the former Governor of the CBN removed the affected chief executive officers of the rescued banks.

Nworji, Adebayo & Olanrewaju (2011) examined how good practice of corporate governance can help prevent bank failure. Respondents for this study were selected from eleven banks in Nigeria. This work revealed that good practice of corporate governance could help prevent bank distress.

Rao and Desta (2016) examined the effect of corporate governance on the financial performance of banks operating in Ethiopia. The annual reports of these banks were used as the data source. Nineteen banks operating in Ethiopia were selected for this study, and quantitative research methodology was used. The regression result from this study revealed that board size, diversity of board members had no significant effect on the financial performances of the banks observed. The study also revealed that the size of the bank's assets affects bank performance.

In 2014, Manini and Abdilahi (2015) considered forty-two banks operating in Kenya, and they also looked at the impact of corporate governance variables (size of audit, gender diversity of the board. This study showed that the size of audit, gender diversity of the boardroom had no significant impact on bank profitability of the selected banks used for this study. It also revealed that the size of a bank impacts positively on the financial performance of the chosen banks used for the study.

Osemeke and Adegbite (2016) examined the issues and challenges created by the proliferation of different corporate governance codes in Nigeria. It examines the conflicts created by the multiplicity of different codes operating in the country. Mixed method Methodology is used in carrying out this study. They used surveys, interviews, documentary analysis and focus groups.

This study revealed that multiplicity of codes creates conflicts and helps to hinder the rapid growth of good corporate governance in the country. It advocates that there was an urgent need for the country to adopt a mandatory combined corporate governance code. This will to help address the issues of proliferation of codes affecting corporate governance in Nigeria.

Adegbite (2012) looked at the regulatory environment in Nigeria, which, according to it, is bedevilled by corporate malfeasance. This study used a qualitative research method to provide a comprehensive finding of the regulatory structure of Nigeria. The use of triangulation helped to validate their results. Furthermore, it revealed that the nation's institutional environment usually shapes a country's system of corporate governance regulation. It also added that there should be increased government participation in ensuring corporate governance was well practised in the country. The study also advocates rules-based regulatory codes to ameliorate the effects of corruption in the Nigerian system.

Amao and Amaeshi (2008) looked at the trend of shareholders activism in Nigeria and how to galvanize the participation of shareholders in corporate governance activities. The study advocates the fair treatment of shareholders and ensuring their voices are heard before decisions are made by management. It concludes by adding that empowering shareholders is a means by which they can influence decisions in their corporations.

Okpara (2011), used a mixed-method research methodology to consider four cities in Nigeria. This helped in examining the factors that hinder good corporate governance practice in Nigeria. The study discovered weak low enforcement structures, inadequate disclosure and lack of transparency have mitigated against the growth of corporate governance in the country.

Okpara and Kabongo (2010) looked at the issues bordering corporate governance in Nigeria. It looked at the particular operating environment in the country which, according to this study, is generalized by poor enforcement of laws by regulatory authorities and weak supervisory system. Questionnaires were used for this study: 296 managers in both public and private companies participated in this study. The result of this study revealed that barriers such as lack of compliance, weak supervisory by regulatory authorities, lack of transparency constitute some of the obstacles hindering corporate governance in Nigeria.

2.5 Models of Corporate Governance

Two models of corporate governance will be addressed in this section, the Anglo – American model and Continental Europe and Japan Model.

2.5.1 Anglo-American System

This model has its foundation in the United States of America, and it is practised by USA, UK, Canada and nations of the Commonwealth. Features of this system include the one-tier board system, where non-executive directors and directors participate in varying degree. Shareholders usually appoint the directors and also the passive role of institutional investors in the activities of the corporation. The major players are the board of directors, shareholders and management teams (Tawiah, 2015).

This model is also characterized by dispersed shareholders and rely on the stock market as a monitoring mechanism. The main objective of management here is to maximize shareholder wealth (Sudarsanam & Broadhurst, 2012). One drawback of this system is the potential agency problem. This arises from the conflict of interest between management and dispersed shareholders (Ooghe & De Langhe, 2002).

2.5.2 Continental Europe & Japan

This model is commonly found in continental Europe and Japan. One of its features is the two-tier board system (Supervisory & Management Board). The supervisory board major function is to monitor the management team effectively. Investors select the supervisory boards while the management team are appointed into office by the supervisory boards. The direction of the corporation is overseen by the supervisory board, while the day to day running of the corporation is undertaken by the management team (Ross & Crossan, 2012).

This system is put in place to provide the requisite check to avoid executive excesses and provides a double layer of the best practice of governance. This leads to improvements in management performance and decision making (Yaacob & Basun, 2014). The major problem associated with corporate governance is the protection of minority investors' right, while agency problem is secondary, investors here have higher motivations to control and monitor their investment (Lazarides, & Drimpetas, 2010).

2.6 Corporate Governance in Nigeria Banks

Corporate governance provides the avenue for the management team to govern banks in the best possible ways considering the best interest of stakeholders (Jakada & Inusa, 2014). The best practice of corporate governance helps management teams to avoid corporate scandals and is seen as one of the best means of improving the bank's performance (Sahay & Kumar, 2012). The importance of having good corporate governance in place in banks is basically because unlike other firms' information asymmetric appears. In some cases, banks can be rescued when they face distress; the burden of these bailouts is then shifted to taxpayers (Alles & Friedland, 2012). This bank rescued are usually deemed as too big to fail (Wolgast, 2011). To avoid unacceptable political or economic risks, governments or supervisory authorities would put taxpayer money at risk to avert the bank's failure (Moosa, 2010).

The Nigerian banking sector plays a great role in the economy. To effectively carry out its role, it needs a set of guidelines which will guarantee its smooth operations and repose confidence in stakeholders (Godwin, 2013). In 2009, the upheaval in the Nigerian banking industry saw a good number of banks fail the stress test carried out by the CBN, to check their liquidity positions, this underlines the importance of good corporate governance practice (Oyerinde, 2014). The sharp practices and corrupt actions of the affected directors led to impaired investors' funds which in turn created credibility issues for the banking sector, which led to a crisis of confidence among shareholders and other stakeholders (Biobele, Igbo &John, 2013).

A very important issue in the last financial crisis in Nigeria was banks compliance with the CBN corporate governance codes. This underscores the importance of banks following the CBN's directives on corporate governance practice (Oyerinde, 2014). It happens to be one of the major reasons behind this research work. Compliance with the CG code introduced by CBN in 2006 by banks has not been very successful. Some of the factors responsible are; incompetent boards and management teams, boardroom crisis, poor risk management practice, unethical behaviours by management and insider infractions in banks operating in the country (Jakada & Inusa, 2014). The 2006 code introduced more rigorous requirements in the area of appointment of directors (Ailemen & Ojeka, 2013). It also made provision for the separation of the office of CEO & board chairman. Appointments of two or more independent directors. Clear succession plans for top executives. Remuneration of executive directors solely determined by a committee of non-executive directors (CBN, 2006). It is important to add that due to the failings of the 2006 corporate governance code, a new code was recently rolled out by CBN in 2014, to reflect the latest trends in the banking sector of the economy. This new code addressed following; the board's maximum size was pegged to 20. It placed the responsibility for preparing the bank's risk management report on the board. Unlike the previous code, it defined the minimum information to be contained in the annual report (must include details of directors, corporate governance and contingency planning framework). It also mandates that banks have a Chief Compliance Officer who can only be sacked or appointed by the board, subject to CBN's approval (Marshall, 2015).

2.7 Banking Sustainability and Corporate Governance

Global cases of bank failures have made it obvious that no big bank is too big to fail. The concept of sustainable banking is a viewpoint that underlines what banking should ideally be. It can be seen as a banking culture that benefits all stakeholders, including society and the natural environment (Babalola & Adedipe, 2014). The 2009 banking crisis has made it imperative that banks act in the best interests of all stakeholders to develop and sustain their going concern (Olusanya & Oluwasanya, 2014). It is worthy to note that most public companies globally have come to realize that sustainability has become a significant measure by which investors, especially institutional investors, value stocks of companies (Aust, 2013). This has made it crucial that management avoids making short term visions that lead to dire consequences, instead of embarking on long term visions and responsible decisions that will lead to sustenance of their corporation (Lenssen, Dentchev & Roger, 2014).

Academics have maintained that sustainability is very crucial for long term success and survival of both companies and the environment in which they operate (Galpin, Whittington & Bell, 2015). The task of making the banks operating in any domain sustainable lies with the central bank or any regulator charged with the responsibility of supervising banks in that country (Minassian, 2013). In today's world, bank supervisors want to know the business models being adopted by the supervised bank. The institution's business model, strategy and culture are carefully examined to provide the supervisors with a good picture of the bank's sustainability of profits. This measure helps banks to avoid using business models that are not sustainable such as consumer misperceptions, misselling of products, abuse of loans and poor provisioning for risk assets etc. (Cavelaars & Passenier, 2012).

The easiest way for banks to win praise and unflinching support of stakeholders is by always making decisions in the best interest of stakeholders. To put this lofty plan into practice, the best practice of corporate governance has to be put in place to guarantee sustainable banking (Babalola & Adedipe, 2014). The sustainable success of business models can be hindered through quick wins or short-term idealism. Against this backdrop, corporate governance provides the best platform for corporations to avoid actions that could endanger their future existence (Lin –Hi & Blumberg, 2011).

2.8 Corporate Governance and Supervision

Good practice of corporate governance is key to achieving and sustaining stakeholders trust in the banking sector (Olagunju & Oluwa, 2012). Banking supervision provides a platform for this to be met by ensuring bank management follow the regulations properly (Jakada & Inusa, 2014).

The 2007-2009 global financial meltdown has led to banking regulation and supervision to be amended in order to prevent bank failures. Unfortunately, a major bane of the meltdown was due to inaction by bank supervisors. Supervisors knew of the emergent risks taken by banks but turned a blind eye. Regulators encouraged excessive risk-taking by not taking prompt corrective actions and by not correcting the problems identified swiftly (Barth, Caprio Jnr &Levine, 2014).

International regulatory authorities such as Bank of International Settlement, International Monetary Fund and World Bank have over the last ten years rolled out several reforms and programs aimed at improving banking supervision to address this failing (Boudriga, Neila, & Jellouli, 2009).

The new standards introduced by the Basel Committee of Banking Supervision (Basel 111) is mainly seen as a means of achieving financial institutions sustenance. Reforms introduced include;

· Increase in bank capital base (act as a buffer against unexpected losses).

· More transparent disclosure by banks, financial institutions to adopt corporate governance measures.

· Mandatory that non-shareholder stakeholders are brought to the forefront as against shareholders prominence.

· Closer monitoring of banks by regulators (Howard, 2014).

It is expected that bank supervisors will ensure close monitoring of these banks. This is aimed at ensuring compliance by banks (Gideon et al., 2013).

Banking supervision is aimed at ensuring that banks follow safe practices which comply with laws and regulations and in turn, protect the interest of all stakeholders (Awotundun, Kehinde, & Somoye, 2011). It is used as a device to reduce information asymmetry that is prevalent in the banking sector (Raz, Irawan, Indra & Darisman, 2014).

Banking supervision is most effective when they are proactive and take decisions that might seem unpopular to save banks from self-destructive moves. Supervisors must be independent, highly skilled, and knowledgeable and have a relationship with the supervised entities that don't encourage regulatory capture (Vinals & Feichter, 2010).

Banking supervision entails more than just enforcement and scrutiny of banks but also the ability to find out the risk assessment provisions and the chances of liquidity issues as a result of risk assets culture of the bank (Agbonkpolor, 2010). It is important to note that supervision is not exclusive to the financial industry. The difference happens to the near-continuous engagement of supervisors in origin and collapse of the entities they supervise. They give permits to the owners, regulate them, penalize them when they disobey the laws and take a vital role when the institution fails (Vinals & Feichter, 2010).

The creation of CBN in 1958 marked the beginning of a corporate governance mechanism as a means of supervisory power over banks operating in Nigeria. Considering public interest, banks were expected to follow the codes of conduct prescribed by the CBN (Ajayi & Sosan, 2013). Unfortunately, the CBN has not always backed up the codes with the required supervision. It is instructive to note that irregular surveillance, ineffective monitoring devices, and inadequate enforcement were the primary reasons behind corporate governance failures that plagued Nigeria banks (Sanusi, 2010). The failure of the CBN under the leadership of Professor Soludo contributed in no small measure to the banking crisis that bedevilled the sector. The Central Bank of Nigeria under the stewardship of the former governor Professor Chukwuma Soludo embarked on emergency liquidity lifeline for banks facing non-performing loans issues. Unfortunately, this did not address the root cause of the risk assets failures but instead helped to exacerbate the size of the non-performing risk assets and helped further plunge the sector into governance mess (Osuji, 2012).

The CBN, with the benefit of hindsight, has put in places measures to ensure improved supervision of banks (Alford, 2010). It is said that good corporate governance can be easily attained by meticulous supervision of management teams of corporations (Walker, 2009). It is often said that banking supervision will not function effectively without good corporate governance imbibed in banks (Babalola & Adedipe, 2014).

Basle Committee of banking supervision revised guidelines for 2015 maintains the same position about having a good corporate governance structure in place for banks to ensure that regulatory bodies find it easier to supervise banks. It also adds that among stakeholders in banks, depositors' interest should supersede that of shareholders (BIS 2015) which negates the ideas of the traditional agency theory.

2.9 The Role of the Board of Directors in Corporate Governance

The importance of boards of directors in banks cannot be underrated, to address matters idiosyncratic of the sector, it is very vital banks have boards, who can perform their oversight duties (Mariscal et al., 2009). In industry, as important as banking, a good board is needed to help ensure the safety and soundness of the institution. The importance of having an active and genuinely independent board in banks was strengthened by Basel committee on Banking Supervision.; it argued that the right combination of individuals are needed to ensure the functions of a board are genuinely carried out (Enhancing Corporate Governance for Banking Organisation, 1999 and 2006).

Boards of banks play a crucial role in ensuring the safety and soundness of the bank is protected, through the practice of good governance in the institution (De Andres & Vallelado, 2008). They are the first line of defence, that protect shareholders and other stakeholders, from any form of management's activities inimical to the growth of the institution. They act as a check and balance against bad governance, in a bid to check against any excesses or abuse of office, by the incumbent executives (Pathan.2009). The ability of the board to check overindulgences of the incumbent management team offers the best form of protection for shareholders and other relevant stakeholders. The board is empowered by shareholders, to help monitor the activities of management and ensure that their interests are well protected, from any reckless abuse of office by the managing team (De Haan & Viahu, 2016).

The ability of the board to be useful monitors is very crucial in determining the way the management team is running the institution. The strength of the board to constructively challenge management and ensure that the decisions made by them, protect the interests of all relevant stakeholders, is fundamental to the going concern of the organization (Mehran, Morrison & Shapiro,2011). For the board to be constructive in their oversight functions, it is vital that members of the board, have the relevant expertise and are independent, from the control of the management. It is considered necessary that the board should have experts that can easily understand the intricacy of the risks, been undertaken by the management ((Mehran, Morrison & Shapiro, 2011)

The importance of the board, to good governance, ensures that management undertakes appropriate risks and not undertake activities that will spell doom for the institution. A nonfunctional board remains one of the easiest ways, for management to exploit, by undertaking activities that will be detrimental to stakeholders and eventually lead to the institution going bust (Abu, Okpeh &Okpe,2016). For the board, to be effective, in their oversight duties, it is essential, that the board are made up of honest individuals and qualified personalities, who are capable of performing their oversight duties (Bebeji, Mohammed &Tanko, 2015).

The ability of banks nominating qualified personalities as members of boards is very key to getting the seal of approval from CBN.

For a board member, to be allowed to take the allocated position, in the board, the individual must have passed the CBN's fit and proper test. CBN released the guidelines for the fit and proper test on October 15, 2015 (FPR/DIR/CIR/GEN/05/014). Part of the requirements for non-executive directors was membership of a professional body, a first degree or its equivalent, good working knowledge of bank operations and its guiding laws, etc. (CBN,2015). Also, in a bid, to ensure that stakeholders are well protected, from the disposition of management, to pursue shareholders maximization agenda, the CBN made it mandatory for all bank boards to, comprise of at least two independent directors (Aina, 2013).

The role of independent directors is key to ensuring the interests of all stakeholders are always protected (Pathan, 2009). Their ability to adequately protect the rights of stakeholders is hinged on the ability to challenge management decisions constructively, due not representing any particular interest and not having business stakes in the institution (Aina, 2013). Mainly, due to not having business stakes, in the institution, they can offer better perspectives because of their lack of connection to the bank and also because they will likely be unaffected by any self-interest, in decisions concerning the corporation. These provide a veritable outlet for independent directors to perform their duties effectively (Mittal.2011). Having independent directors in the bank's boards helps to ensure the adherence to good practice of corporate governance (Pathan, 2009).

The good practice of good corporate governance can only be easily attained, when the independent directors and non-executive directors, are fully involved in their monitoring and advisory role. For these two key functions, to be met, attendance of board meetings are essential ingredients. The more frequent attendance in board meetings presents the directors the opportunity to contribute to the health of the bank optimally. The ability to constantly present themselves available for board meetings offers the board the opportunity to scrutinize the activities of management and also closely align the interest of executives with that of stakeholders of the bank (Grove et al., 2011). Attendance in meetings offers the directors the opportunity of getting relevant information, that needs their expertise and sound judgments (De Haan & Viahu, 2016). The CBN makes it mandatory for all directors, to attend at least two-thirds of all meetings called by the board and the committees they belong. Non-adherence, to this stipulation, means the board member will not be allowed to be reappointed, at the expiration of their tenure (CBN, 2014).

Furthermore, to ensure the effectiveness of the board in performing their advisory and monitoring duties, regulators try to fix the optimum number of members of the board, to ensure optimal performance. The CBN limits the board to a minimum of five members and a maximum of twenty members (Akhidime, 2013). A board that is very small or seen as very big will affect the effectiveness of the board in performing their functions.

2.10. Importance of Ethics in Banking

The last financial crisis has highlighted the dire state of malfeasance in the financial sector. The cataclysmic effect on the industry and the economy made the general public focus on the inadequacies of the sector. A lot of unethical scandals have helped to highlight the poor state of ethical standards in the sector. Scandals such as the Goldman Sachs fraud, JP Morgan great trading loss and the deliberate subterfuge of the London Interbank Offered Rate (LIBOR), along with the demise of several banks globally such as Lehman Brothers, Bear Stearns in the United States of

America and the nationalization of the Royal Bank of Scotland in the United Kingdom. The more recent LIBOR ethical conundrum clearly showed that the lessons of the last financial crisis had not been learnt, but instead the financial sector still has a lot to do to clean the industry of unethical practices (Oates & Dias, 2016). Unfortunately, the Libor scandal revealed that financial institutions could still not be trusted, to act in the best interest of all stakeholders. Traders in supposedly big and trusted giants of the financial sector, Barclays Bank and Royal Bank of Scotland, used unethical means to manipulate LIBOR. London interbank offered rate is the primary benchmark used to determine the short-term interest rate globally. The manipulation by traders of these banks helped to reduce their losses or increase their profits at the detriment of their customers. The actions further reinforced that ethics is no longer enshrined in the culture of the banking sector (Fetiniuc &Luchian, 2014).

Ethics is a specialized guideline that cannot be downplayed in a financial sector institution. It should ideally be applied in all the activities of banking and their employees, both top and bottom of its echelon. The importance of ethics should never be taken for granted; the practices of ethical standards will either destroy or sustain the sustainability of the sector (Fetiniuc &Luchian, 2014). The global crisis showed that when ethics of any organization is compromised, the effect can be disastrous. Given the importance of financial institutions, unethical practices can easily snowball into a bigger crisis that will affect the wellbeing of any economy. Hence, the importance of ensuring banks are better managed by their directors and ethical standards fully entrenched in the governing of these corporations (Ogechukwu, 2013).

They exist myriad definitions of ethics, as it relates to the financial sector. Aminu & Oladipo (2016) saw it as a means of ensuring professionalism among staffs of the financial services and also helping to foster public acceptance and confidence in its services provided. Maruf (2011) further adds that the reputation of the industry is as important as financial returns. Ethics is very key in ensuring that the reputation of the sector is unscathed. He further added that the right application of ethics would help the industry avoid scandals that will be detrimental to the reputation of the industry. Belás (2013) saw ethics as the key ingredient needed to ensure the loyalty of staffs and customers of the financial sector. Ethics is seen here as the moral right of management ensuring that their staffs are well taken care of and in turn ensuring their loyalty which in turn snowballs into these satisfied staffs giving their very best to the customers of the financial sector. Thereby keeping customers happy and ensuring the safety of the funds of the customers. Mpinganjira et al. (2016) saw ethics as o how an organization shows its stakeholders that it is ethically run, they added that employees need to be supported to imbibe the right ethical attitude to deliver performance ethically. According to Halamka & Teplý (2017), Ethics in banking is not a new topic; banking ethics have only been brought into the frontline because of the events of the past. Customers and other stakeholders now demand more from their banks, excellent customer services will no longer be seen as enough to retain customer's patronage, and instead, customers will now demand that banks use their funds ethically. Olawoyin (2014), Ethics can easily be described as principles that help in guiding human behaviour. It is a guide to global standards of correct and deviant behaviour, which individuals should or should not be involved in. These guides provide a template for decision making and a criterion by which decision making is examined by others.

In the Nigerian banking sector, the right practice of ethics continues to dominate the sector, with the regulators and other stakeholders constantly trying to make the industry safe from unethical practices that have bedevilled the banking sector. The Nigerian banking sector has been caught up in serious corrupt related issues and other unethical practices that threaten to affect the sustainability of the banking industry (Aminu & Oladipo, 2016). The banking sector being the intermediaries between lenders and borrowers must have the right form of ethics, to guarantee patronage from all revenant stakeholders. A bank aiming to capture the market must have honesty, financial probity, accountability and compliance to rules as part of their culture. Accepting bribes from customers seeking loans, insider abuses, giving out unsecured loans or cheating unsuspecting customers should be unethical and out of place for banks following the ethical route. Ethical principles and practices are still not fully incorporated in the sector. Corrupt misdemeanours continue to threaten the sustainability of the industry and also help to malign the reputation of banks. Being transparent and trustworthiness is very key to keeping banks on the right path (Maruf, 2011).

Due to information asymmetry prevalent in the banking sector, it is very onerous for customers to fully appraise banking decisions, hence bankers have it as a duty of care to properly manage their customers and ensure they are always given the right advice. Any unethical decisions made by banks can have a great effect on the disposition of their customers to the financial institution. Any unethical practice will most likely lead to huge losses to the financial institution because their customers will lose faith in their services and move their funds elsewhere. Banks will also risk the chances of increased regulation and supervision to prevent unethical practices becoming the norm in the sector (Zeidan, 2013).

Ethics helps to facilitate the general public to have full trust in the goods and services offered by financial organizations. The reputation of the industry is well protected when firms in the industry perform ethically in the discharge of their duties. The banking industry is largely dependent on trust, due to the nature of transactions and the vulnerability of clients, mainly due to clients not having complete information. Bank staffs are expected to follow ethical policies practices when dealing with clients. With the quest to make fantastic profits, the margin between ethical and unethical practices are becoming vaguer. Bank staffs have been seen doing unethical things and taking advantage of their clients spuriously in a bid to have quick wins (Dogarawa, 2012).

In a bid to control the quest for unethical quick wins, banks in the country have made it a point of duty of incorporating ethical codes for all staffs of their organizations. Despite all the efforts made by both the regulatory authorities and banks, unethical practices and behaviours still permeate the industry (Uche, 2004). The collapse of banks in 2009 in Nigeria, was greatly attributed to massive unethical practices among the top tier management teams of the affected banks (Ikpefan, Iyoha &Ojeka, 2014). Banking ethics is crucial to the sustainability of banks, but unfortunately, banks continue to be culpable of unethical practices that have led to the industry losing billions of taxpayers' money globally (Aktan, Masood &Yilmaz, 2009). The importance attached to ethical behaviour in the banking industry cannot be taken for granted, primarily as the sector depends on its reputation as on actual financial performance. The right ethical application by bank staffs help ensure sustained goodwill from stakeholders and enable the sustainability of the industry (Ogbo, Okechukwu&Ukpere, 2013). Leadership steeped with the right ethical orientation will also make it easier to detect and sanction any staff with questionable integrity or ethical orientation (Nnabuife, 2010).

In Nigeria, most banks have been affected by various forms of unethical practices committed by bank staffs, staffs of various cadres have committed these unethical practices, but the greatest offenders are generally committed by experienced bank staffs, who have acquired adequate expertise, trust and authority over a key department of the bank. The unethical acts committed include diversion of monies belonging to customers of the bank, forgery of customers signatures to gain undue advantage over these customers, non-adherence to know your customer policies, balance sheet engineering, creating and operating of bogus account to which illicit transactions could be conducted, stealing from the bank vaults or automated teller machine, stuffing the automated teller machine with counterfeit notes, giving loan facilities to undeserving customers, insider abuse of loan disbursement, granting loans to families and cronies etc. (Ogechukwu, 2013).

Illicit activities especially due to management culpability, have also helped to further create ethical distress in the financial sector (Adeyanju, 2014).

The pronouncement made by the Central Bank of Nigeria over the 25 billion Naira capital base in 2005 further heightened corrupt practices in the sector. Banks desperate to meet the CBN new capital directive were caught up in unwholesome practices in a bid to either raise the required capital or provide bogus capital to meet the CBN's requirement.

Some banks raised bogus capital financed by customers deposit instead of shareholders' funds. These banks used depositors' funds to buy stocks from the stock exchange to meet the 25 billion Naira requirement (Oyewole &Adegoke, 2018).

Some banks were involved in unethical behaviour such as rendering false information about their competitors, with the aim of de marketing these banks (Ikpefan & Ayeni, 2012). The mad rush by these banks to raise the required capital base made them to completely throw their ethics away, with the drive to stay in the industry as the overriding drive and ethics completely thrown away (Enofe, Ekpulu & Ajala, 2015). A painstaking look at the consolidation exercise revealed that some banks that emerged from the exercise were hitherto seen as distressed and unsound entities but now regrouped under new entities with new names or were forced to buy over by perceived stronger banks. The consolidation did not correct the ills in the sector but was used by some banks as a means to stay afloat and continue as business as usual, without correcting the unethical practices or other ills inherent in the sector before the consolidation exercise. The banking consolidation exercise helped to establish bigger banks but failed to create an environment where ethical practices will be the mainstay of the sector (Oyewole &Adegoke, 2018). Instead, consolidation helped to introduce a culture of corporate leadership noncompliance which triggered an era where some banks could not efficiently perform their responsibilities to their stakeholders (Olokoyo, 2013).

With the weakening state of the sector due to poor ethical culture, the then Central Bank Of Nigeria Governor, Mr Sanusi Lamido Sanusi In 2009 had to step in to clear the prevailing rot, by sacking five managing directors and their management team, for various poor ethical conducts while in office(Enofe, Ekpulu &Ajala,2015).

The bank sector was in urgent need for a total cleanup, there was widespread unethical behaviour from the corporate giants running these institutions, and hence the CBN taking the drastic measure of removing the affected managing directors and their management team. The leadership of these banks got involved in unethical practices that caused the industry reputational damage. The regulator's needed to sanitize the industry and help fix the leadership issues prevalent in the industry and help rebuild the lost trust and allegiance of stakeholders in the sector (Adegbite, Shrives &Nichol, 2011).

The importance of having good leadership in the helm of affairs of any organization cannot be compromised. Unethical conduct in any organization can introduce a lack of trust among staffs, creating problems among staffs that might be very onerous to rectify. It is also very important to add that corporations can avoid been seen as unethical by the public, as long as they manage to avoid being caught by the regulators. However, when they finally get caught for their unethical conducts, they lose their respect and credibility and also lose the trust and patronage of their local stakeholders, which will be difficult to gain back, even with extensive rebranding or public relations campaigns (Ouma,2017).

The cost of having to spend so much to get back previous loyal customers and regain

the respect of the public and staffs is the reason why leaders of financial organizations must strive to behave ethically always. Leaders cannot abandon their responsibilities by not setting a good ethical example for their staffs. Ethical codes and ethic orientation backed with training have minimal means to survive, except it is backed up with the right ethical actions and conduct of the top management team of the organization. Leaders are the most important key to determine the success of the ethical culture of the organization they manage. It is easier for leaders to guide their followers by always showing exemplary leadership for staffs to emulate (Bello, 2012).

A culture based on the right ethics will require that the management team will make decisions that show the adherence to the rule of the laws governing the institution and the unflinching desire to inculcate integrity in their day to day running go through an institution (Ahluwalia et al., 2018). The value management attaches to good ethical practice will help inculcate a sound ethical culture in the organization they manage (Dogarawa, 2004). Sound ethical leadership is, therefore, very key to the sustainability of the banks they manage (Adegbite, Shrives&Nichol, 2011). Management will need to create an environment that encourages sound ethical decision making among all cadres by institutionalizing an ethical culture in the organization. The best way of making the organization an institution with the right ethical culture is by ensuring management are always steeped with the right ethical culture. Also, management will need to ensure all staffs of the organization follow the tenets of the ethical code governing the organization (Ogbo, Okechukwu &Ukpere, 2013).

The role of the regulators in ensuring top management staffs comply with the mandatory ethics guidelines is very key to resolving the issues found in the sector, the regulator will have to help monitor top executives of the various banks. The management staffs should be adequately scrutinized, and sanctions enforced to ensure that there is little room for corrupt or illicit practices (Adeyanju, 2014). The primary reason behind the role of regulators in the financial institutions is to uncover and punish any misconduct detrimental to the sector and public. Without the use of regulation, the sector is very prone to abuse, the use of sanctions and other punitive measures will help put the management of these institutions in their best behaviour (Armour, 2011). The use of regulation will provide regulators with the ammunition to hold managers responsible for any unethical practices. Sanctions will be applied to erring management, to make them accountable to their failings as managers. The use of sanctions will act as a means of correcting erring management staffs and help instil discipline among management staffs of banks (Ogbo, Okechukwu &Ukpere, 2013). The Central Bank of Nigeria will have a great role to play in ensuring ethics in the banking sector is safeguarded from unethical infractions, which will help to protect the safety of all stakeholders (Oyewunmi et al.,2017). Regulators have a big part to ensure that their regulated sector is devoid of unethical practices, the non-enforcement of unethical practices can lead to more perpetration of unethical practices, due to inaction of non-punitive measures taken against unethical infractions. This fight against unethical practices is very key because increased unethical practices are detrimental to the image of the country and will help contribute to increases in social ills, which will eventually destroy the fabric of any organization or system (Nnabuife, 2010).

Banks cannot be allowed to self-regulate especially in a developing nation like Nigeria, where corruption is still endemic. Nigeria does not have strong institutions which possess strong checks and balances to warrant the regulators allowing the bankers to have relaxed regulations or self-regulation. Strong and well-detailed supervision, backed by government support, is needed.

The judiciary will also need to be strong, to enforce the law of the land against unethical practices in the banking arena (Adegbite, Shrives&Nichol, 2011). Judiciary will need to be strengthened, the legal process in the country is largely very time consuming and expensive, which have led to unethical practices in the sector sometimes going unpunished (Sanusi, 2010).

The role of the regulators with the support of the government and the judiciary is needed to protect the system from unethical practices. Some of the directors of the banks have big clout due to their political affiliations and connections. Due to their overbearing influence, supervisors might be under immense pressure not to take actions against defaulting banks and directors. Also, banks might be put under immense pressure to give out facilities to these politically connected directors and political backers, which might be difficult to recover if these loans go bad, because of their overbearing influence. The reliance on politicians to obtain bank licenses and curry government favours will also cripple the management from taking decisions that will go against the interest of the politicians or politically connected directors (Yauri, Musa &Kaoje, 2012).

Political connections, especially in a third world country like Nigeria, can easily encourage the chances of unethical practices being allowed to thrive, hence the high likelihood of corruption being rife in the affected organizations. The banking sector of the country has suffered a spate of incidences due to the presence of politically connected financial institutions (Osazuwa, Ahmad & Che-Adam, 2016). In a bid to address this issue, the regulators will need to ensure banks have a viable board of directors, who are alive to their responsibilities. The importance of having the CBN ensure operating banks have a board, who are truly independent and alive to their responsibilities of reducing unethical practices in their institutions. It is because such practices, when not curtailed, will eventually lead to the demise of such institutions. Banks who chase jumbo profits at the detriment of ethical practices will eventually collapse in the long run (Uche, 2005).

The failure of big brands such as Lehman brothers is an indication of the importance of having a truly independent and ethical compliant board overseeing the actions of the executives running the corporation. The role of the board of directors in protecting the stakeholders from any irregularities by the executives of the cooperation is very key, considering the number of stakeholders that might be affected when banks fail and the attendant effect it will have in any economy (Klepczarek, 2017). In the banking sector, the board of directors have the responsibility of ensuring that all stakeholders are fully protected by ensuring the institution is following ethical and legal frameworks guiding the institution. The board is legally responsible for ensuring that the executives running the day to day activities of the bank is following the legal and ethical business practices. Board of directors has a duty of care to all stakeholders, that at all times, they are honest in all their dealings and responsibilities, acting with integrity, always loyal to the organization they represent, fully responsible to their duties and finally ensure they are vigilant in their duties of overseeing the actions or inactions of the executives of the institution. Boards of directors must be alive to their responsibilities of ensuring the executives are properly running the organization and are not enriching themselves or doing inappropriate things at the detriment of the relevant stakeholders. A board that is alive to their responsibilities will eschew trust from all, and a compromised board will affect the morale of staffs of the organization especially in instances, where the board connives with the executives to defraud the organization or where the board turns a blind eye to the unethical practices perpetuated by the executives This will largely affect the staffs perception of the board and in turn make internal control measures such as whistleblowing ineffective (Schwartz et al.,2005). The importance of having a board whose influence and control over the executives is key to maintaining discipline in the organization (Uwuigbe&Fakile, 2012). The Central Bank of Nigeria in a bid to curb excessive unethical practices ruining the financial sector introduced the vetting of board members before an appointment. This was done to ensure that only persons knowledgeable in business and financial matters and also able to effectively perform their oversight functions are selected into the board. It also expects that only characters with integrity are given the oversight duties to perform (Kwanbo &Abdul-Qadir, 2013).

2.11 Overview of Banking in Nigeria

In 1892, the first bank, established in Nigeria, was called African Banking Cooperation. The first set of banks established were foreign banks, and it catered for the needs of expatriates and the colonial administration. The first bank in existence in Nigeria (African Banking Corporation) was a British overseas bank headquartered in South Africa. It took over the business from Elder

Dempster Merchant, hitherto carried out quasi banking activity. In 1894, British Bank for West Africa (BBWA) established a bank in Lagos and later took over the banking operations of ABC in the same year of its existence in Nigeria (Oluduro,2015).

Banking initially during the colonial time was introduced in Nigeria to provide support to the colonial authorities in place then and help the thriving export business in the country. The colonial banks were controlled from London, and hence there was no local regulation put in place to guide the banks operating then (Pasede,2012).

It is also important to note that Nigeria was the only colony in sub-British West Africa colony that could develop and operate local banks alongside foreign-owned banks. Other colonies in the region were either hampered by the colonial laws or they were having an inadequate economy base to sustain indigenous ownership of banks. With the locals allowed to set up banks in Nigeria, the country had a dual system banking system in operation. This system exhibited serious dichotomy, the foreign banks had in place, great financial clout, well-trained staffs, skilled executive personnel, restricted branch network and favoured the very lucrative export business ((Oluduro,2015). The local banks lacked the capital leverage to compete with foreign-owned banks. There were also relatively small in terms of deposits held in trust for customers. The huge difference in capital encouraged local banks to engage in risky undertakings to survive. This led to this bank easily failing after some time compared to foreign-owned banks. The first indigenous bank set up in 1929, the Industrial and Commercial Bank collapsed a year after in 1930.

The first set of local banks engaged in a high-risk speculative lending system which helped erode their small capital. Despite these challenging times, other local banks were established, but unfortunately, like the first case, a lot of them could not survive before the advent of the 1952 regulation (Ajibo,2015).

As early mentioned indigenous owned banks were characterized by poor governance structures, absence or near absence of quality management skills, overzealous rapid branch expansion not matched with the actual need for the creation of new branch networks, unskilled staffs, inadequate capital base, no bank regulation and fraudulent practice by directors (Dogarawa, 2011).

The era of 1892 to 1952 can be said to be the era of unregulated banking, the laissez-faire period of Nigerian banking, absence of regulation. This period had no level of control from a regulatory authority. It was a period of banking devoid of supervision. It was practised solely at the discretion of the owners and promoters of the bank (Ajibo,2015). The regulation was first used after the passage of the 1952 banking ordinance. Before the enactment of the banking ordinance of 1952, there was serious bank distress affecting the sector. The main reason behind the passage of the ordinance was to prevent the reoccurrence of the crisis that led to the distress of 21 banks between 1947 to 1951 (Oluduro, 2015).

The colonial government set up a commission of inquiry to investigate the widespread demise of indigenous banks operating in the country. The recommendation of the inquiry suggested that there was an urgent need for banks operating in the country to be regulated. This was necessary for a bid to curtail the avalanche of distress rocking the country then (Ajibo,2015). This was also introduced to restore confidence to depositors and other stakeholders in the Nigerian banking system.

Laws governing banking in Nigeria took effect from the ordinance passed in 1952. With the introduction of laws regulating the activities of banks, the era of free banking ended. There was the enactment of bank regulation to help ensure the right ethics was practised by banks (Paseda, 2012). The distress faced by local banks made it impossible for the colonial authority to continue to maintain a system devoid of regulation.

The era of banking supervision and regulation was ushered in with the passage of the 1952 law (Okpara, 2009). The first attempt by the colonial authorities to regulate banking in Nigeria led to the 1952 ordinance. The ordinance defined banking as the business of receiving deposits from bank customers, payable when demanded and also advancing credit facilities to bank customers. Only Companies that were registered were allowed to set up banks. It also made it mandatory for indigenous banks to have a minimum capital base of £12,500 and foreign-owned banks were required to have £100,000. It was mandatory for new banks to meet this new requirement while old banks operating in the country were given a grace period of three months to reapply for a new incense and three years to meet the new capital threshold. The new ordinance also introduced a new periodic bank examination to ensure banks were complying with the new rules (Paseda, 2012).

The 1952 ordinance made it imperative that prospective new banks had to pass some stringent tests to get bank license and the old ones had to ensure they met the new laws to practice in the country. The new bank ordinance helped to weed out some mushroom banks that couldn't meet the new requirements while some indigenous banks that survived had to get support from the regional governments in place (Uche, 2010).

The new ordinance was a great step in bringing sanity to the banking world, but it was also seen as not perfect. This can be summed up by the following, the ordinance didn't have any provision for aiding ailing banks and the three-year grace period for banks to meet up with the new capital threshold was too harsh especially by the indigenous banks. The ultimatum for banks to comply with the new capital threshold within three years or have their license withdrawn led to panic amongst depositors. This led to indigenous banks having sustained run to their capitalized accounts. The depositors had no deposit insurance policies to protect them, in the event of the banks going under hence the panic (Fadare, 2011). The new capital threshold also affected the individual bank's loan creating ability, and banks rather kept cash safe in their vaults than giving out loan facilities to customers. Foreign-owned banks have the advantage of getting funds from their foreign backers and had the privilege of having access to the London money and capital markets. Another defect found in the ordinance was the not too successful banking supervision introduced in the ordinance. Banks devised means to window dress their accounts in a bid to deceive bank supervisors. Also, the laws were only able to stop the establishment of undercapitalized banks but were unable to stop the sharp practices and unethical methods in the banking sector (Paseda, 2012).

The defects that characterized the 1952 ordinance led to the influential class of the Nigerian society requesting for the creation of an Apex bank to take over the activities of the West African Currency Board in the country. This move was necessary to help stabilize the activities of indigenous banks operating in the country (Uche, 1997). It is worthy of adding that at the time, various local nationalists and local investors were demanding that the country was ripe for a central bank, the colonial authorities and the bank of England were not enthusiastic about the idea of setting up a central bank in Nigeria. They had a contrary view about the idea, and they felt at that point that the country was not ripe for the emergence of the Central Bank of Nigeria.

They believed that without a developed political apparatus and a developed money market, the local politicians would likely interfere with the activities of the central bank (Uche, 2009). The colonial authority advised the bank of England to examine the financial system in Nigeria.

The Fisher report from the bank of England believed that the country had little or no supporting structure to support the creation of a central bank, it added that it was more reasonable and advisable that the country built it financial structures first from the bottom rather than build from the top. The report advised that instead of setting up a Central Bank immediately, three stages of development was advised. Firstly, move the West African Currency Board to Africa, thereby making the locals more conversant with the day to day management of the currency. Secondly, create a Nigerian currency board charged with creating a unique Nigerian currency and finally metamorphose into a bank charged with issuing the Nigerian currency which will in future take over fully as a full-fledged Central Bank of Nigeria. This was needed, as it is said to avoid the creation of a Central Bank that was susceptible to political undertone detrimental to thorough monetary administration. The local politicians not satisfied with the report forced the colonial authorities to get a second opinion from the International Bank of Reconstruction and Development (IBRD). The IBRD in its report admitted that the fears of the bank of England was genuine but felt the central bank needed to be established in the country as early as possible. The report felt that to delay the creation of the Central Bank in Nigeria was equivalent to preventing trained locals from being able to manage their financial assets fully. This report from the IBRD provided the masterstroke for the creation of CBN in 1959(Uche, 1997).

The CBN act of 1958 gave the legal instrument needed to establish the Central Bank of Nigeria. The law establishing the apex regulatory bank in the country was passed into law in 1958. Banking operation started in July 1959, with the creation of the CBN the apex regulatory authority and was given the mandate to curb incessant distress in the system via regulatory supervision and enactment of policies. This is to ensure the safe conduct of banking business in Nigeria. (Paseda, 2012). The first governor of the CBN was Mr Fenton seconded from the Bank of England. The mandate given to the CBN was the issuance of legal currency, have an external reserve needed to safeguard the local currency, stimulate monetary stability, ensuring a sound financial system is in operation in the country via regulation and supervision of banks and act as the banker and financial consultant to the government of Nigeria (Uche, 1997). With the creation of CBN, banks operating in the country were now under the supervision of the apex regulatory authority in the country.

The establishment of the Central Bank of Nigeria helped to improve the regulatory structure of the Nigerian banking system (Ajibo, 2015). With the inception of the CBN, it was no longer business as usual for indigenous banks. Only four banks established by indigenous investors persisted after the 1958 ordinance establishing the CBN. The survival of the indigenous banks was mainly due to the great financial aid received from local politicians and regional governments; whose clear aim was to provide support to local banks in their region. The idea behind this strategy designed by regional authorities was for banks to support their programs and finance local politicians and businesses (Fadare, 2011).

In the 1960s and 1970s, more banks were established and the role of the federal government of Nigeria and the government taking more stakes in bank ownership in the country. The federal government through the indigenous ownership drive via the Indigenous Enterprise Promotion Decree of 1977, acquired 60% ownership of the foreign-owned banks in the country and hence acquired majority shares in these banks (Ajibo, 2015). Banks in the 70s were mainly owned by federal and state governments, after 1979, privately set up banks began to emerge again, but federal government-owned banks still dominated the sector. The Structural Adjustment Programme of the mid-1980s changed the landscape of the Nigerian banking arena.

Before the banking deregulation imposed on the country via SAP, only 26 banks were operating in the country. Due to the deregulation imposed of the economy, private participation was encouraged, which in turn led to the 40 banks operating in the country (Dogarawa, 2011.). The massive structural changes in the Nigerian banking landscape led to more banks being licensed by the CBN. By 1991, there were 65 commercial banks and 55 merchant banks operating in Nigeria. In 1991 alone, 21 new banks were given banking license by the CBN (Oluduro, 2015).

The emergence of more private hands running banks also led to politicians acquiring banks with the intent of making swift money at the detriment of real, sustainable banking practice (Ahmed, 2011). The deregulation of the economy, which led to a rapid increase in the number of banks operating in the country led to the proliferation of mushroom banks in the country. This led to increases in the number of failed banks, increase in non-performing loans, incessant management failures, incessant corporate governance failures, insufficient supervisory and regulatory oversight from the CBN and inadequate capital capacity of licensed banks (Oluduro, 2015).

The increase in the number of banks also led to an increase in competition and rivalry in the banking sector. Due to the proliferation of banks, the number of available skilled personals available to run this bank was limited. This led to standards being compromised by the employment of unskilled personals. However, the capacity of the CBN to effectively regulate and supervise the increased number of banks was further compromised by the insufficient human capital needed to supervise these banks (Paseda, 2012). The licensing process introduced by the CBN was seen as too lax, this helped in a great deal the establishment of mushroom banks backed by politically connected individuals with no banking experience or qualification, needed to steer the banks to safety and ensure its sustainability (Chude &Chude, 2014).

Banks easily failed during this period because the supervisory capacity of the CBN was overstretched; the onsite banking inspection carried out by the CBN was also very irregular. Also due to the political connections of the sponsors of some of the banks, the banks were able to easily disregard the CBN's directives without facing any punitive measures during this period (Chude &Chude, 2014).

To help protect depositors from bank failures plaguing the country during the SAP era of market liberalization, the Nigeria Deposit Insurance Corporation (NDIC) was established in 1988 to offer safety nets for depositors (Alford, 2010). It was originally established to protect deposits of customers (maximum of N50, 000 which was raised upward to N500, 000 per customer's account in 2010). NDIC was established to act as a liquidator of failed banks and act in union with the CBN to examine banks operating in the country (Chude &Chude, 2014). It was set up to restore sanity to the distress facing the sector. At the time of its creation, there were seven banks already experiencing financial difficulties in 1988 and 1989. During the crisis CBN gave funds to eight banks facing liquidity issues, arising from the government withdrawal of public sector funds lodged in banks operating in Nigeria (Gummi, 2015). It was also established to carry out the final liquidation of banks declared insolvent and whose licenses were revoked by the CBN (Oluduro, 2015).

Establishment of NDIC didn't stem the tide of distress facing the Nigerian banks during the period; banks kept on failing and causing serious distress to the depositors and other stakeholders. As a result of the failure plaguing the sector. CBN suspended the issuance of new licenses after the 1991 new licenses, in a bid to restore sanity to the sector (Chude & Chude, 2014).

The measures carried out by the CBN, and the NDIC did not successfully stop the distress and challenges banks and depositors alike faced. Banks continued to fail, distressed banks in the country grew from fifteen in 1991 to fifty-five in 1994 and increased to sixty in 1997 (Ajibo, 2015). In a bid to restore confidence to the banking sector, CBN withdrew the bank license given to 5 banks (4 banks in 1994 and one bank in 1995). Central Bank of Nigeria also changed the management team of 18 ailing banks between 1995 and 1996 and withdrew the bank license of twenty-six banks in January 1998(Adeyemi, 2011).

Consequently, the CBN revoked the licenses of 5 banks (4 in 1994 and 1 in 1995). Also, the CBN took over the management of 17 distressed banks in 1995 and one additional bank in 1996.

The bank, in exercising its powers under Banks and Other Financial Institutions Act, 1991 (as amended), announced the revocation of the banking licenses of 26 banks with effect from January 16, 1998, which was necessitated by their grave financial conditions.

Market deregulation opened a floodgate of banks in the country and also provided a platform for mushroom banks to get a license from the CBN. The dual exchange rate encouraged by the policies of SAP provided a platform for banks to make arbitrage profits by simply buying foreign exchange from the CBN at the official rate and selling at a higher rate in the other market. Initially, the regulators found it extremely difficult to prevent banks from manipulating the foreign exchange market (Paseda, 2012).

Banks were now merely surviving based on money made from arbitrage. The CBN later made it less lucrative for banks by closing the gap between the official and parallel market. This move affected a lot of newly created banks which mainly earned their survival on speculative trading and ended up facing distress (Uche, 2001).

By 1995, about 60 banks in the country were in dire need of liquidity, as there were experiencing serious distress in the Nigerian banking sector (Adegboye, 2009), with the number of bank distress raising in this period. During, the regime of General Abacha, a panel was set up to investigate failed banks tribunal to help reduce the number of bank distress in the country (Ugoani, 2015). It was set up to help recover assets of failed banks and investigate the alleged misconducts committed by bank managements and staffs (Adegboye, 2009).

In 1999, enthronement of democracy, the new government introduced new reforms to accelerate the growth of the banking sector. Universal banking was introduced in 2001 to accommodate the demands of merchant banks who wanted a level playing ground with commercial banks operating in the country (Dogarawa, 2011). The regulatory authority also introduced stiffer penalties to reduce the dependence of banks on the lucrative foreign exchange market, by suspending 21 banks from participating in the market, because the affected banks flouted the rules guiding the market.

In 2004 the CBN in a bid to avoid the past distress that the banking sector witnessed with the liquidation of banks in the 1990s, made it mandatory for banks operating in the country to increase their capital base from two billion Naira to twenty-five billion Naira (Odeleye, 2014). In 2004, 89 banks were operating in the country, and many banks were in very terrible shape. To avoid any further crisis in the Nigerian banking sector, the then governor of the CBN mandated banks to raise 25 billion Naira before December 2005. This new policy introduced by the apex bank was hinged on removing illiquid banks from the banking sector (Olowe, 2011). The reform carried out by the CBN reduced the number of banks from 89 banks to 25 banks. Only 76 banks out of the 89 banks survived most of the banks that met the deadline via merger or outright acquisition of smaller banks (Paseda, 2012).

The Nigerian banking sector grew tremendously after the consolidation exercise ordered by the CBN. Banks expanded with branches opened in the country and the sub-region of West Africa. Unfortunately, this great growth experienced by the banks exposed regulatory lapses in the CBN and NDIC. The regulatory authorities were not adequately equipped to regulate the sector's monumental growth occasioned by consolidation (Ailemen& Ojeka, 2013). Banks awash with fresh liquidity, the capital base of all the banks operating in the country prior consolidation was 1384 billion Naira which rose to a higher figure of 1768 billion in 2006, after consolidation (Dogorawa, 2011). In a bid to further protect depositors and stakeholders, the CBN introduced the corporate governance codes to guide the banks operating in the country.

The corporate governance code introduced by the CBN didn't deter bank executives from using the new-found wealth awash in banks for illicit practices (Ailemen& Ojeka, 2013). Notwithstanding the efforts made by the CBN in churning out new corporate governance code immediately after the banking consolidation period in Nigeria, banks failed in their efforts in attempting to follow the rules. It wasn't helped by poor corporate governance values or culture predating the sector (Osuji, 2012).

The CBN and NDIC due to structural defects in its supervisory departments did not detect this malfeasance early until the audit examination carried out by the previous governor of the CBN, Mr Sanusi, in 2009. The audit investigation carried out by the apex bank saw the injection of 620 billion Naira into the eight distressed banks and the removal of the management teams of the affected banks (Paseda, 2012). The creation of Assets management company (AMCON) to take over the non-performing loans of banks in the country have helped to sanitize the sector (Ugoani, 2016).

The CBN, since its inception, has carried out reforms to reposition the banking sector for greater heights but its reforms have always been hampered by supervisory defects. For the apex bank to match it reforms with results, it is imperative the CBN improve its offsite and onsite supervisory responsibilities, hence becoming more proactive to nip the bud at the earliest stage and not just acting as an undertaker of banks in the country (Uche, 2010).

2.12 Regulatory Capture of Banks

The regulation of banks by regulators became a topic of immense interest after the 2007-2009 financial crisis. Many critics have argued that the capture of regulators by big banks was instrumental to the financial crisis upheaval (Baker, 2010). They all argued that the poor performance of banking supervision in the 2007-2009 financial crisis was due to regulators being captured by big banks. George Stigler's powerful article, the theory of economic regulation brought to fore the dangers of private companies hijacking their supervisory authorities and making them serve their interest at the detriment of the public interest. His argument was that private companies tend to sway supervisory authorities to their advantage, at the expense of the public (Carrigan & Coglianese, 2016).

Banks look for various arguments to buttress their points against tighter regulation by the supervisory authorities. This, in turn, contributes to the inability of regulation to prevent crisis or at least reduce its effects (Hakenes & Schnabel, 2014). It is taken for granted that the regulated banks will be interested in capturing powerful supervisors. This will help banks achieve their aim against tighter regulations at the detriment of other stakeholders (Boyera & Ponce, 2010). The capture of regulators, in turn, leads to excessive risk-taking by these banks.

Supervisory bodies usually cultivate a very close relationship with the market they regulate, and this proximity has also been described as exposing the supervisory process to the dangers of favouring the interest of banks at the detriment of the public (Pagliari,2012).

Constant interactions between supervisors and financial firms create the opportunity for the capture. Supervisors should be able to dialogue with industry but maintain an arms-length relationship to avoid being captured by the banks.

A common feature of regulatory capture is the issue of revolving doors. Revolving doors here refers to the movement of former bank supervisors to attract private sector employment and the employment of former bank executives to supervisory positions. (Miller and Dinan, 2009). In her confirmation hearing, the former USA Security Exchange Commission chairwoman, Mary Schapiro, kicked against the recruitment of former SEC officials by those they formerly regulated. In her speech, she questioned the morality of such appointment because, in her opinion, those appointments undermined SEC (DeHaan, Kedia, Koh & Rajgopal, 2014). Some literature on regulatory capture has highlighted the dangers of regulators moving to the private sector. They believe that regulators become yielding to the wishes of banks through the promise of appointments in those banks after leaving their present jobs. The incentive to get future lucrative contracts in the private sector will also help soften their supervisory stand and make them overlook infractions committed by banks (Lucca, Seru &Trebbi, 2014). It has also been argued that companies that employ former regulators have an unfair benefit over their competitors. This is mainly due to unfair insider knowledge and privileged access to supervisors (Pagliari, 2012). They also argue that having a former government official working for the private sector creates an opportunity for the retired bureaucrat to use his connections to good effect on behalf of his new employers (Hong &Kim, 2017).

Regulators also employ people with industry experience. It is argued that regulators need people with precise industry knowledge to supervise and regulate successfully (De Haan, Kedia, Koh, Rajgopal, 2014). The argument is based because banking supervision entails complex activities. It can also be argued that when old employees of private companies get employed as regulators, they can directly or indirectly favour their old employers. These can come in the form of enactment of favourable laws and direction with regulatory processes (Houston & Ferris, 2015). Appointments of people with the private sector may also create ethical issues relating to neutrality and objectivity problems (Pagliari, 2012). When people from the industry gain access to regulatory positions, they can be overly compassionate to industry's interests (DeHaan, Kedia, Koh & Rajgopal, 2014). The issue of revolving doors between supervisors and banks have been commonly seen as a reason for soft approach or lenient supervision by regulators. This undue effect has often led to a relaxation of regulatory rules and going easy on violations committed by banks. (Agarwal et al., 2014). Regulators with prior experience in the industry are seen to be entrenched in the industry setting and are more prone to see the lobbying and concerns of the industry as sincere and valid (Cortese,2011).

In Nigeria banking arena, there is an attempt to reduce the impact of regulatory capture, especially as it relates to revolving doors. In 2010, after the banking crisis of 2009 in Nigeria, the CBN made it a law to help reduce the capture of the regulatory authorities by the banks. The law made it mandatory that the outgoing Governors /Deputy Governors of the CBN and the Managing Director /Executive Directors of the NDIC were not allowed to serve on any board of banks until five years after their exit from the CBN/NDIC. It also made it mandatory that retired departmental directors of the CBN were not eligible for any appointment in banks, until after three years after their retirement from the apex bank (CBN, 2010). Although there is an attempt to stem the tide of former chief regulators working for banks, immediately after their retirement. There seem to the no rule to checkmate the impact of industry giants taking up top regulatory positions in the CBN. Looking at the last five governors of CBN, Dr Paul Ogwuma from Union Bank, Dr Joseph Sanusi from First Bank, Professor Chukwuma Soludo from the University of Nigeria, Mallam Sanusi Lamido Sanusi from First Bank and the incumbent governor. Godwin Emefiele from Zenith Bank, Nigeria. Chief pilots of the CBN are usually selected from the managing directors of major banks in Nigeria. This growing trend might encourage the capture of the apex bank by these banks. The theories of regulatory capture argue that revolving doors may lead to distorting regulatory laws in favour of the governed banks (Pagliari, 2012). The possibility that regulation could perform exactly the opposite role it was created for is captured in this theory (Carrigan &Coglianese, 2016). It should not be taken for granted that a captured regulatory body charged with protecting the interests of the public is often worse than no regulation at all (Pai & Tolleson, 2012). The crisis that befell the financial sector proved that regulatory capture remains a threat to financial stability, and all effort should be taken to curtail this threat (Barzin, 2014).

2.13 Prudential Supervision and Regulation in Developing Nations

Supervision and bank regulation are connected and linked because supervision entails ensuring banks adhere to the regulation governing them. The information and data gathered from bank supervision provide insight for policymakers to configure the regulatory process. This insight garnered from the field ensures that laws are made that will shape banks on the right path. The emergence of new risks or new business models discovered during supervision also provides an outlet for regulators to design new regulation or modify regulations to accommodate the new changes (Berkowitz, 2015).

Bank regulation is the rules used to govern the activities of banks while supervision is actions used by regulators to ensure banks comply with the regulations. Banking regulation comprises of many aspects, such as banking license, restriction on ownership, capital base, management structure, reserve provisions, liquidity provisions (Eisenbach et al.,2016).

Supervision will ensure that all the regulations rolled out by the regulatory authorities are correctly adhered to by the banks (Kupiec et al. 2017).

Prudential supervision occurs when the government enacts rules to minimize risk-taking by banks, and the regulatory authorities act as surveillance to ensure banks comply with the law. Prevention of excessive risk-taking by banks in developing nations of the world has become very important, as events have proved recently (Goldsmith-Pinkham et al., 2016).

Prudential supervision will help to ensure the regulated banks comply with the laws. This will help to reduce risk-taking by banks.

Supervisors will be mandated to monitor banks to see that they are complying with these regulations and not taking on excessive risk. This will help to reduce risk-taking by banks, needed to ensure the safety and soundness of the banking system (Mishkin, 2001).

It also entails the regular surveillance of banks to detect any unwholesome behaviour by banks. This will help the authorities to nip the bud and hence stopping any form of infractions from occurring in the banking sector. It is a tool used in complementing bank regulation (Goldsmith-Pinkham et al., 2016).

It is used by regulators to safeguard both the short- and long-term sustainability of banks. This occurs because banks are expected to adhere to stipulated regulatory codes and make corrective actions required by the regulatory authorities (Goldsmith-Pinkham et al., 2016).

Preventing excessive risk-taking with prudential supervision is even more critical in emerging market countries, as recent events have indicated. Poor supervision of banks by regulatory authorities have created severe issues in these nations of the world, which in turn led to great economic upheaval in the affected nations (Mishkin, 2001). Due to the widespread crisis that bedevilled banks in the past. Bank regulation and supervision is improving in many developing nations of the world (De Krivoy, 2000)

Laws are constantly rolled out to ensure regulators curb the excesses of bank risk-taking. In the past, worries about bank failures did not carry so much urgency from concerned parties, especially regulators and governments in this nation (Brownbridge &Kirkpatrick, 2000). Until recently, it was more lip service paid to it than fighting the scourge. The entrenchment of Basel committee standards for supervision and cross border listing of banks helped fight this scourge, with the listing of global banks in this developing countries and more global investors coming investing in these countries, bank supervisions in developing nations, have been forced to upgrade to protect these new investors (Gottschalk,2014). Also, the banking crisis that occurred globally has necessitated the crafting of new banking regulations by bank supervisions from developed nations (De Krivoy, 2000).

In Nigeria, the supervisory body charged with ensuring the crafting of laws that will shape the banking sector of the country is the CBN. The apex bank has rolled out several reforms to help reduce the corporate governance misdeeds in the banking sector. The issues affecting developing nations like Nigeria have always been carrying out the reforms adopted. There remains a need for regulators in developing nations of the world to be well trained, to ensure that they can effectively and effectively carry out their duties transparently and proactively (Krivoly, 2000).

Conscientiously carried out supervision will help make it difficult for banks to evade the laws governing them. It will also make it easier for banks to be motivated to comply with the rules because they fear being caught and sanctioned for non-compliance (Kane, 2008). The willingness of supervisors to act or be very proactive will help provide stability needed for the sector. According to Todorovic (2013), the real blunder or oversight of regulatory authorities is not the closure of distressed banks but the unwillingness or delay in finding solutions to issues identified in banks. In this sense, the main role of any regulatory body is proactive in the identification of issues that act as a threat to the survival of banks. This timely intervention will help in bringing stability to the banking industry.

Stringent policies or regulation will not stop banks from acts detrimental to good corporate governance. What is required from supervisors is the willingness to act and the ability for bank supervisors to be very proactive in their duties (Prorokowski, 2011). The near-collapse of some banks in the country has led to policymakers and other stakeholders taking note of the importance of good corporate governance. This has been reported that it can only be easily attained through good supervision backed with proactive enforcement and objective regulations (Nnanna, 2014).

2.14 Basel 111

The fallout from the financial crisis led to several changes aimed at introducing laws relating to an increased level in the quality and quantity of capital held by banks. It was discovered that the global meltdown was partly caused by the inadequate level of capital. In a bid to address this anomaly, it was agreed that banks need to shore up their capital base, which will help in absorbing losses when they occur (Ojo, 2014). In December 2010, the Basel Committee on Banking

Supervision made public the contents of the new Basel Accord called Basel III. It was introduced in reaction to the events of the global financial meltdown. The lessons learnt from this meltdown led to the committee to make some sweeping changes to the previous Basel II accord. The new accord made it a point of duty for banks to maintain a certain level of capital or assets which are not burdened by contractual requirements for repayment demands. It also provides a bank with a good liquidity position that helps to allow banks to remain viable or solvent in any event of any financial crisis or major losses (Lyngen,2012).). The introduction of Basel lll is geared towards making banks become more resilient (Lee, 2014).

Since the original Basel Accord, Basel I was introduced in 1988 and 2013, and Basel III was implemented, capital adequacy requirements, have maintained the leading method of ensuring the financial health of banks. The motive behind having banks reserve regulatory capital is to ensure banks have enough in their reserve, to draw in any event of financial stress or any adverse situation.

These reserves comprising of shareholders' fund and its retained earnings, help provide a buffer against any adverse situation (Lee, 2014). The Basel Committee usually uses capital to regulate bank because all its members have a capital adequacy requirement in place for their financial institutions (Lee, 2014).

Basel III accord was introduced in a bid to strengthen the make-up of capital in the form of more sophisticated capital. To mitigate against capital issues in banks globally. The Basel Committee has introduced two buffers to contain the capital crisis. With the creation of a capital conversion buffer, banks are expected to be able to shore up their capital base during the financial crisis, by being in a better position to recover losses. The improvement will help banks to be more liquid compared to previous times. This will enable banks to become better equipped financially and maintain a sustainable enterprise in the long run (Kuvalekar, 2016). It will enable banks to view risk and finance with a better perspective. One of its major highlights is the integration of risk and finance management. The meaning of tier one capital will be reduced to retained earnings and common shares (Madzova, 2012).

The basic idea behind the higher tier one capital outlay is to provide banks more capital to protect their risks. However, this basic idea has drawn several debates with different viewpoints; one school believes that having banks put in place higher tier one capital will make the banks become more resilient and help reduce the risk of bank failure (Admati et al., 2013). The other line of argument argues that having banks keep higher equity relative to debt financing would lead to higher cost for financial institutions, which will be passed to bank customers, leading to higher lending rates, thereby leading to a contraction in the economy (Cosimano and Hakura, 2011). The devastating events of the financial meltdown coupled with the earlier stated inadequacies of Basel11 made it imperative for the introduction of Basel III with higher tier one requirement. Cosimano and Hakura, 2011). The accord was thrown in as a crisis management response to the liquidity crisis that bedevilled the 2007 financial crisis (Mustilli, Campanella & D'Angelo, 2017).

Basel 111 also provides more attention to risk management, looking at areas such as the sound practice of corporate governance, off-balance sheet exposure & securitisation practices and also bonus payments (Cosimano and Hakura, 2011). Basel III makes it mandatory for banks to disclose their securitisation exposures and capital ratio calculations. Basel III accord addresses various risk elements not well addressed in Basel 11. It ensures bank put in place higher capital requirements for derivatives trading and securitisation and introduced better risk weights to better address risks in trading profile (Kapoor, S., & Kaur,2017). It also mandates banks to make some mandatory disclosure about its regulatory capital holdings available on its website (Lyngen, 2012). It also makes a clarion call for supervisors to become more proactive in their responsibilities (Cosimano and Hakura, 2011).

During the financial meltdown, some banks during the early stages kept paying out dividends to shareholders and bonuses to their staffs. These unnecessary distributions especially during this trying time helped to deplete the capital reserves of the affected banks and made it near impossible for the affected banks to absorb more losses that were occasioned by the happenings of the meltdown. This was one of the several reasons that led to the Basel Committee of supervisors to come up with the conservation buffer and countercyclical buffer in Basel III. The capital conservation buffer makes it mandatory for banks to hold common equity of seven per cent of the risk-weighted assets. In the period of stress, banks can go below the seven per cent threshold but are also tasked to rebuild through a reduction in discretionary distributions. This reduction will likely include a sharp reduction in dividend payments, share buybacks, and bonus paid out to employees. Regulators are expected to enforce the reduction until the buffer threshold is met again (King&Tarbert, 2011). The only alternative left for banks, who insist on discretionary distribution payout is to go to the private sector to raise more capital, to meet up with the conservation requirement set up by regulators **(**Adesina, & Mwamba, 2015).

The introduction of Basel III is expected to improve the supervision and monitoring of banks by regulatory agencies. This will help reduce the use of bailout to rescue banks operating in the country (Lee,2014) The conservation and countercyclical buffer will help ensure banks use their own funds in a time of stress rather than rely on regulators funding (Lee,2014). The main reason behind the introduction of capital conservation buffer in Basel 111 is to ensure banks have excess liquidity that can be used to meet liquidity requirements during the time of financial stress. Also, to ensure that banks do not spend excessively until they have met the minimum threshold put in place. This will help to address the liquidity crisis of the financial meltdown (Balasubramaniam, 2012). This will help address the issues that bedevilled the financial sector during the financial crisis. It was well known that the crisis was heralded by a period of excess credit accumulation which helped in disrupting the banking sector. These issues led to the use of the buffer as defence or extra cushion to ensure banks are more resilient in the very volatile banking sector (Burra et al., 2015).

Two different capital buffers were introduced by the Basel Committee Members, while capital conservation buffer is charged with the responsibility of ensuring the protection of individual bank (micro-prudential approach). While the countercyclical capital buffer is responsible for ensuring the protection and resilience of the banking sector as a whole (Marco prudential approach). The aim of the countercyclical capital regulation is to ensure the banking sector's lending is corrected and geared towards sustainable economic growth (Hofbauer, Klimontowicz&Nocon, 2016).

Conservation buffer is expected to be composed of primarily common stock equity and retained profits; it will demand that the financial institution's capital structure comprise of capital provisions that can fully absorb losses made by the institution. Critics are also of the opinion, that due to the capital provisioning made by the financial institution, the profitability at least in the short term will reduce, this is due to the banks making capital provisioning available for periods of downturn instead of making it possible for more asset creation or asset growth (Agbaeze & Onwuka, 2014). Critics argue that banks adopting the buffer will be costly, very capital intensive because of banks holding more to equity than releasing it to create more asset hence leading to profit reduction for the bank (Andoni, 2013). Also, the advantage of keeping a healthy and adequate conservation capital buffer is that it will help avoid banks from restricting bonus payment to staffs and dividend payment to shareholders. It provides banks with resilience and also, in addition, the ability to grow the capital base to refrain from having restrictions on their capital distribution and payout (Schwerter, 2011). It will also provide banks without strong capital base the opportunity or means of building up their capital base through this enforced savings (Fullenkamp&Rochon, 2015).

The buffer makes it mandatory for banks to obey the conservation buffer, it is unacceptable for banks to use forecasts of future recovery of the conservation buffer to hand out dividend or bonus payment to shareholders or staffs. Non-depositor stakeholders will have to bear the brunt of the cuts on bonus or dividend distribution until the capital conservation threshold. It will be prohibitive for banks to deplete the conservation buffer, except they have met the required threshold (Keefe & Pfleiderer, 2012). Banks won't be allowed to breach the minimum capital threshold and will be in a position to carry out the banking business and remain sustainable without deleveraging. The 8% minimum capital requirement remains unchanged but backed up with the conservation cushion of 2.5%. Banks will be forced to remain prudent and conservative in their financial outlay or payouts (Jayadev, 2013).

Banks and other financial institutions are prone to cycles. In peak periods, they get involved in speculative lending that leads to great levels of leverage. Eventually, the bubble will get busted, and the sector gets into a crisis. Financial institutions with great debt will begin to collapse, and their failures will become systemic. This systemic crisis will make healthy banks cut down on their leading, which eventually will lead to more contractions in the economy (McDonnell, 2013). Combating this Pro-cyclicality has been a major topic among regulators, with the Basel committee attempting to remedy pro-cyclicality with the new Basel accord (Goyfman, 2013). The absence of satisfactory countercyclical prudential regulation to deal with pro-cyclicality escalated the last global financial crisis (Delimatsis, 2012).

Pro-cyclicality was a contributory factor in the last global financial meltdown, during the boom period preceding the crisis, credit grew astronomically as banks had easier means to debt funding while credit supply dried up during the economic downturn. In a bid to address or checkmate this issue, the Basel 111 introduced the countercyclical buffer, which is designed to address the problems associated with pro-cyclicality. By making sure during credit boom periods, the capital base of banks is strengthened, the sector can take in losses during economic downturn periods without stopping the flow of credit to the economy. The Basel Committee in the Basel III introduced the countercyclical buffer to provide a safety net, from systemic risks caused by excessive aggregate credit growth. The main objective of the buffer is to provide banks with the means of capital build up during peak periods, which will be required during the times of contraction in the system (Balasubramaniam, 2012).

The events of the financial crisis made regulators and policymakers fashion out this tool to address the pro-cyclicality of the financial sector. The main ways at which banks have been mandated to address this issue is to re-examine how bank regulation adapts or responds to cycles in the financial sectors. Over the years, financial experts have noted that they would prefer regulation to be countercyclical, regulation should be made to adapt to economic changes. Also, regulation should be made to be stronger during periods of speculative booms, bubbles and excessive debt while during periods of crisis, regulation should be designed to be loose. In a bid to help the economy recover from the contraction, this will enable the banks to support the economy by providing credit in support of the economy (McDonnell, 2013). The Basel 111 accord will give bank supervisors the power or ability to reduce or strengthen bank lending, depending on the current economic cycle .this buffer will help reduce the impact of the pro-cyclicality of the economy (Delimatsis,2012) by ensuring banks build up buffers in peak periods that can be used during lean periods. It is seen as a precautionary measure introduced by regulators to ensure that banks accumulate capital progressively as systemic risks build-up due to increased credit growth in the economy. It is geared towards ensuring that the economy is quickly returned to normalcy during periods of the sustained downturn by providing the credit needed to put the economy back on track (Adesina, K.S. and Mwamba, 2015). This will enable banks to have capital that can be used during periods of financial difficulties. The accumulation of capital during periods of the surplus will go a long way in addressing the pro-cyclicality inherent in the financial sector. It will go a long way in strengthening the financial institutions, thereby helping to avoid strains that occur during periods of financial distress. For this scheme to be successful, it will also be very key for bank regulators to correctly identify the correct timing of the financial cycle, this will help define the periods for the accumulation of the buffer and the release of the capital to address strains found in the system (Drehmann et al., 2010). It is expected that supervisory authorities will always monitor credit build up in the economy and other forms of systemic risk build-up in the economy, this will ensure the regulators can correctly predict when to implement the countercyclical buffer (Keefe & Pfleiderer, 2012). Although it has been said that the effectiveness of this buffer will be challenging from a developing nation's perspective, because most developing nations of the world do not have the capacity or tools to accurately forecast the credit bubble, especially with the ever-changing conditions of most developing nations economy (Jones & Zeitz, 2017).

Typically, excessive credit growth would lead to the requirement for building up to higher countercyclical buffer; however, the requirement could reduce during a period of sustained periods of economic contraction. Supervisory bodies will be charged with the responsibility of deciding when the lending boom is harmful to the health of the country's financial system and when the countercyclical capital requirement is needed to restore order in the financial sector (Getter, 2012). The judgement of national supervisors will be key to identify periods where aggregate credit growth necessitates the creation of the buffer to curb systemic credit risk (Khan, 2013). The decision on where the countercyclical buffer is needed to be applied will strictly be at the discretion of the national supervisor, although it is likely to be applied infrequently (Fullenkamp&Rochon, 2015).

This buffer, when applied, is geared towards providing the economy with a safety net from risks that will arise during periods of unsustainable credit growth (Balasubramanian, 2012). This unsustainable growth might be due to unsustainable growth in asset pricing or bad underwriting standards. This countercyclical buffer is designed to provide adequate protection to financial institutions in the country, and during periods of economic upheaval, it will provide the necessary stimulant to induce the recovery of the economy from the contraction of economic distress. Banks will be required to save more during good times and save lesser capital during a period of upheaval. This will enable banks to avoid giving out excessive credit when demands are high and help keep the banking sector in good shape. During periods of upheaval, banks are provided with capital saved during good times which is made available to creditors, in a bid to stimulate the economy (Gupta & Bhat,2014). It is a macro-prudential regulation designed by Basel supervisory authority to help provide protection to the financial system as a whole (Fullenkamp&Rochon,2015). It will help ensure that the financial sector has enough capital to help provide the supply of credit needed for the smooth running of the economy (Keefe & Pfleiderer, 2012). The creation of countercyclical capital buffer will help remedy the flaws of micro-prudential regulations designed to focus strictly on the safety and health of individual banks which help to induce pro-cyclicality in the economy (Kowalik, 2011).

The last financial crisis led to material liquidity risk in banks globally. Banks were faced with loan commitment defaults, non-repayment of interests on credit facilities, asset fire-sales etc. helped to triggered banks liquidity and access to funding to honour their liquidity obligation. In a bid to help banks honour their liquidity obligations and avoid bank runs, Federal Reserve Bank in the United States of America and other Central banks worldwide had to provide discount windows and other special liquidity facilities, to enable banks to survive the dire times (Cetina &Gleason,2015).

The lessons learnt from the crisis have led the Basel committee to develop stricter and detailed standards to address the liquidity challenges that affected banks during the last financial crisis

(Cetina &Gleason, 2015). In a bid for banks to have more liquidity, the Basel committee has introduced two different measures to use to access the liquidity position of banks globally, the two measures introduced are the 30-day liquidity coverage ratio and the net stable funding ratio. Both measures are to be used to ascertain the bank's current short- and longer-term liquidity position. The 30-day liquidity coverage ratio is used to promote or ascertain the bank's short-term resilience to the likelihood of liquidity crisis while the net stable funding ratio will help to ascertain or reveal the bank's likelihood of meeting up with any medium- or longer-term liquidity disruptions (Getter, 2012).

The Basel III liquidity constituent introduced two essential liquidity tests that banks are required to pass in order to meet the minimum liquidity requirement. The first test, which is known as liquidity coverage ratio, pays attention to short term liquidity. A stress test is carried out to determine if the bank has enough assets to withstand cash outgoings in one month, in the event of bank's credit rating drop, losses of a certain form of funding and an adverse event. The second test is called the net stable funding ratio, measures the bank's medium- and long-term liquidity position using a similar method, employed in the liquidity coverage ratio, but based on one year (Lyngen, 2012).

These liquidity requirements happen to the first set of common global liquidity requirements adopted by the Basel committee to ensure that banks will have enough liquid or cash-like assets to protect them against any severe short term or medium to longer-term liquidity disruptions (Kumari, 2013). It is the first attempt by Basel to harmonise standards globally, which will help create multibillion, cost savings for international banks that operate globally. The key reason behind the creation of the liquidity coverage ratio is to create a quantitative minimum liquidity threshold that is globally recognised, which will help ameliorate the fragile liquidity position of banks revealed during the 2007 -2009 global financial crisis (Cetina &Gleason,2015). Before now, most regulators saw liquidity as being complex as well as more bank-specific and therefore was taken to be more apt to have home supervisors issue country-specific guidelines than have a globally harmonised standards. It was argued then that home supervisors should be responsible for setting the liquidity guidelines for their country because liquidity guidelines were taken to be more country-specific than using global guidelines (Bonner & Hilbers, 2015). All these factors led to the abandonment of harmonised liquidity guidelines globally, which was also one of the reasons why a lot of banks suffered a liquidity crisis during the last financial crisis. The dearth of liquidity led to banks attempting to correct this situation by fire sales, in a bid to increase their liquidity position. These fire sales, however, reduced the value of those sales and further increased shortage of liquidity in the market, further inflaming the crisis (Baker, Cummings, & Jagtiani, 2017).

The 30-day liquidity coverage is created to act as a buffer to checkmate cases where a bank will fall into liquidity crisis due to shortfall in the liquid or cash-like assets. This will likely comprise of a bank's liquid assets, comprising of cash and government securities (Delimatsis, 2012). The liquidity coverage ratio makes it mandatory for banks to keep in their coffer, high-quality liquid assets that have no immediate financial impediment, that can easily be used to meet any dire liquidity obligation within a 30 day duration period. This liquidity requirement aims to ensure that banks can meet up their liquidity obligation without help from the Central Bank or government assistance (Hlatshwayo et al., 2013).

The liquidity coverage ratio is designed to ensure that banks will be in a good position to address any drastic drop in their short term unsecured interbank liquidity funding without any drastic effect on the economy. This is due to their more vibrant liquidity position due to banks and supervisors religiously following the dictates of the liquidity coverage ratio. Banks will rely less on interbank funding but instead have in their position higher liquidity buffer, thereby helping to avoid the need for a bailout by central banks (Schmitz, 2012). This will be greatly aided by banks having in their position enough risk-bearing instruments that can help protect or hedge against banks liquidity risk exposure. This will help ensure that banks have enough in their reserve to hold out against any sudden liquidity stress for 30 days (Schmitz & Hesse, 2014). This buffer will help prevent liquidity distress by ensuring that banks hold enough in liquid assets to deal with any maturity mismatch between assets and liabilities in their books (Bech& Keister, 2017). It will also help prevent bank runs ensuring continual stakeholders' confidence in the bank. It can also help reduce the maturity mismatch by ensuring the cutback on asset maturity and an increase in liability maturity (Li et al., 2017). Liquidity buffer will help prevent or reduce the chances of fire sales, deleveraging and credit restrictions occurring, it will also provide more time for management and regulators to manage any liquidity crisis without first recourse to bailout from taxpayers' fund (Duijm & Wierts, 2016).

Banks tend to want to get involved in too much credit transformation and also in liquidity transformation, with the risk of being prone to costly maturity disparity. Banks will likely hold assets which are mostly illiquid, risky and long term relative to what they should desirably hold in their books. This maturity disparity will make banks undergo great stress when faced with liquidity issues, which, when not properly managed, can lead to a systemic crisis in the financial sector. Bank Regulation globally and bank supervisors are employed to fight this scourge, by controlling the risk-taking, in a bid to reduce the risk of bank failure or systemic failure in the financial sector. Banks have the motivation to engage in risky credit and maturity transformation, which, when not managed, can lead to a liquidity crisis in the affected banks. The affected banks will most certainly go hand in the cap to the central bank, when in a liquidity crisis, which further highlights the importance of having the regulators put measures in place to control any liquidity crisis developing in their regulated domain (Cecchetti, 2015).

The role of the prudential regulators will be to ensure that banks do not rely on too many short term, liquid liabilities to finance long term, illiquid assets. This will help reduce the banks using the regulators to finance their short-term liabilities, thereby easing liquidity problems from developing in the sector (Cecchetti, 2015). During the financial crisis, banks suffered serious liquidity problems despite having a huge capital structure in place. The Basel 111 30-day liquidity coverage ratio will help regulators ensure operating banks follow the tenets of the rule, by having liquid assets that will be used to liquidate any short-term matured liability even during crises. During the crisis, banks are allowed to liquidate the liquid assets and can temporarily fall below the 100% liquidity coverage ratio (Nilsson, Nordstrom&Bredmar, 2014).

The role of regulators will be very key to avoid depositors and other relevant stakeholders from losing confidence in banks and financial institutions. This necessitates the regulators encouraging or forcing the banks to keep more investment in short term assets, which will help them maintain sufficient amount of liquidity that will help meet up with the designed liquidity coverage ratio threshold (Handorf,2014). The use of the liquidity coverage ratio will provide the measures that will help banks remain resilience to their short-term liquidity stress. It will ensure banks maintain liquidity model that incorporates their short-term liquidity risk better, thereby improving their liquidity risk management (Gomes &Khan, 2011).

Regulators are now fully aware of the importance of banks of having a good liquidity position both in the short and long term to maintain the health of the financial sector. Liquidity regulation will now be seen as very important alongside capital regulation in financial institutions (Yan et al., 2017). Because the importance of having the liquidity position in the financial sector is because any liquidity crisis in one bank can quickly spread to another bank, thereby leading to a systemic crisis in the financial sector and the economy generally. The fall of Lehman Brothers in September 2008 in the United States of America reinforces the contagious nature of illiquidity crisis, the fall of one bank can lead to a crisis in the sector. The right liquidity management will need to be adequately monitored by regulators, especially considering that most banks largely finance their credit facilities with deposits, which exposes them to liquidity quagmire. Banks will need to be monitored by regulators to ensure, that they have the right amount of liquidity which can easily be used to cover liabilities in crisis periods (Mashamba, 2018).

The introduction of the liquidity coverage ratio in emerging nations of the world will help ensure the stability of the financial sectors. It will help make the stocks of these banks more attractive to foreign investors, thereby providing more funding opportunities for these banks (Mashamba, 2018). African banks will largely benefit from having the liquidity coverage ratio adopted by their regulators. It will help provide a more reliable safety buffer than what is currently available in most nations of Africa. With the current surge of globalisation, the money and capital market of African nations will become far more sophisticated, banks operating in the continent will begin to attract more wholesale funding, which will make banks make use of more wholesale funding compared to previously depending largely on retail funding. With the addition of more wholesale funding, the liquidity coverage ratio will provide more protection for banks operating in the continent. The introduction of Basel liquidity coverage ratio in African banks will go a long way in providing a more robust safety net than what is presently obtainable (Kasekende, Bagyenda& Brownbridge,2012) It is seen as more robust because unlike previous liquidity regulation in most African states which focused more on liquidity risk arising from deposits. This new standard takes account of liquidity risk from all areas of the balance sheet as well as off-balance sheet items compared to previous regulations that had liquidity regulations solely structured mainly on liquidity risk coming from runs on bank deposits regulations in Africa, which are focussed primarily on the liquidity risk arising from runs on deposits (Kasekende, 2015). Banks operating in the continent of Africa will need to incorporate the stringent conditions of the Basel frameworks, to access the international funding market better and make international investors have greater faith in their ability to survive any crisis that might endanger their investments or funds (Mynhardt &Marx, 2018).

The new liquidity regulation prescribed by Basel also recommended interrelated guidelines for regulators to use to ensure the liquidity of banks to ensure the better management of maturity disparity between their assets and liabilities, within one year. This new standard prescribed is known as the net stable funding ratio. This new standard helps to establish a stable funding flow that a bank should have in their position to meet up with their maturity obligations (Bech& Keister, 2017). It will provide a complementary role to liquidity coverage ratio by ensuring a very stable, long term reliable funds available to take care of matured liabilities. The amount of stable funding is expected to exceed 100% to ensure that the available funding exceeds the matured liabilities for the given period. The goal is for banks to have enough funds, which the financial institution will use to deal with any market issues that will arise in an ongoing manner (Gideon et al., 2013).

The net stable funding ratio is designed as a prudential requirement that takes care of transformation risk, based on the knowledge that there might be an incentive for banks to rely on unstable funding. It intends to avoid banks having funding sources that are less dependable and unstable (Gobat, Yanase, &Maloney, 2014). Basel committee expects that regulators will ensure banks have a net stable funding ratio that is greater than one. This will ensure banks are resilient over a longer-term period compared to the liquidity coverage ratio. The ratio is calculated as NSFR= Available Stable Funding divided by Required Stable Funding (Giordana, & Schumacher, 2013). This ratio is the level of stable means of funding in a bank divided by the level of assets, calibrated for their propensity to be liquidated. Stable means of funding comprise of Tier 1and Tier 2 capital, other preferred equity shares, liabilities outgoing with maturity duration of more than one year, and parts of those liabilities with short or unknown maturity durations, such as demand deposits (Elliott,2014).

Stable available funding can also be described as any equity and liability funding that is available to the bank over one year under stress conditions, lending from the Central bank is not seen as a stable means of funding, this will ensure banks do not rely on the central bank for funding their matured obligations. Required funding is decided by the liquidity nature of the bank's assets and liabilities exposure (Van den End, 2012). The ratio helps to determine how banks will cope when they face a crisis. It will help avert situations where banks cannot raise funds due to them not setting aside ample stable funds to overcome any unforeseen situation from developing within one year (Chun, Kim &Ko, 2012). This requirement is aimed at encouraging banks to use longer-tenured funds for matured liabilities that fall within a year, and this is to avoid the crisis that affected the liquidity of big American investment banks such as Bear Stearns and Lehman brothers who relied more on short-tenured wholesale funding from the interbank lending market during the financial crisis (Vousinas, 2015).

The key lesson learnt from the unfortunate episode was the need to avoid financial institutions relying on turbulent and short-term sources of funding and instead support them to have in their funding sources, more stable and longer funding sources. It deals with the regulators limiting how banks under their supervision use unstable short term borrowing to fund long term assets (Ingves, 2014). Banks will no longer be encouraged to depend on short-tenured wholesale funding especially during periods of the abundance of liquidity and also help banks better manage their liquidity risk across both on balance sheet items and off-balance sheet items. The goal of the NSFR is to restrict the dependence on short-term wholesale financing when market liquidity is abundant and promote better measurement of liquidity risk across on- and off-balance sheet element (Petitjean, 2013).

The first form of defence against future liquidity crisis is the ability of banks having a well-structured risk management team which is key to ensuring the sustainability of the banks and also regulators ensuring banks faithfully follow the principles of the liquidity coverage ratio and the net stable funding ratio adequately (Ingves, 2014). The new global standards will help banks manage their liquidity properly, thereby giving investors and other relevant stakeholders, the trust in the ability of the banking sector to overcome any periods of stress and hence, lowering the chances of banks having liquidity crisis in the sector. Thus, even in the event of any acute financial challenges, the stockpiled stock of quality liquid assets will enable banks to take in liquidity shocks, empowering them to continue to their responsibilities and perform their intermediary role uninterrupted. This will help provide the needed succour to the financial sector and economy (Gomes &Khan, 2011).

2.15. Diaspora remittances

Poverty remains a source of worry for Nigeria, and the country happens to be one of the poorest nations of the world. Poverty happens to be one of the overriding factors behind Nigerians migrating to other nations of the world, to get a better standard of living. The migration of Nigerians provides the outlet for flow of international remittances to the country. Remittances are funds people transfer from their destinations of abode to their countries of birth or nationality (Olowa & Awoyemi, 2012). These remittances are usually transferred via two different channels, namely formal and informal. The formal channel comprises of transfers done through financial institutions, money transfer Organizations and posts offices while informal are transfers done outside the official channels, like giving money to travelling friends to help to deliver to family and friends. Such transfers are not registered and are usually found among African and Asia migrants (Julca, 2012).

International remittances have helped most developing nations of the world acquire alternative means of investment and consumption. It has afforded developing countries the opportunity to raise alternative sources of consumption and investment financing for its citizens (Oduh &Urama, 2012). This remittance helps to provide succour to the kin left behind in the country and has become a form of lifelines for many homes. Nigeria happens to be the highest recipient of all remittances in sub-Saharan Africa and globally among the countries with the highest recipients of remittances (Akanle &Adeshina, 2017).

Apart from providing lifelines to households in the country, the Nigerian economy also depends on remittances received from Nigerians living aboard for foreign exchange, the remittances received from the western world makes up the second highest foreign exchange received after oil. In 2014, alone Nigerians living outside the shores of the nation transferred twenty-one billion United States Dollars (Adamu, Kabuga &Suleiman, 2015).

Some economists also believe that remittances have helped stabilize the Naira against other currencies of the world (Olowa & Awoyemi, 2012). Remittances received from aboard when invested by recipients or originator of the remittances helps to provide a direct source of capital needed to enhance economic growth.

Nigerians living in the diaspora still maintain very close connections with family and friends despite the distance from home. For example, Nigerians who reside in the United Kingdom, Canada and the United States of America still maintain cordial affiliation with families and friends back in Nigeria through different cultural groups. This close affinity has helped to maintain the surge in diaspora remittances received in the country (Adeagbo & Ayansola, 2014).

Remittances have always been linked to migration, which is etched in human history; without migration, there cannot be remittances. Migration and remittances have continued to increase over the years, especially as it has become the mainstay for poor and developing nations of the world (Adeagbo & Ayansola, 2014). Remittances from overseas have become a very important source of funds for many nations in the developing world. Remittance from aboard helps to generate great impact for many people living in the developing nations of the world. It is becoming a constant means of livelihood for the dependents of people living in developed nations of the world. Households with relatives abroad get remitted monies to help augment their income (Quartey, 2006). The drive-by migrants to secure a better future for themselves and their dependents back home have fueled the drive for international migration (Raimi&Ogunjirin, 2012).

During the pre-independent Nigeria, citizens of Nigeria travelled to the United Kingdom, mainly for academic pursuit. A great number of Nigerians who travelled to the United Kingdom stayed back and didn't return to Nigeria after their studies. After independence from the United Kingdom, the migration to the UK continued, with Nigerians going there to study. Besides, Nigerians started going to the United States for study, business-related transactions and work. With the oil boom of the 70s, other nationals of African nations came to live in Nigeria and Nigerians did not have to travel a lot because of the economic boom prevalent then (De Haas, 2006).

In the early 80s, there was a great surge in the migration of its citizens to Europe, North America, the Middle East and the Republic Of South Africa in the 80s. This surge in the number Of Nigerians living for the diaspora was due largely economic hardship laced with a repressive military dictatorship prevalent in the country. Once these Nigerians moved aboard, they began to send money back to support the families and friends they left behind in Nigeria. Majority of remittances received in Nigeria come from the western world, mainly the United Kingdom, United States of America, Italy and other parts of Western Europe. Most of the remittances are done via Money Transfer organizations. Most banks operating in the country currently have agreements with these Money Transfer organizations, to help facilitate smooth transfers (Olowa & Awoyemi, 2012).

The increase in the number of money transfer organizations globally and the huge potential for maximizing profit in the business of remittances have led to more interest from the private sectors. The banks have not been left out of this current wave of interest. Banks have now been actively urged to fully participate in the business of migrants sending remittances to their home countries. Banks are now encouraged to cut down on their fees and processes to facilitate more migrants using their services and encourage the migrants to open bank accounts in their home nations. This will help in channelling the remittances into more productive investments (Ruiz&Vargas-Silva, 2009). Banks in Nigeria are currently taking advantage of the huge market involved in getting Nigerians in the diaspora, to open bank accounts with them. Banks are now offering products specific to the needs of Nigerians living in the diaspora in a bid to encourage them to operate accounts with them. This huge market is expected to provide banks in the country access to the huge inflow of remittances coming from Nigerians living aboard. In recent years several developing nations of the world — including Albania, Ethiopia, India, Kenya, Nigeria, Sri Lanka, and Turkey — have made changes in their banking regulations, which is aimed at attracting diaspora savers to diaspora accounts products. The maintenance of such accounts by members of the diaspora communities will help increase the assets of the banks thereby providing them more loanable funds that can be channelled for lending and investment purposes (Terrazas,2010).

Various banks in the country now operate different diaspora aimed products to tap into the huge remittances coming from the diaspora. Different banks in the country call the product diaspora bank account while the others call theirs nonresident Nigeria bank account. Another unique step banks in the country are taking to tap into the market, is by making it possible for Nigerians who reside out of the country for a duration of more than 180 days, to change their existing bank products to diaspora bank products. This will help to reduce the huge number of dormant bank accounts in the country and also help retain the patronage of customers who relocate aboard (Vanguardng, 2018). The recent steps taken by the Central Bank of Nigeria to ensure the decline or complete eradication of identity thief by introducing the bank verification number will help mitigate the chances of bank customers losing faith in the ability of banks to detect identity fraud. This unique number helps enable banks to make online transactions safer and provide more security for customers, using mobile banking or the internet to do transactions, which will help provide customers both resident or diaspora customers the added confidence to do transactions online without the fear of falling prey to identity fraudsters. It will help prevent unauthorized access to details of customers. It will help customers in the diaspora do their transactions without any hiccups or the fear of losing their savings or remittances to fraudsters (Nwadinobi & Peart, 2018). Diaspora customers will operate bank accounts in their country of origin especially when they have ongoing financial commitments or expect to have future financial obligations, which could include saving for future retirement purposes (Terrazas, 2010).

The relative stable nature of remittances to developing nations of the world despite the financial crisis or economic upheaval have helped to reduce the problems affecting nations of the developing world. Remittances to developing nations of the world have increased hugely since 2000. Despite the last economic meltdown, sub-Saharan Africa received about the USA $31 billion in 2012. The lion shares of remittances went to Nigeria with about 67 per cent of the remittances for the region, followed by Senegal and Kenya (Oshota &Badejo, 2014). In 2013, Nigeria received about USA$21 billion from remittances, which was over 60 per cent received on the continent (Uchenna, Evans & Stephen, 2015).

Looking at the historical trend, it revealed that the nation has been witnessing an increase in remittances for more than thirty years. In the 1980s, remittances that were sent to Nigeria was less than one billion United States Dollars but rose to 1.4 billion United States Dollars in the 90s and 21 billion United State dollars in 2013. The marked increase in remittances now can be attributed to a large number of Nigerian migrants, and the increase in money transfer organizations compared to the 1980s where fewer Nigerians were residing aboard and also scare money transfer organizations present then, making it difficult to for transfers to be recorded (Olubiyi &Kehinde,2015).

This huge market has not escaped the attention of the banking sector in Nigeria. Banks in the country are trying to maximize the huge advantage of the remittances inflow, to help increase their growth and visibility. Using a case study of what banks in the country earned in 2008 by engaging in service delivery for remittances transfer, First Bank of Nigeria topped the chart by generating revenue of US$ 14,175,000 from remittance related transfers. First City Monument Bank had over US$7m also in the period under review while United Bank Of Africa had US$2 million annual revenue for the same period. This further buttress the lucrative nature of remittances market in Nigeria (Uchenna, Evans& Stephen, 2015).

In a bid to further harness the huge potential in the market, by ensuring the huge potential is invested into more productive activities, the Central Bank of Nigeria carried out reforms aimed at deepening the Nigeria financial sector. This reform will help encourage banks to put more effort into ensuring the recipients of the remittances received into the country have accounts with the banks. It will also help to reduce the transaction costs involved in remittances, ensuring the payment system is flawless and inspires more confidence. The era of banks serving only as payment outlets for remittances received into the country is also not considered as positive enough, as banks should ideally design products that will suit the needs of Nigerians in the diaspora, who will be encouraged to key into the products designed for those residing in the diaspora. With the right regulatory environment, it will be fully harnessing the great potential of the huge market available in the remittances business (Charles &Ezike, 2017).

Banks in countries like Lebanon have taken huge advantage of a large number of diasporas living outside the shores of Lebanon, by designing bank products that will suit the specific needs of their citizens living in other nations of the world. The design of bank products specific to those living in the diaspora will help to attract more patronage of its citizens living in the diaspora, and it will also help to provide more productive use of the remittances inflow, by channelling the funds into the banking sector (Awdeh, 2012).

In India, after the government liberalized their exchange regime, there was an upsurge in the use of the formal remittances route, the new development didn't go unnoticed with the banks operating in India, they took advantage by designing bank products aimed exclusively for non-resident Indians. The new products designed for nonresident Indians offered a higher rate of interest, exempted the deposits from tax and allowed the deposits to be lodged with foreign currencies. This helped to increase patronage and saw more Indians in the diaspora, taking up account opening packages. In Ghana, there is also a strong savings culture among Ghanaians living in the diaspora, who have it as a habit to maintain saving accounts with banks domiciled in Ghana, the inclination of Ghanaians living in the diaspora to save has not gone unnoticed with the private sector. The private sector is taking advantage of the savings habit of Ghanaians by opening the market with diaspora themed products. The products are aimed at Ghanaians who want to invest back home by offering products geared for capital accumulation or real estate development (Vezzoli & Lacroix, 2010).

The importance of banks having the right products and services to help attract remittances through formal channels is very key in harnessing the full potentials of the ever-expanding diaspora population. The usual bottlenecks associated with such account openings should be minimized or fully removed, and the products and services should be fully armed with attractive interest rates, to elicit more customers (Kemegue, Owusu-Sekyere, &Van Eyden, 2014). The banking sector will also need more fine-tuning to attract more diasporas who are willing to save more in the economy, a well-structured financial sector will help inspire confidence in the non-resident citizen to keep funds in the institution. This will help increase savings in the economy and help the banks perform their intermediation role better (Gligoric & Jankovic, 2016).

Remittances recipient can also help banks help penetrate places or customers they originally would not have had access. It will help provide financial inclusion, especially for the poor and low-income earners who depend on remittances from their friends and relatives living in the diaspora (Kemegue, Owusu-Sekyere, &Van Eyden,2014). An increase in the number of remittances recipients from a particular location can act as a stimulating factor for banks to open more branches close to the recipients. This will also increase the chances of the unbanked population having access to having bank accounts (Shanthi et al., 2015).

The quest to fully maximize the potentials of the growing number of migrants of developing nations in the diaspora have also not gone unnoticed by governments of some developing nations of the world. These nations are now trying to get their citizens living in the diaspora to invest through innovative capital investment projects hitherto not considered. The main instrument been brandished by these governments are diaspora bonds, a stable and cheaper source of external borrowing, which are mainly sold and marketed to their citizens who reside in wealthy western nations of the world (Mullan

& Doña-Reveco, 2013) .Although anyone or institutions can buy the bond, preferential rates are usually provided to the target diaspora communities. Diaspora bonds are usually long-dated with fixed interest rate and usually can only be redeemed at maturity. It provides the government with the means of funding infrastructures and can be used for the balance of payment obligations (Mullan & Doña-Reveco, 2013).

The ability to tap into the wealth of their citizens living in the diaspora offers a cheaper means of accessing funds needed for capital development in the issuing country.it also provides the opportunity for the diaspora investors to help assist their countries of origin, by investing in the country. India and Israel have so far been the major beneficiaries of engaging their diaspora communities in buying into their bonds. Israel and India have raised over US$35 billion using these bonds (Ketkar & D. Ratha, 2010). The use of the diaspora to help change the fortunes of nations is gathering momentum. People living in the diaspora are needed to help support their nations of origin is an idea the World Bank is actively selling to nations of Africa. Rather than depending on aid packages from the west, the World Bank is telling African nations to conscientiously involve their diaspora communities by making them buy into their investment propositions such as the diaspora bonds. The diaspora communities have been encouraged to play the role of development partners and act as an alternative source of finance for African nations (Pellerin & Mullings, 2013).

The success of diaspora bonds been actively subscribed by the diaspora is contingent on the government providing an enabling environment devoid of high corruption, the poor justice system and lack of policy continuity (Modupe, 2018). Transparency and good governance will help ensure that the community and publicity well receive the bond are advantageous because it helps highlight the importance of the bond to the homeland. It is not taken for granted that the strong urge of patriotism and emotional connections by migrants for their homelands will help make them accept less return to help their nations of birth grow (Wenner, 2015).

Since 2000, five nations in the African continent, namely Ethiopia, Ghana, Kenya, Nigeria and Rwanda have issued diaspora bonds, with varying degrees of successes. Ethiopia issued two diaspora bonds, with the first offer been classified as a failure and the second doing a lot better. The inability of investors to have the confidence that the government will guarantee their investment led to the failure. Kenya and Ghana's attempts also suffered some setback, but the recent attempt by Nigeria in floating a US$300m diaspora bond was a huge success, with it been oversubscribed by 130 % (Rustomjee, 2018). The Nigeria diaspora bond also happens to be the first time a bond has been given the go-ahead by both the United States of America Security and Exchange Commission (SEC) and the United Kingdom Listing Authority under the same documents (Yap, 2017).

The Nigerian experience has taught other African nations the importance of detailed planning, the importance of acquiring approval from the regulatory authorities of the target diaspora and making the price of the bond more affordable (Rustomjee, 2018). Bond has become a more attractive way for governments of Africa to secure cheaper funds to finance infrastructures. The financial crisis led to the paucity of funds from banks, making it more difficult for nations to obtain funding for their infrastructures. The long-term nature of infrastructural schemes makes the bond a good alternative to secure the finances for such projects (Oji, 2015). Because of the nature of diaspora bonds, which is long term tenured, it can easily be used for infrastructures and other investment purposes. Nations of the world find diaspora bonds an attractive means to secure cheaper funds since patriotism is the driving force behind the purchase of the bonds, the interest paid out to purchasers are usually relatively cheaper than other external means of funding available to the government. Also having reliable means of funds will go a long way to improving the country's sovereignty credit rating. It will also help to overcome the perennial capital shortfall that has stalled a lot of developmental projects in many African states and dispel the notion of the continent as one with a begging bowl asking for aids from industrialized nations but one that is ready to cap into the ever-expanding diaspora population for capital needed to grow the continent (Gumede, Monyae & Motshidi, 2012). The increased participant of Nigerians living in the diaspora to invest in local banks back in Nigeria will be contingent on the safety of their funds, and that is where corporate governance is very important. Iyoha & Owolabi (2012) added that a strong accounting system and a good legal system increases diaspora remittance to their homelands. Those living in the diaspora will only invest in banks or other investment ventures when they are certain that the investments will not fail due to accountability and governance issues.

2.16 Chapter Summary

In today's banking environment, corporate governance plays a key role in ensuring the sustenance of the financial institutions. In developing nations of the world like Nigeria, there is increased pressure on the body charged with bank regulation, to ensure compliance. These pressures are made worse by the institutional and environmental factors to inhibit the good practice of corporate governance in the country. It is therefore sacrosanct that exploration of the role of the CBN, in ensuring banks comply with the corporate governance code is examined. The importance of the CBN ensuring Banks comply with the laws, will help avoid the crisis of the past, from occurring again. Given these objectives, this chapter looked at studies that were considered relevant to the research study.

The theoretical framework underpinning this study was also examined. Three theories were considered suitable to underpin this study, namely agency, stakeholder and institutional isomorphism. Institutional Isomorphism was considered relevant to the research study due to the peculiarity of the Nigerian environment. It also helps to provide answers for illuminating the differences between actual compliance practice against the expected outcome. Stakeholder theory was considered useful because of the differences in the governance structure of banks from non-financial institutions. The need for a theory that protects all relevant stakeholders of banks reinforces the need for using the theory. Agency theory remains the dominant theory of corporate governance despite its many flaws.

Whereas corporate governance is now widely researched in developed nations of the world, there is now a boom in the study of corporate governance in developing nations. There was the need for a study like these to examine closely the challenges faced by the CBN in ensuring banks were compliant with the stipulated codes.

The next chapter presents the methodology used for the study and explains why the qualitative methodology was selected to uncover the answers to the research questions of this study.

Chapter Three

Research Methodology

3.1 Introduction

This chapter aims to explain the methodology used in providing answers to the research questions of the study. Methodology in business research is viewed as the means used by researchers, to achieve the aim of the study (Yomere and Agbonifoh, 1999). It discloses the procedures used in undertaking research work (Saunders et al., 2009). The key reason for carrying out a research study, is to aid understanding of a research topic .it is then very key for researchers, to understand what other researchers have said about the subject matter and then, decide what questions, the new research seeks to answer (Baker, 2003).

3.2 Philosophical Theories Underpinning Research

Researchers need to choose a paradigm that will be used to gain knowledge. A belief system that aligns with the researcher's beliefs (Levers, 2013). A philosophical viewpoint is a structure of comprehensive views of the world, which define principles that guide action. How researchers decide to choose their approaches validates an obligation to a form of the world and how the researcher can come to understand that world (Moon & Blackman, 2014). Whether consciously or not, every researcher decides what philosophy orientation to follow. Researchers usually have their views about the nature of reality and knowledge. They interpret reality and knowledge based on their philosophical perspectives. Perspectives differ because different researchers see the world through different cultures or professional connections (Tuli, 2011). The use of philosophy to underpin research will help the researcher select the right designs for the research study (Gaus, 2017). Throughout existing literature, the philosophical view selected by the researcher can come from a diverse array of philosophical view. However, it is important to add that the philosophical underpinnings which help to direct researchers fall under the combination of the principles of ontology and epistemology, which also helps to guide the methodology used for the research (Mcmanus, Mulhall, Ragab & Arisha, 2017). All researchers integrate a combination of epistemological and ontological conventions (Bahari, 2010). Ontology and epistemology concerns are likely to be linked within a research structure, in which it can be only be differentiated by their stances. While ontology will beam the searchlight on ways to understand what 'is' and epistemology will be concerned with focusing on what it means to understand (Landiyanto, 2018). Epistemological and ontological enquiries are connected since statements about what occurs in the world imply statements about how what occurs may be identified (Ansari, Panhwar & Mahesar, 2016). Ontological position selected by the researcher usually shapes his epistemological view. The methodology of the research study is further shaped by the epistemological stance (Oppong, 2014).

3.2.1 Ontology

Ontology is derived from the Greek words for thing and rational account. It relates to what is there to understand about the reality of the world. It shows what is there to determine what reality is. Ontology raises two fundamental views for researchers, namely the belief that the discovery of fundamental truth is waiting to be uncovered and the belief that all knowledge is produced via multiple interactions (Bryman, 2015).

Two perspectives of Ontology exist, namely objectivism and subjectivism. Objectivism sees the world as being detached from individuals. The researcher is seen as external to the research being carried out. Objectivism comes with the belief that independent reality exists; reality is described or seen as objectively obtained and is determined by using variables that are distinct from the researcher. Reality is taken to be independent of social construction (Antwi &Hamza, 2015).

Reality is seen as an autonomous realism, that the world can be discovered using conventional scientific means (Tuli, 2011).

Objectivism is usually associated with quantitative methodology (McManus, Mulhali, Ragab &Arisha, 2017). Objective position believes that what exists is autonomous realism, which argues that the world can be discovered using conventional scientific means. The world is taken as external, and there exists a single objective reality to any phenomenon being investigated despite the researcher's belief (Edirisingha, 2012). Objectivism is based on the convention's phenomena has an existence which is separate and exists independently from people's belief. There exists a distinction between how the world is viewed and the way individuals view or interpret the world (Bahari, 2010). Objects are seen as having an independent existence free from the researcher's interpretation (Scotland, 2012).

The positivist ontology believes that the world is external (Žukauskas, Vveinhardt & Andriukaitienė,2018) and that there is a single objective reality to any research phenomenon or situation regardless of the researcher's perspective or belief (Hudson and Ozanne, 1988). Thus, they take a controlled and structural approach in conducting research by identifying a clear research topic, constructing appropriate hypotheses and by adopting a suitable research methodology (Kivunja & Kuyini, 2017).

On the other hand, subjectivism believes that reality is complex and multifaceted. Researchers who use a subjective ontology, see themselves as part of the research instruments depicting the study under investigation (Hussain, Elyas & Nasseef, 2013). Subjective Ontology believes there exist multiple, created realities (known as the relativist position), rather one true reality. The reality, according to this position, is subjective and affected by the nature of the following circumstances, namely the respondent's understanding and insights, the social environment, and the interaction between the individual and the researcher (Ponterro, 2005). Reality is subjective and viewed as multiple because of the interactions between the research respondents and researcher (Bahari, 2010). Researchers who adopt this form of the ontology will research with the intention of recording and taking note of these multiple sources of reality. Examples of such multiple realities include the use of quoting the words of different respondents and looking at different viewpoints from respondents. The researcher will also need to get very close to the respondents being studied. Prolonged engagement in the field will provide the researcher with the opportunity of getting more first-hand knowledge of the subject of the research and also get to understand the research respondents more (Creswell, 2007) Researchers will select respondents who will have their version or interpretation of reality (Thanh &Thanh, 2015).

3.2.2 Epistemology

The word epistemology is derived from a Greek word episteme, which connotes knowledge and epistanai meaning to understand. The main function of epistemology borders on determining how knowledge is acquired (Muhamad, Salleh & Kasim,2019). Through epistemology, new knowledge acquired is processed and understood (Zarezadeh, 2018). Epistemology is a subdivision of philosophy, which looks at the limits of human knowledge and the validation of human knowledge (Aarons, 2011). It looks at the nature and validation of human knowledge (Hofer & Pintrich 1997). It is concerned with all aspects of the authenticity, scope, and approaches of obtaining knowledge, such as, what establishes a knowledge claim; how can knowledge be achieved and how the degree of its suitability can be established (Moon & Blackman, 2014). It looks at the nature and limits of human knowledge and the determination of truth from falsehood. It is seen as the truth-seeking discipline, which enables the researcher to decipher between falsehood and truth (Aliyu, Bello, Kasim &Martin, 2014).

The argument is that since not all knowledge insinuations have the same right, what determines their claim is epistemology the job of epistemology is to determine the validity of this claims before deciding if it is adding knowledge to the research. Knowledge claims or argument is based.

The determination of their status is the job of epistemology. Epistemology is very important to research because it helps researchers to design their research in a bid to discover new knowledge (Moon & Blackman, 2014). A developed epistemology outlook will help enable the researcher to identify the link between the epistemological underpinning of the research and the research design (Darlaston-Jones, 2007). This enables researchers to identify the philosophical structure available to obtain valid knowledge and enough (Golafshani, 2003).

The primary debate regarding the use of epistemology in social science is whether the social world can be investigated the same way as natural sciences. There are two main epistemological views, namely positivism and interpretivism (Constructivism). Positivists see social science research as a means of proffering scientific answers. It combines deductive judgement with a detailed empirical study of human action in a bid to learn and authenticate a set of laws used to forecast human action. The goal of the positivist school is to discover the nearest estimation of reality ((Tuli, 2011). The epistemology of the positivist paradigm is dualist and objectivist, in which the researcher and the research subjects exist as autonomous objects, and the researcher can investigate the research object without manipulating or influencing each other. Therefore, the role of a researcher using the positivist epistemology paradigm is to preserve a detached and non-interactive stand and not to sway or impede the research process. The phenomena are seen to have an autonomous presence and can be revealed via research (Shah & Al-Bargi, 2013). This means that the researcher will completely detach themselves from the object they are investigating. The mind of the researcher is completely detached from the world of the research subject (Kivunja, & Kuyini,2017). Positivism epistemology believes objective methods should be used by researchers, which is independent of the researcher. Knowledge is obtained via observations and not from the beliefs of individuals. It assumes that there is a clear difference between the objects of investigation and the beliefs of individuals about them. Precise knowledge about the object of the investigation will only be obtained via scientific like investigation (Bahari, 2010). Positivists will stress on dualism and objectivism. That means that the researcher and the research respondents and research study are supposed to be independent of each other (dualism), and by ensuring meticulous guidelines, the research respondents and research study can be undertaken by the researcher without any bias (objectivism).

Furthermore, positivist adds that the researcher can study the research respondents without swaying them and vice versa. If the researcher influences the research study in any means, the study becomes blemished. Finally, replicated results are taken as correct and help to enhance the confirmation of the result (Ponterotto, 2005).

Unlike positivist epistemology position, the constructivist epistemology position argues that fact and information cannot be separated from research respondents, rather it is incorporated into the social interaction through which knowledge is developed and co-constructed (Gaus, 2017). The researcher and research respondents are fused, and their interaction will create the knowledge needed to provide the findings of the research. The respondent participated in the research will help uncover the observed phenomena. The interaction between the respondent and researcher will affect the observed phenomena (Shah & Al-Bargi, 2013). Knowledge will be gained and improved on by the interaction carried out by the researcher and the research respondents. The constant interaction between research respondent and the researcher will help gain the knowledge needed to uncover the phenomena (Bahari, 2010). Constructivism believes that there is no one valid interpretation for events; there are always multiple interpretations and perspectives of the event. Researchers using the constructive epistemology position will be guided by the desire to understand social interaction between the researcher and the respondents. The constant interaction will help provide the knowledge needed for the research (Hussain, Elvas &Nasseef, 2013). The active communication between researcher and research respondent is key to identifying and defining the experience of the research respondent. The laboratory-like conditions of the positivists will not appeal to interpretivism, who instead see the need to spend an intensive amount of time with the respondents, in a bid to capture the complex nature of human beings and nature. Deep communication will help uncover a deep understanding of the researcher (Ponterotto, 2005).

3.2.3 Philosophy Underpinning Research

Research respondents and documents used for qualitative research are not selected because they realise the representative demands of statistical inferences but because they provide significant help to recognising and aiding to elucidate the phenomena under study (Polkinghorne, 2005). A qualitative research method is built on the epistemological philosophy that social phenomena are manifold and connected that they cannot be reduced to single variables like quantitative research methods (Yilmaz, 2013).

Qualitative research adopts the relativist point, which makes use of multiple realities. Reality is created in the mind of the respondent, rather than it being viewed as an outside singular object (Ponterro, 2005). From a qualitative outlook, the reality is socially and psychologically developed. This is attained through the intricate connections between the researcher and the research respondents (Yilmaz, 2013). This connection can only be developed through an interactive relationship with the researcher and respondent. Only through this interactive relationship with the respondent, can deeper understanding be developed (Ponterro, 2005). The goal of qualitative research is to research individuals or subjects of the research interest with a view of developing thick accounts of the subject of research interest (Polkinghorne, 2005).

The purpose of this research study is to provide in-depth and very detailed descriptions, assessments, and understandings of the reform process carried out by the Central Bank of Nigeria in 2009, as a result of the banking crisis that hit the country. To get a better understanding of the phenomena being studied, this researcher has designed questions which will provide a descriptive and exploratory interpretation of the phenomena being studied. This will be achieved through social interactions, experiences, and actions of relevant stakeholders and how they will give meanings to this reform. It will also require the researcher to closely pay undivided devotion to the context in which these reforms took place.

From the interpretive outlook, there is a range of methodologies that can be used to study human experiences. Among these, the interview, focus group, and document analysis approach will be used. The researcher deems the selected techniques suitable to provide a deeper understanding of the contemporary phenomenon.

Due to the nature of interpretive research which is to discover and comprehend the social world of the phenomenon being investigated in which close connection and engagement must certainly be constructed, the issue of ethics plays a vital role to protect and prevent people from any harm arising from the relationship between the researchers.

To produce knowledge concerning how the best ethics of corporate governance can be practised by banks in Nigeria. It is vital that this study recognises that is no one reality. Reality appears as a facilitated phenomenon. Different viewpoints will emerge and are subsequently changed, as there are vicissitudes in human activities and social circumstances. Realities will be constructed in multiple and mental creations, depending on their individual perceptions (Slevitch, 2011). The disparities in human conduct and social environments link with the established underpinning of this research study, as echoed in the research objectives.

To approach the planned research objectives of this study. This study will use a mixture of subjective ontology and constructivist epistemology. The reason for using this philosophical underpinning is that it will enable the researcher to explore prevailing phenomena such as corporate governance issues, which are constructed on the conduct and actions of bank executives empowered with carrying out of the corporate governance codes, actions and reality. The corporate world of management and banking is far too multifaceted to follow scientific theories like that of physical sciences (Saunders et al., 2009). It is therefore recommended that rich insights into the very complex world of management and banking will be lost if this study was restricted to the series of law like a generalisation. This study made emphasis on understanding the respondents and their interpretation of the world they exist in. The researcher understood the researched phenomenon better via the point of views of the respondents selected for the study (Elshafie, 2013). The researcher was actively engaged with the research respondents in which dialogue, interviews, listening, and writing recording of research data was actively performed via the active interactions. The researcher interpreted data generated from interaction with the research respondents (Kivunja &Kuyini, 2017). Using this philosophical underpinning for this research work will help the researchers better understand and interpret the world resulting from the interaction with this social actor (Chowdhury, 2014).

3.3 Research Design, Strategy and Sampling Methods

A brief overview of the various activities that were undertaken by the researcher to ensure the quality of data used for the study was of the highest standard and the choice of method used was the right choice in providing the answers to the research questions of the study.

3.3.1 Why Qualitative Research Method for this Research

Qualitative research is seen as a study of things or events in their natural settings. It attempts to interpret phenomena. It is used to produce nonfiction descriptions that link events in storied or dramatic form in a corresponding order (Ahrens & Khalifa, 2013). Qualitative research is being popularized with the publication of dedicated qualitative academic journals, examples of such journals include qualitative research in organizations, qualitative research in management and accounting etc. (Lee, Collier & Cullen, 2007).

Research methods are particularly important in management (Guercini, 2014). It helps in providing a way of challenging some overriding postulation—proffer definitions to governance personalities and how institutions are managed.

In their study, McNulty et al. (2013) discovered that the use of qualitative research on corporate governance has risen since the 1990s. They also added that this method of research remains a small percentage of published work on corporate governance. Another interesting observation from their work was that the majority of the published qualitative originate from Europe (McNulty, Zattoni & Douglas, 2013).

Vaivo (2018), believed qualitative research should examine the new ideas corporations use in their practices. He further said that qualitative research provides a veritable outlet to uncover the black box of corporations. This is obtained by exploring real-life governance issues acquired through interaction with governance actors. This will provide a better understanding of the dynamics of governance. It will also help policymakers improve their governance methods (Vaivio, 2008).

Qualitative research is seen as a good way of researchers to shed more light on subjects, thereby providing more insight using key research questions (Burton, 2007). Qualitative researchers provide literature with rich means of narratives, images and critical analysis. This provides an outlet to provide answers to questions that have been begging to be answered (Parker, 2014).

It is very important to adopt a research technique that suits the research questions to be used for the study (Garcia & Gluesing, 2013). Using qualitative research methods provides a good avenue to concentrate on the words and actions of the people being studied (Ahrens & Khalifa, 2013). This will help the researcher to develop a holistic account of the issue being studied (Creswell, 2007). These qualities informed the choice of qualitative approach for this study. This method enabled the researcher to have the opportunity to access and produce the relevant data needed for this study.

The idea behind using this methodology was to gain more knowledge into the pressing issues and challenges facing corporate governance in the Nigerian banking arena. This enabled the researcher to gain enough information necessary for this research work. The qualitative study enables one to provide more in-depth explanations about issues bordering the research topic. It is very useful when one wants to get explanations from respondents about their actions and perceptions (Malthus & Fowler, 2009). This choice of research method will enable the researcher to get close to directors and other corporate actors, to gain access to their ways of running institutions and following laid down directives from the CBN (Irvine & Gaffikin, 2006). It also enabled the researcher to understand the challenges faced by these actors in the decision-making process by watching them in their own territory explaining their rationale behind decisions and also their perception of the issues bordering the research topic (Sarma, 2015).

Qualitative Methodology remains a very good method of uncovering meanings and understanding from multiple sources. It is important to add that corporate governance remains a difficult terrain to understand, especially in the developing nations of the world. It was more helpful to gain more knowledge about this important research by getting close to the directors and regulatory authorities to fully grasp a clear picture of corporate implementation in Nigeria banks (Al-Said &Al-Shammari,2014). The top management account about their experience in governance will helps create a clear picture of the issues bordering corporate governance in any country of the world country (Guercini, 2014).

The choice of using the qualitative research method enabled the researcher to identify any new phenomena that affect the state of corporate governance in Nigeria banks. One of the major strengths of a qualitative study is the ability to elucidate the views or opinions shared by stakeholders that would have been missed by a quantitative study (O'day & Killeen, 2002).

Qualitative researchers use interviews, observations, and other relevant information to obtain research data (Sargeant, 2012). Corporate governance researchers often use qualitative methods to gain insight into the complex and multifaceted phenomena of corporate governance practices (Agyemang & Castellini, 2015).

Finally, the choice of qualitative research for this study was because the researcher wanted to painstaking investigate and get a full knowledge of the factors making it difficult for the Central Bank of Nigeria to fully ensure that banks are fully compliant with the code of corporate governance and safer for all. The qualitative methodology offered the best way to get the answers to these questions. The use of quantitative methodology was not considered appropriate for this study because the study is not deductive, and the researcher was not testing any variables or comparing variables for rejection or acceptance of any theory.

3.3.2 Research Strategy

This research work adopted a qualitative research technique with three different means of data collection. This triangulation system was designed to study the same phenomenon. It was aimed at validating or providing convincing answers to research questions (Jonsen & Jehn, 2009). Data triangulation is vital for the quality and reliability of the qualitative study. It helps elicits that confirmability and helps to negate the chances of the researcher's bias affecting the quality of the work (Sarma, 2015). Triangulation helps researchers in drawing conclusions and providing generalized findings (Jack & Raturi, 2006) and helps in defining and illuminating intricate phenomenon from several perspectives (Henk & Jan 2012).

Qualitative research can help policymakers and experts establish more proficient governance structure. It will also aid researchers challenge some of the prevailing norms about how corporate giants and corporations operate. It provides an outlet for scholars to get a profound understanding of the connections among key actors (shareholders, the board of directors, compliance and corporate executives) (McNulty, Zattoni&Douglas, 2013).

This ability to be close to the respondents is to aid the researcher to get more insights required for the research makes the qualitative method very appealing (Abro, Khurshid & Aamir,2015). The insight provided by the close interaction with respondents is very rich, in-depth and full of useful information (De Ruyter & Scholl, 1998).

This work involved the following qualitative technique - in-depth interview sessions, focus group and documentary analysis. This was aimed at providing answers to questions asked. Multiple qualitative methods will allow diverse features of problems to be examined. It also helped to deepen knowledge and encourages reliable understanding (Tracy, 2010). This technique provided one with the opportunity of getting valuable insight into the corporate governance and supervisory arena in the Nigerian banking industry.

This technique helped the researcher seek the uniformity of the results collected and also helped to unearth any differences or contradictions. This was done to ensure that the weaknesses of a single method are nullified or reduced by the strengths of the other methods employed, thereby ensuring the credibility of the results to be obtained from this study. It is very vital to communicate with the reading audience, the importance of using multiple sources of data and how they ensure the credibility and honesty of the research findings (Sarma, 2015).

3.3.3 Sampling Methods

There exist two methods of sampling; the first one is known as probability sampling. In this method, there is no choice but on trial and error. While the second method is known as non-probability samplings, in this case, choices of sample picked from the population is not identified before selection (Saunders et al., 2009).

This research made use of the non-probability method, which best aids this research for sampling CBN's role in enforcing corporate governance in Nigerian banks.

Purposive sampling happens to be the most widely used sampling method used in qualitative research. This method entailed recruiting respondents with the knowledge or had the experience of the research topic (Oppong, 2013). Qualitative researchers will speak to the most well-informed informants to get a rich supply of information needed to answer the research questions (Pacho, 2015). The respondents selected provided detailed explanations needed to get in-depth knowledge of the research study ((Sullivan & Sargeant, 2011). The more similar the respondents are in their experiences, concerning the research topic, the quicker saturation can be achieved (Guest et al., 2006). This study made use of purposive sampling; it enabled the researcher to recruit respondents with knowledge of issues relevant to this study. Using this method of sampling provided a rich source of data needed to meet the objectives of this study. Participant selection is very key in qualitative research because the right selection of respondents will enable the research questions to be addressed correctly (Sargeant, 2012).

Snowballing technique was used to recruit retired CBN executives and present executives. Snowball sampling technique is commonly used to conduct qualitative research. Snowball technique takes advantage of using identified respondents to help the researcher recruit other similar respondents (Atkinson &Flint, 2001). The selection of respondents with similar experiences or characteristics is made easier using this technique (Etikan et al., 2016). The selected respondent helped to invite similar respondents to the research study (Dusek et al., 2015).

The goal was to recruit a key respondent who is well connected to potential respondents needed for the research. Retired executives of the Central Bank of Nigeria were also recruited from two departments (Banking supervision and other financial institution departments). Present executives of the CBN were recruited for this study. A total of sixteen executives (past and present) of the CBN were recruited for this study, and the selected respondents must have attained executive status in the apex bank, to be selected for this research. They were selected for the interview sessions, which was conducted separately with each of the sixteen selected respondents individually.

The focus group comprised of two different focus groups, with sixteen respondents in all. They were divided into two different groups, eight in each group totalling sixteen respondents in all. For respondents to be considered for the focus group sessions, they must be Nigerian citizens who reside in the United Kingdom and operate bank accounts with Nigerian banks. Two customers of Nigerian banks resident in Nigeria participated in the research study via telephone interview.

The final set of respondents who participated in this study were ten staffs of six banks in Nigeria. The names of the banks are First Bank of Nigeria Plc, United Bank of Africa, Skye Bank (Polaris Bank), Eco Bank, Zenith Bank and Access Bank. The researcher conducted a semi-structured interview with them via telephone.

3.3.4 Sources of Data Collection

Data refers to the informant relevant to the research work; it can be gotten from either primary or secondary sources, the work was mainly from secondary data (journals, websites of organisations, memos and publications) except for the interview and focus group sessions, which falls into the primary data source.

The benefits of using secondary data stem from the use of fewer resources to arrive at relevant information. It also provides a good source of information available to a wider range of people. Data collection adopted in this study included the use of interviews, focus group sessions and the use of documentary) methods.

3.3.5 Research Participants

The research participants comprised of retired executives from the Central Bank of Nigeria and current executives from the aforementioned regulatory authority, selected officials of bank staffs in Nigeria. It also included selected bank customers who reside in Nigeria and diaspora customers of Nigeria banks, who are residents of the United Kingdom. Respondents selected for this study added rich data due to their wealth of expertise and knowledge. Their views and expertise helped to unravel the answers needed for the research questions of this study.

Selection of research respondents in qualitative research is very different from the method used for quantitative research. Qualitative sampling is geared towards exploring the different opinions and representations needed to answer the research questions (Gaskell, 2000). The selected respondents for qualitative research must be those who best represent the research topic (Morse et al., 2002). The objective of qualitative research is not to recruit any number of respondents, but it is to collate enough information needed to answer the research questions. Qualitative researchers understand that some respondents will provide more insight and information than others (Abrams, 2010). It is also very important to emphasize that the right recruitment of respondents is important for the successful completion of this study (Broyles et al., 2011)

Sampling is a cornerstone of research integrity qualitative researchers; on the other hand, recognize that some informants are better are situated to provide key insight and understandings than others (Abrams, 2010).

3.3.6 Profiling of Research Participants

Selected regulators from the CBN are those who deal directly with the banks. Past and present executives from the departments, charged with supervising and regulating banks was utilized for this study. The recruited respondents all worked with the supervisory directorate of the Central Bank of Nigeria. Eight of the respondents were present executive staffs of that directorate while the other eight were retired executives from that directorate.

To effectively address the research aims and objectives of this study. The views of other relevant stakeholders were also taken. The views of customers of Nigerian banks who reside in the United Kingdom and Nigerian resident customers, also members of staff of six selected banks in Nigeria were used for this study. This enabled the researcher to have an informative and comprehensive view of corporate governance in the Nigerian banking sector. Bankers have a key role to also play in corporate governance compliance. They are employed as agents who help to protect the interest of depositors of banks, by ensuring the safety of these funds. They also help to protect the interest of shareholders by ensuring the optimum use of the resources available to them to create more wealth for shareholders. The reasons mentioned above made it imperative the researcher interviewed ten bankers from six banks in Nigeria. Their views served as a rich source of data for the study. Members of staff of banks are privileged to have an insider perspective of activities in the bank they are employed. These helped to provide rich data for the study.

3.3.7 Access

Recognizing and picking the right contact person is just one of the crucial stages of getting access. It is vital to establish relationships with the contact person and gain his trust in the bid of gaining access to the corporation or people being studied (Fiellstrom & Guttormsen, 2016).

Access was gotten from personal contacts and the use of the snowballing technique. The use of networks and personal contacts developed. Over the years greatly helped in reducing access difficulties.

Snowballing technique refers to asking respondents for referrals about potential respondents who are also knowledgeable about the research topic (Suri, 2011). It will entail asking selected respondents to help recruit other potential rich respondents for the study (Onwuegbuzie & Leech, 2007). The snowballing technique was of immense help to this study, through the networking platform provided by snowballing, the researcher was able to get access to the respondents recruited for the study easily. Although it was not all rosy, there were instances where few respondents backed out, despite the use of the researcher's contacts to get them to participate in the interview sessions. Their reasons for non-participation was mainly to protect their views from being misrepresented or misunderstood or from getting into the wrong hands. Their positions in the CBN also made them uncomfortable about granting the interviews despite the promise of confidentiality and anonymity protection. The instances were quite a few compared to the respondents that fully participated in the interview sessions.

The focus group sessions held in the United Kingdom was without any hitches; access was provided by the diaspora account officers of the selected customers. They helped assist the researcher by speaking to their customers, who then gave the go-ahead to the researcher to contact them. The researcher obtained consent from all the selected participants before inviting them over to the venue of the focus group interview sessions.

3.3.8 Data Saturation

Data saturation refers to a situation where no new knowledge or information is gotten from an extra qualitative data source (Kerr, 2010). It can also be a point, where the further collection of data gives little or no additional themes, ideas or knowledge (Suri, 2011). At the point of saturation, the qualitative researcher has obtained adequate information from his data collection exercise (Coenen et al., 2012).

In the design of the qualitative study, it is very difficult to predict how many qualitative interviews and focus groups discussions will be adequate to achieve saturation (Kerr, 2010). According to a study carried out by Fiellstrom and Guttormsen (2016), there is no correct number of qualitative interviews needed to achieve saturation. They add that saturation depends on the depth of the interviews carried out and not the numbers of the interview. They also added that saturation could easily be achieved if the interviewer is well skilled in the art of asking probing questions and getting additional information from the respondent.

Malterud et al. (2016) add that the concept “information power’’ should be used as a guide when deciding when saturation has been achieved. It entails that the more quality and knowledgeable respondents used in research, the lesser the respondents needed for research. Suri (2011) adds that saturation is quickly obtained when the data sampling used is purposive, and the research questions are precise.

According to Brod et al. (2009), saturation can be achieved with a combination of approximately three or four focus groups and four to six individual interview sessions. A study carried out by Mason (2010) looking at PhD studies which entailed interviews as the data collection method, found at that the mean average of over five hundred and sixty research work was thirty-one interviews. According to Fusch and Ness (2015), there is no fit for all method that can be used to get data saturation in qualitative research studies. They added that for data saturation to be achieved quickly, one should ensure that the data collection method used is very rich in description backed up with the appropriate research design that has the best chance of answering the research questions of the study.

The points made by Fusch and Ness (2015) resonates with that made by Marshall et al. (2013), they argued that there exist no rules for sample size in qualitative studies but what determines the size of the sample is the availability of time, available resources and the amount of information the researcher wants to obtain for the study.

Onwuegbuzie and Leech (2007), adopted a slightly different approach, they advised that before the selection of respondents, qualitative researchers should look at similar research works done in the past that adopted similar research designs. The researcher is advised to adopt a similar range of respondents that was adopted by the previous researchers in that field.

3.3.9 Confidentiality

An important feature of research ethics entails protecting the confidentiality and privacy of respondents. All respondents selected for research are expected to be given the assurance that the information they provide will be protected (Carli et al., 2012). This is needed to protect the autonomy and integrity of respondents used for research (Saunders, Kitzinger, & Kitzinger, 2015). Methods used in protecting respondents from being identified without their consent have become important in research ethics (Grinyer, 2002).

The most secure form of protecting the confidentiality of respondents is by making data collected from respondents anonymous (Carli et al., 2012). The use of anonymity of respondents will make data provided difficult to be traced to them (Saunders et al., 2014). It will help them from being identified in any form of data publication (Surmiak,2018). The use of anonymity will also help in increased respondents' participation. It will also enable more transparent information provided by respondents, especially when research questions used are sensitive (Carli et al., 2012). It will help create a good relationship or rapport that is needed to ensure the success of the information gathering process. It is also a means of protecting respondents from any harm .it will help avoid respondents from censoring information because they are not afraid of holding back sensitive information (Finch, 2001).

The identities of respondents are protected from any backlash or negatives outcomes arising from their disclosures made during their participation in the research (Kaiser, 2009). Research respondents are very valuable to any research, and no harm must befall them because of their participation in the research (Finch, 2001). It can be said that the identities of research respondents used for the research are not needed to verify the validity of the data used (Bowers, 1995).

Researchers are expected to collect, analyze and use data without revealing or indicating the identities of the research participants. The main objective of confidentiality is to help protect respondents from any harm or negative backlash due to their participation in the research. It is expected that the researcher protects the identities of respondents used in the research, to ensure, the participating respondents do not become victimized or harmed due to their participation, i.e. revealing the identities of subordinates in the office, who participate in research can lead to being victimized or punished by their superiors in the office (Kaiser, 2009).

3.4 Research Design

The research design used for the study is based on the ability of the CBN, in ensuring compliance with the code of corporate governance. The research design reveals a procedure to be undertaken to obtain the answers to the research questions (Saunders et al., 2009). The research design involves ways by which researchers seek for means, to get answers to the research questions (Asika, 2001). It is designed to decide how the answers to the research will be obtained.

The research design used for this study was the qualitative method of research. This enabled the researcher to obtain the answers to this research (Saunders et al., 2009). This work adopted the use of following approaches in providing the answers to the research questions; documentary analysis approach, interview approach and focus group.

3.5 Consent Forms

The research consent form is a vital document used for conducting research. It is a document that is used to inform prospective respondents about the research and the need to make a voluntary choice on deciding to participate in the research or decline the invitation to participate in the research. It is seen as mandatory that the consent form should be spelt out in a language that can be easily comprehended by intending respondents. The document should also provide the intended respondents with enough information, required for them to make an informed decision on whether to participate in the research or decide not to participate in the research. It is also mandatory it is spelt out in the document that participation is strictly voluntary and not mandatory (Berry-Caban et al., 2014). It is seen as the responsibility of the researcher to ensure that the potential respondent understands the information provided in the consent form and that the respondent who decide to enrol in the researcher, decides based on the full understanding of the information provided in the consent form. Complete information should be provided before enrolling the respondent in the study, and the respondent should be free from any undue advantage and pressure (Bromwich & Rid, 2015).

Based on this understanding, consent can only be said to be valid, when the respondent decides to complete the form without any form of duress, inducement, and it is done voluntarily. The respondent should be seen as a competent individual, and this implies that any consent gotten from an individual that is said to be mentally ill is unacceptable and also one gotten from an individual that does not have the full understanding of the consent letter is seen as invalid (Bromwich &Rid,2015). Information provided in the consent form should be adequate, clear and understood by respondents with decision-making ability and not people that can be taken advantage of (Ochieng, 2012).

Because of the possibility of respondents being coerced or forced to participate in research due to the researcher’s authority or knowledge, relevant authorities ensure that consent approval from the respondent is mandatory and not negotiable. It is taken to be the ethical tenet of any research involving human participation (Leach et al., 2015).

It is hinged on the ethical doctrine for the respect of the human right to self-determination (Miller &Boulton, 2007). Informed consent helps to provide the legal and ethical benchmark for all research involving human beings. It acts as the document that helps to convey how the information got from the respondent will be managed and data protected from unauthorised parties (Chow-White et al., 2015).

Informed consent provides the potential respondent with the means to protect the respondent from any harm or intrusion. It provides the respondent all the information needed to make an informed choice whether to participate in the research or decline the invitation for participation (Wada &Nisker, 2015). Hence ensures the researcher makes a rational choice and not one based on an inability to comprehend the letters of the consent form or misunderstand it (Bromwich &Rid, 2015).

Also, consent form provides the researcher with the opportunity of selling the goals and objectives of the research to the respondent and also establishing the trust and confidence of the potential respondent ((Berry-Caban et al., 2014). The consent form that is very transparent and comprehensive, with full disclosure of information will help provide the platform, needed to build the trust and rapport between the researcher and respondent. Any attempt by the researcher to coerce, deceive or manipulate the potential respondents will be seen as harmful to the interest of the respondents. This will help impair the relationship between the researcher and the potential respondent because of the violation of trust (Eyal, 2014).

Trust is very key to human. It enables parties to cooperate, knowing fully well, no party is trying to take advantage of the other. Without the respondent trusting the researcher, voluntary human participation would be very improbable, thereby denying the society the potential richness of the research (De Melo-Martin &Ho, 2008), with the guidelines of consent forms, ensuring that all information provided is accurate and devoid of any information that will abuse the trust reposed on the researcher. It is now more difficult for researchers to take advantage of their potential respondents using deceptive means (Haggerty, 2004).

This research was conducted with the utmost regard for the respondents. All respondents who indicated an interest in the research were provided with the consent forms via electronic mail. The consent form was duly signed by the interested respondents and returned via electronic mails. The consent form had all the relevant information, concerning the research, such as the name of the researcher, supervisor, the sponsoring university, topic of the research, benefits of the research and the assurance of confidentiality for all intending respondents.

The consent form also informed all intending respondents that participating in the research was voluntary and not compulsory. Respondents were made aware of their right to withdraw from the research at any given time without any penalty or sanction incurred to them. Respondents were also advised in the form to contact the researcher via the institution's official mail provided for the researcher and the director of studies of the research if they needed any further information or needed clarification concerning the research.

3.6 Data Collection Plan

The qualitative study helps to provide the understanding behind the vast multitude of human actions, perceptions and emotions that are very challenging and difficult to decipher via quantitative data collection means (Yang et al., 2018). A qualitative research study is inductive and provides the researcher with the means of comprehending the meaning and insights provided by the research respondent (Mohajan, 2018). Qualitative research will provide the researcher with the reasons behind the perceptions and meaning ascribed to the respondent compared to quantitative research, whose function will be to identify how many Individuals undertook that action or behaviour (Sutton & Austin, 2015).

For effective data collection plan, the researcher needed to identify the data collection tools that would help to provide the answers to the research questions of the study (Cleary, Horsfall, & Hayter, 2014). Data were obtained in this research via the face to face interviews, telephone interviews, focus group sessions, and document analysis means.

For the data process to be a success, the researcher recruited respondents that will best provide answers to the phenomenon under investigation. This helped the researcher select the right informants that helped generate a very rich and detailed data that enabled the researcher to provide answers to the phenomenon under investigation (Sutton & Austin, 2015).

The data process involved the interview invention, identifying potential respondents, arranging and getting access to respondents, collation of data, transcribe data collected from the respondents, analysing the data and finally writing the report to highlight the lessons from the research.

The total number of respondents that participated in the research were 44 respondents drawn from the relevant stakeholders that helped to provide rich data for the study. The respondents were drawn from the Central Bank of Nigeria, Deposit Money Banks in Nigeria, diaspora bank customers of Nigerian banks and finally, two bank customers based in Nigeria.

In a bid to ensure the validity of data obtained for the research study, the researcher made use of triangulation, and multiple qualitative methods were used to help triangulate the data obtained. This helped to reduce any weakness inherent in any of the methods used and helped to produce a deeper understanding of the phenomenon being studied. Using triangulation made it possible for the researcher to avoid the susceptibility of not having enough data that will highlight the phenomenon better than just one method to answer the research questions (Abdalla et al., 2018). It provided the researcher with multiple pieces of evidence that were used to answer the research questions of the study.

Using member checking, also provided an outlet for the researcher to validate the data obtained from the respondents. Member checking enabled the respondent to review data and confirm if the data received corresponds to the views and words received from the respondent. It enabled the researcher to establish the validity and credibility of the data received from the respondent. It helped to authenticate the data received by the researcher from the respondent. This helped ensure that data received from the respondent was devoid of any data distortion by the researcher. This helped ensure the data received was not compromised and is valid for analysis, devoid of mistakes (Thomas, 2017).

3.6.1 Documentary Approach Analysis

Documents can take the form of historical newspaper articles, historical archives, minutes of company meetings etc. (O'Leary, 2004). Documents are seen by Mogalakwe (2006) as a written text created by individuals or organisations for their immediate need. It is seen as the record of human behaviour and activity. They are offshoots of human activity created to record their day to day activities. It is usually not created for research, but they help greatly to provide the original details of the case being investigated by the researcher. They will help provide historical records or information relevant to the case and helps in providing a better understanding of the case (Apollonio& Glantz, 2019). The documentary source has not always been preferred by qualitative researchers (Coffey, 2014). It was seen in the past as a method that was only suited for historians, library scientist and information scientist (Mogalakwe, 2006). It has had little attention given to it compared to other research methods and has been overlooked for long (Ahmed, 2010). Two types of documentary source exist, namely primary and secondary documentary source. Primary documents are created by individuals who witnessed the events while secondary documents are produced by individuals who received first-hand information from those who witnessed the event (Mogalakwe, 2006). They can also be classified under private and institutional documents.

Private documents are usually produced by individuals for personal use. They are produced to express the feelings or personality of the individual while institutional documents are produced for institutions, by groups of individuals or individual, to reflect the agenda of the institution they represent. They include speeches, company documents etc. (Corbetta, 2003). This study looked at documents produced by the CBN, NDIC, SEC and other regulatory authorities in Nigeria. It also extended its searchlight to documents produced by the banks operating in Nigeria. Researchers must be aware that different documents are made for different reasons. In a bid to reduce bias, it was important that the researcher have enough documents, relevant to the study to ensure a detailed understanding of the research being studied (Apollonia, & Glantz, 2019).

This research was made up of several documents, research reports and journals relevant to the topic, with the aim of providing the answers to the research questions, this work made good use of these documents, research and journals in answering the questions posed by this research work. The materials used for this approach comprise of the following:

i) Central Bank of Nigeria code of corporate governance for banks in Nigeria (April 3, 2006) ii)Central Bank of Nigeria code of corporate governance for banks and other financial institutions (May 16, 2014)

iii) Pertinent circulars rolled out by the CBN in facing the challenges of poor corporate governance in banks (post-September 2009 to date)

iv) Annual reports by CBN relating to the banking sector and the economy (e.g. Banking supervision department yearly report on banks, CBN yearly report)

iv) Securities and Exchange Commission code for corporate governance in Nigeria (2003)

v) Applicable reports announced by other relevant agencies involved in the establishing the best practice of corporate governance in banks operating in Nigeria (. e.g. Regulatory and surveillance bodies like the Nigeria Deposit Insurance Corporation and the Economic and Financial Crimes Commission).

vi) Journals, research works, and analysis written and carried out by researchers and research groups.

vii) Documents obtained from The Financial Services Regulation Coordinating Committee (FSRCC)

viii) Documents from the bankers' committee on ethics and professionalism in the Nigerian banking sector

ix) Documents from banks operating in Nigeria, obtained from their websites.

x) Audit reports showing insider lending and board composition of selected banks

A painstaking study of the reviewed documents will help to unearth the reasons for banks not adhering to the provisions of the Central Bank of Nigeria corporate governance provisions in the past and what is presently obtainable in the sector.

3.6.2 Interviews

The interview allows a researcher to collate trustworthy and perfect data that will improve the quality of the investigation (Saunders et al., 2009). The three types of interview exist; structured, semi-structured, and finally unstructured interviews (Baker, 2003). Structured interview necessitates using the use of questionnaires to obtain quantifiable numbers, needed to answer the research questions of the study.

The unstructured interview gives the respondent the means to fully explain themselves. The semi-structured interview is a combination of structured and unstructured interviews. It allows for an open-ended question, which enables the researcher to probe more and get more information from the respondent (Saunders et al., 2009).

The use of the semi-structured interview enabled the researcher of this study to obtain vital information, from the respondents of this study. The use of semi-structured interview offers the researcher the opportunity of getting answers from the respondent, that will aid the comprehension of research undertaken (Baker, 2003). This form of interview is usually conducted with individuals who have the germane knowledge about the study being looked at. It will provide the needed insight for the researcher to work within conducting the research.

This study sought the opinion of banking examiners from the banking supervision department of the Central Bank of Nigeria in providing answers to the questions of this research work. The use of the banking examiners of the Central Bank of Nigeria on the issue of corporate governance in the banks they supervised provided a rich vein of information, on the issues and problems being encountered in the Nigerian banking sector.

To gain historical data about past events that unfounded in the Nigerian banking arena, selected retired regulators were interviewed, to gain more insight about issues that affected corporate governance in the regulated banks. The use of these experts, who are very competent on issues bordering supervision of banks, helped immensely to provide the answers to the research questions of the study.

In a bid to obtain in-depth information bordering on regulation and supervision, sixteen respondents were interviewed for this study. The use of in-depth interview sessions provided the researcher with the unique opportunity of getting more detailed information from the selected respondents. It provides a more relaxed environment which will elicit respondents providing more detailed information as opposed to other methods such as using a survey method (Pacho, 2015). In-depth interview provided the researcher with the avenue of giving respondents the opportunity of sharing their experiences and knowledge about the research topic (Granot et al., 2012).

Within any research area, different respondents can have different views. Qualitative data must be big enough to assure that most or all the ideas that might be key are revealed, but at the same time, if the sample is too big, data becomes monotonous and, ultimately, unnecessary. If a researcher stays true to the principles of qualitative methodology, the sample size in most qualitative studies should generally follow the principle of saturation (Mason, 2010). Researchers use saturation as a guiding tool during data collection. A research study carried out by Guest, Bunce and Johnson (2006) in Nigeria and Ghana using qualitative interviews found out that saturation occurred using a purposive sampling after 12 interviews. Another study carried out by Mason (2010) looked at the number of research respondents used by PhD researchers. Five hundred and sixty studies carried out by the PhD researchers revealed 31 respondents as the average number used for the interview sessions. Hennink et al. (2017) found out that 16 to 24 interviews were needed to reach a complete understanding of issues concerning the research and achieve saturation. This study interviewed 28 respondents. Sixteen respondents from the CBN, ten from the money deposit banks and two banks depositor’s resident in Nigeria.

3.6.2.1 Elite Interviews (CBN Executives)

When defining the interviews used for this research, the researcher describes elites as those personalities that are in the top tier level of management, in the case of Central Bank of Nigeria, anyone who has attained the level of an executive in the past or present. Elites here stands for those who have in the past or present occupied the position of assistant director to director level, while the ultra-elite will be those who attained the position of the deputy governor to governor level in the bank. The executive cadre in the Central Bank of Nigeria is those who hold senior management positions in the apex bank and are given great decision-making powers in the organization (Harvey, 2011). The elites are very important because they shape and direct the policies of any organization and are very knowledgeable because they have great insight into the organizations they represent or work (Harvey, 2010). The decision of using elite interviews was because it is easier to understand the decision making and policies of an organization by looking closely at the individuals who are usually central to the decision making of the organization (Nudzor, 2013). The selected CBN executives have considerable influence over policymaking and decision making in the banking supervision during their tenure in the apex regulatory bank). Given their esteemed position, they are very influential and informative, because of their positions in the organization, they usually have access to vital information other staffs do not have access to. Because of their privileged position, they gave more detailed information and can easily give answers to the organization's policies and plans (Goldman &Swayze, 2012).

Getting access to elite respondents are usually not the easiest compared to access to non-elite interviews. Whereas it will appear that identifying the elites in any organization, seem easy due to their elite status and high visibility but getting the opportunity to engage them in conversations or interviews is very daunting (Harvey,2010). The selection of the elite respondents is usually made through a purposive sampling method, where elites are selected who best fit the research and can easily provide the rich, detailed data needed (Richardson,2014). According to Empson (2018), seeking access to elites entails serious dedications, resilience and elements of good luck. Having elites participate in any academic research is very challenging because what is of utmost importance as a researcher may be very immaterial to a potential elite respondent. Having elites forgo their free time to participate in academic research, where they will probably have to divulge very sensitive information and personal details is not the easiest task to perform. Because of the confidential and very sensitive information in their disposal, they are usually very closely guarded and not very comfortable divulging any information that could be used against them; this tends to make them distrustful of any intrusion outside their circle (Petkov & Kaoullas, 2016) Also to avoid any conflict of interest issues and also for prestige reasons, elites are usually not very inclined to making themselves available for academic research (Morse, 2019).

For relatively inexperienced researchers, access to elite respondents is even more difficult due to the paucity of networks available to the researcher (Maramwidze-Merrison, 2016). The main key to getting the opportunity or access to these key personalities is through the network structure available to the researcher. The researcher must use all available links available to get close to the key gatekeeper that can make the elite respondent accessible for the research purposes ((Leuffen.2006). Getting someone to facilitate the opportunity of accessing the elite is very key to getting an opportunity to interview elite respondents (Harvey, 2011). Contacts are very important in breaking the barrier and gaining entrance to the door. Because the elites have barriers around them to have to ensure they are free from unnecessary intrusion, it is worthwhile to get someone close to them, to help facilitate the interview opportunity. The researcher will be needed to convince the gatekeeper of the significance and need of the interview (Littig, 2009). Because trust is a key element in getting their approval and getting rich qualitative data, the researcher needed to reassure the elite respondent about the nature and intent of the research (Lancaster, 2017).

Another good way of gaining the trust and acceptance of elites in one's research is by making use of an intermediary, who acts helps to acquaint the researcher with the elite respondent. The intermediary will be both known to the researcher and the elite respondent, who will help vouch for the sincerity, identity, character and true intentions of the researcher. The intermediary will help make the elite respondent trust the researcher (Petkov &Kaoullas, 2016). This approach was adopted for this research. The researcher contacted a retired executive of the Central Bank of Nigeria, who helped in contacting fellow retired executives and present executives of the Central Bank of Nigeria. After speaking to the targeted elites, the intermediary helped to vouch for the researcher's credibility, and this helped the research easily gain access to the identified respondents. Having gotten to the door, the researcher needed to impress it more on the selected elites about the purpose of the research and the reason behind their recruitments for the research. Another way of further allaying their fears or suspicions was by reassuring them that their information will be kept secure, and confidentiality and anonymity will be strictly applied.

For a young researcher having the opportunity of access to elite respondents, one must be very coherent and able to sell the aims and objectives of the research to them. It was very key that one can impress it upon them that the research is very worthy and make a good impression of being trustworthy and credible (Morse,2019). The opportunity to have that first impression count was during the first telephone conversations held with the intended respondents. The researcher was very clear about the aims and objectives of the research, and all ethical issues concerning the research were made clear. It was made clear that participation in the research was voluntary and that at any given time, the respondent could decide to pull out of the research. They were also informed that after every interview session, respondents would be sent copies of the interview transcripts to review, this was done to ensure the veracity of the content of the interviews and help further allay their fears or worries. This was done to manage their sensitives and make them feel that they are in control of their data (Lancaster, 2017).

During the initial phone introduction, the researcher made it known to the recruited elite respondents, that the semi-structured interview sessions will be conducted via telephone, with an hour scheduled for each interview. Elite respondents appreciate the tractability of having interviews via telephone, asking for more than an hour would have made some respondents uncomfortable and refuse to participate. Asking, for anything less than 45 minutes would affect the quality of data collected (Harvey, 2011), hence the decision to go for an hour. All interview sessions were scheduled for weekends. This was especially key due to the sense of research. This helped to get rich data from the selected respondents by enabling them to talk freely without any fear of intrusion. The location of the interview helps determine the amount of information; respondents are prepared to divulge. In the office, respondents will most likely not be too comfortable sharing official classified information to a third party, for fear of being seen or overheard disclosing vital information to an unknown person (Harvey, 2010). Since my interviews were mainly done via telephone and only two were conducted one on one, during the respondents' visit to the United Kingdom. Apart from the two one on one interviews, the telephone interviews were all conducted during the weekends, once the respondents were at home, and they had no concerns about their privacy being infringed on.

Before conducting the interviews, it is very vital that researchers do their homework, making sure they have made themselves fully immersed in the research. Meaning they have a good grip of the research being investigated. This is because elite respondents being authoritative personalities in the subject matter, will most often challenge and access their understanding of the research being carried out (Harvey, 2011).

Elites are very knowledgeable about the subject matter being investigated, without making a very good impression that one is also knowledgeable about the subject matter, it will be difficult to gain the respect of the elite respondents (Harvey, 2011). For one to gain the respect and cooperation of elite respondents, it is very key to fully have an in-depth understanding of the topic and be very familiar with the culture and professional norms of the respondents. This is very key to the respondents divulging more information and also establishing rapport with them (Harvey, 2010). This will help show the researcher has a specialist understanding of the research topic. This will help make the elite respondents reveal more information (Bogner, Litting& Menz, 2009). The great and very detailed pre-interview process is needed to fully understand the research topic, language and culture of the organization they represent. When these are fully carried out, it reduces the status imbalance between the research and the elite because they now accord the researcher more respect (Harvey,2011). The pre-interview preparation helps to make the researcher use the same terminologies applicable to that sector which helps to make the respondent easily accept the researcher (Empson,2018). Because of the preparation carried out, interviews were conducted, and the researcher was able to get the elite respondents to talk candidly, which helped to extract a lot of rich data for the study.

Interviews with elites also bring up another challenge. Elite respondents are leaders in their field of expertise, that tends to make them very dominant personalities who will want to dominate interviews and easily challenge the views of the researcher (Harvey, 2011). They are used to being in charge and very knowledgeable (Lancaster, 2017). They have, over the years, developed great communication skills due to occupying leadership positions. They usually very assertive and want people to obey their directives (Liu, 2018). The researcher must try as much as possible to remain very respectful and keen to let them take the lead if that will make them open up more and help extract rich details of their own perspectives (Harvey,2011) aggressively asking questions or making the sessions like the respondent is being interrogated will put off the respondent (Leuffen,2006). This way, one is able to continue to maintain a good rapport, which will help the researcher get more contacts from the respondents. The trust and rapport established enabled the elite respondents to recommend more contacts for the researcher to interview (Morse, 2019). The likelihood of getting additional contacts increases when the respondents are pleased and happy with your approach and research topic knowledge (Harvey, 2011). They will help get additional contacts that will be an invaluable source of more information for the research. It makes it easier to get access because of the new contacts are known to the previous respondents interviewed by the researcher (Leuffen, 2006). This snowball method was very key to the researcher getting more elites to participate in the research. It should not be taken for granted, that it is a lot easier to recruit more respondents when one is able to get very senior personalities to agree to help you speak to other senior colleagues, to participate in the research. Their endorsement helps to get other senior personalities to easily agree to participate in the research. It is also very key to maintain a very good relationship with the elites already recruited because it will help to get further elite respondents if there is a further demand to recruit more respondents for the research (Maramwidze-Merrison, 2016).

The use of elite respondents for interviews helped to get the relevant data needed for the research quickly, their insider knowledge of the institution they represent, and their knowledge of the process involved in supervisory activities helped unearth answers key to unlocking the issues affecting bank supervision and corporate governance compliance in the country (Bogner, Litting & Menz, 2009). Because of their vast knowledge about the issues affecting the phenomenon been studied, the researcher could easily probe through the interviews, the reasons behind the problems affecting the compliance of corporate governance in the Nigerian banking sector. Because of their leadership positions in the Central Bank of Nigeria, they were in the position to proffer the answers because of their comprehensive knowledge about the processes involved in supervision. Interviews with these elites allowed the researcher to capture the relevant data from the answers provided by individuals who have either in the past or present being actively involved in the researched phenomenon. Obtaining data via these interviews helped to provide richer and more detailed information than merely relying on official documents released by the Central Bank of Nigeria or official pronouncements released by delegated officials of the bank. Their great insights about the phenomenon being studied helped in generating great data needed for unlocking the answers to the research questions (Glaser &Laudel, 2009).

Using the elites to answer the questions of the research topic was one of the best methods needed to obtain the answers to the research questions of this study. Also because of the sensitivities of the personalities involved and the top positions they occupy in the industry, it was very important ethical concerns were handled very appropriately, informed consents were obtained before their participation in the research and to further protect their rights and identities and avoid causing any distress to the selected respondents. All the collected data were strictly confidential and anonymous. This helped in a great way to reassure all respondents used for the research that their identities and data were safe, and there would be no means to traced by any third party. Respondents were also informed that participation in the research was voluntary and that they could withdraw at any given time (Alshenqeeti, 2014).

The selection of sixteen respondents for the elite interview sessions provided the researcher with the needed opportunity of carefully triangulating among the respondents. The researcher didn't reveal any information gotten from the previous interview or interviews with the new respondents. It is also important to add that. This also provided an outlet for the researcher to use the information received from the previous interview to probe further the current respondent being interviewed. The use of the elites for the interviews helped to generate answers to historical policy changes and current policies being implemented or planned for future use by the Central Bank of Nigeria. It also helped to highlight further the role of the Central Bank of Nigeria in ensuring corporate governance compliance in the country (Hochschild, 2009).

3.6.2.2 Telephone Interviews

The unique ability to interview respondents millions of miles away from the researcher makes the use of a telephone for qualitative research very attractive. It is very cheap compared to having to travel millions of miles to conduct an interview. The reduction of costs, especially due to travel expenses and the ability to widen the number of participants available for the research. This makes it possible for the researcher to make good use of economic and human resources very effectively (Hill et al., 2005). Due to the advances in technology and modernization, telephone services availability is now very widespread globally, the ownership in telephone services is no longer an exclusive preserve of only the middle class and the rich. It is now very affordable to own a telephone and use its services compared to previously when the likelihood of the poor owning telephone was very limited (Glogowska, Young & Lockyer, 2011). It now makes it very possible for anyone in most of the globe to be very accessible for telephone conversations which helps it easier for telephone interviews to be conducted in most parts of the world (Opdenakker, 2006).

In today’s world, the use of the telephone for everyday life and as a means of communication have easily made it a good channel to elicit the views of selected respondents about the research questions of this study. It was also considered necessary to use the telephone for the research because of the geographical spread of respondents selected for the research and the very prohibitive cost of travelling to conduct face to face interviews. The increasing popularity and ease of usage have also made it possible for telephone interviews to be a possible substitute for face to face interviews (Carr & Worth, 2001).

The telecommunications sector in Nigeria witnessed significant growth in the country due to the introduction of Global Satellite Mobile phone services operators in the year 2001. The unprecedented growth in the telecommunications sector in Nigeria led to unprecedented growth in the widespread of telephones in the country. This made it possible for phones to become like a necessity in a developing nation like Nigeria. The technological investments made by the service providers have also led to an increase in the use of telephones for social or business interactions. Communication is readily made available using phones compared to the previous era when the popularity of phone usage was only limited to the rich and middle-class sector of the country (Elegbeleye, 2005). Before the boom of Global Satellite Mobile services in Nigeria, only less than 5% of the total population of the country had access to a telephone in 2003, but due to more penetration by mobile providers and more affordable tariff regime, the demand for GSM astronomically increased. Recent reports made available by the regulatory authority overseeing telecommunication in Nigeria, Nigeria Communication Commission in 2013 revealed that the market has grown to about 93 million subscribers. The figure represented about 16 % of the total mobile subscribers in the continent of Africa. It was also projected that subscribers would continue to expand at about 40% yearly. This further outlines the growing importance of the telephone in the country and that it is now becoming an essential part of the Nigeria populace, with the unique ability of easier communication at real-time with little or barrier (Agwu &Carter,2014)

The use of the telephone to interview respondents based in Nigeria was very appropriate for this research, the nation has fully imbibed the culture of telephone, as telephones or telecommunications gadgets have become a mainstay of lives of most people living in the country. The respondents selected for this research had no objections using the telephone as a means for data collation. All the respondents recruited for the telephone interviews are all very conversant with the use of telephones. They all use the telephone for their daily activities both in their official capacities and at their homes for personal use. They all agreed to be interviewed by telephone for the research (Farooq, & De Villiers, 2017).

All respondents were fully notified with the intent of using telephone communication for the interviews and all they all duly signed off the consent forms and respondent's participation information forms sent via email, where it was fully explained that telephone calls would be used for the research. The use of the telephone was also seen as advantageous by most of the respondents because it provided them with greater anonymity. The research topic is a bit sensitive considering the sector being studied and the respondents selected. The greater anonymity provided helped in a big way to elicit more than 90% success rate in respondent's participation.

In a developing country like Nigeria, anonymity is very key to eliciting more respondents, especially when discussing very sensitive topics like bank supervision and bank examination as it concerns corporate governance in the banking sector in Nigeria. Most respondents felt very comfortable participating in the interview sessions via telephones than having to face the full glare of the researcher. The respondents were drawn from the banking sector, and bank regulators did not in any way object to being interviewed via telephone.

Most of the respondents were very comfortable because it enabled them to shield themselves from third parties. This acted as a means of protecting their identity from any third party, thereby giving them a further sense of security. Most executives of the Central Bank of Nigeria, by the nature of their positions in the bank and sensitivity of issuing information regarding bank supervision and bank examination, felt more comfortable giving out vital and sensitive information via telephones than having to participate in face to face interviews, where there was an increased danger of being video recorded or getting easily identified by third parties.

The use of telephone interviews backed with the help of the gatekeeper vouching for the identity of the researcher helped to allay the fears of the respondents. This helped to reduce any negative predisposition to fully participating in the research. The respondents who are usually very cautious of divulging sensitive information to unauthorized third parties were able to do that because of the guarantee of full anonymity and confidentiality provided. Most of the respondents were either not too keen about-face to face either but instead preferred the use of telephone due to its flexibility and greater anonymity. The only alternative left for the researcher was either to proceed to interview via telephone or risk losing the respondents because of their perceived concerns about having the interviews done face to face.

The main concerns raised were related to divulging sensitive information to the researcher. The use of a telephone for qualitative research helps to provide more security for respondents. It has been argued that sensitive information is easier gotten from phone interviews than face to face interviews. This is because a respondent can easily divulge information over the telephone, with the greater possibility that they might not meet the researcher face to face again or have reasons to be easily identified by the researcher. This is because the researcher cannot easily identify the respondent based on phone conversation alone compared to seeing the respondent face to face. The greater anonymity provides the respondents with the cue to easily give out information with a greater sense of anonymity (Lord et al., 2016). The ability of non-facial appearance in a telephone conversation helps to provide that additional anonymity buffer that is not available in a face to face interview. Due to the inability of the researcher to see the respondents, more revealing features of the respondents are left unknown (Oltmann, 2016). The respondent is provided with the opportunity of saving face. Especially for respondents who were not too keen to disclose sensitive information via the face to face channel. This was a good compromise to enable them to participate and provide the rich, detailed data, which qualitative research thrives on (Block & Erskine, 2012).

The anonymity of telephone interviews also provides data fidelity by reducing response bias. During telephone interviews, it will be near impossible for the researcher to coerce the respondents via telephone. This is because the researcher is not physically present to influence the respondent to give answers that suit the researcher. The anonymity provided via telephone interview makes it possible for the interview sessions to be calming and the respondent is not geared or influenced to give answers that seem acceptable to the researcher. This enables the data gotten to be more truthful and accurate (Rahman, 2015). This is made possible because respondents are usually very free, relaxed and very comfortable talking over the telephone, thereby providing very detailed rich data (Novick, 2008).

The use of the telephone also provides the respondent with greater control over the venue of the telephone interview session. Based on the nature of the interview, respondents can easily decide to pick a location that better suits their preference. They can easily decide to have the interview session in a location, which offers them better protection against the fear of third parties listening to their conversation or any unauthorized person interference. This further helps to provide privacy for the respondents (Oltmann, 2016). The ability for respondents to choose the perfect location and decide the best time for the telephone interview provides the opportunity for respondents to protect their privacy from any intrusion (Cachia & Millard, 2011). Also, respondents are in a better position to easily end a telephone interview or end an interview, if they are unhappy or they do not want to participate anymore in the interview session. The ability to cancel or reschedule any interview was also a major strength of using the telephone interview channel. Respondents felt less guilty having to cancel or reschedule interviews compared to having a face to face interview. Travel costs would have incurred (Farooq &Villiers, 2017).

This further strengthens the respondent to be in control of their privacy because the researcher is forced to respect the terms and conditions given by the respondents fully. Compared to face to face interviews, it is a lot easier to terminate a telephone conversation than to walk away from a face to face interview that is ongoing (Lord et al., 2016). Well, fortunately for this researcher, none of the respondents exercised that option, all telephone calls went smoothly without such incident occurring.

The researcher had to have telephone conversations with all recruited participants before having the actual interview. The pre-briefing was done to enable the researcher to discuss the research study further. The major objective behind the pre-briefing was to enable the researcher address issues that the participants might want to be clarified before embarking on the actual telephone interview and also serve as a way of building a good rapport that is strongly needed to ensure the success of the interview sessions. This helped to address all issues concerning anonymity and confidentiality issues that was very central and the key to their participation in the research. Also, the planned duration of the interviews was discussed, and the best times and days to call each recruited participant were discussed and agreed on.

The respondents were also told about the planned recordings of all the interviews. It is very key for telephone interviews to be audio recorded; this will enable the researcher to collect high-quality data. Making a telephone call and expecting to take track of all the proceedings without having to audio record, is almost impossible. It is best to record the telephone conversation interview, as this will help the researcher have well-detailed data needed for the analysis (Glogowska, Young&Lockyer, 2011). It was generally agreed with the participating respondents that all interviews recorded will have to be transcribed immediately and sent to the respondents to vet before being used for the research. All names and any identifier of the respondents were removed to further protect the identities of the respondents.

To enable the recording of the interviews, the researcher had to use a telephone with speaker ability, to enable the recording device to record all the interviews smoothly without any hiccup.

The researcher made use of a hands-free telephone device. All interviews conducted via telephone was switched to the speaker. A recording device was placed next to the telephone speaker, to enable the smooth recording of all interviews conducted.

Before every interview, the researcher calls at the agreed time given by the respondent and only proceeds to interview, after getting the approval to conduct the interview. It is very key the researcher only proceeds to interview respondents, after getting their approval that they are available to talk, and it is very convenient for them to participate in the telephone interview (Farooq, 2015). It is very important the researcher confirms if the respondent is still available to participate in the interview before embarking on the interview. The researcher should ask the respondent if they have any reservations about conducting the interview and if they are not comfortable at that point in time, they should be given the opportunity of rescheduling the interview, if it is not convenient for them at that time (Farooq &Villiers, 2017).

Critics of telephone interviews argue that it is very inferior to face to face interviews because of the absence of verbal cue, which is available in a face to face interview. They also argue that unlike face to face interviews, the researcher will not be able to see the body languages of the respondents. This, they argue, is a strong limitation that affects the effectiveness of telephone interviews (Farooq&Villiers, 2017).

This they argue will affect the quality of the interview because the researcher will not be able to fully establish a rapport and will not be in a position to take advantage of virtual clues that might either elicit more probes or discontinue the line of questions, but another school argued that the researcher’s job is not to check for cues or to attempt to read the body languages of respondents. The reading of body languages is best left for psychologists and not researchers to worry about (Farooq &Villiers, 2017). It can also be argued that these body languages can also be easily misinterpreted; hence cannot be said to be very reliable. Also, data that relies heavily on transcripts than field notes might not necessarily be in need for nonverbal cues. In the absence of cues, in telephone interviews, the researcher can rely on the respondent's non-verbal actions such as intonation, hesitating before giving answers to questions and respondent's sighs (Novick, 2007).

The quality and intensity of the interviews the researcher conducted face to face and telephone were about the same. This was similar to a study by Gullick &West (2012) who also found out little or no difference behind the quality of data, the duration of interviews and transparency of data collected in their research while conducting interviews using telephone and face to face. The recruited respondents were unaffected by the channel of communication used for the interviews.

3.6.3 Focus Group

Two separate groups were used for the group. It was divided into two different groups of Nigerians who reside in the United Kingdom and who operate Nigeria bank accounts.

The criteria for participating in this focus group discussions were that recruited participants were Nigerians living in the United Kingdom, who operated bank accounts with Nigerian banks in Nigeria. If the recruited participants did not operate bank products with Nigerian banks, they would hardly be appropriate to participate in a research study like this one, which entailed the participants' perception about corporate governance in Nigerian banks.

Since there is a strong Nigerian community in the United Kingdom, it was not difficult to get diaspora products officers of Nigerian banks to give the researcher the telephone numbers of potential participants. This was subject from them receiving approval from the participants, to be contacted by the researcher via telephone or email. However, out of the 25 potential participants contacted, only 16 of the participants were keen about participating in the research. A date was fixed, and all the recruited participants agreed to make themselves available for the focus group sessions. All the sixteen respondents that were keen about participation made themselves available for the sessions.

In a bid to get rich data for the research, the participants were divided into two different groups. This was done because of the size of the hall used for the session and to enable the moderator to better manage the group. This also provided an outlet for all the recruited participants to fully participate and say their views about the phenomenon being studied without any form of intimidation or fear being coerced to say something along the line of any dominant individual in the group. The group interactions helped provide the rich data needed to provide answers to the phenomenon being studied.

It is usually believed that a small focus group will easily be influenced by one or two members of the group, while in a very large group, frustration can become the norm (Asquith, 1997). Having a group of eight members in each group helped generate a lot of new ideas, in addition to the data needed for this research. It will also make it easier to manage the group for the selected moderator. It will help create a group dynamic that will encourage each participant to participate fully.

When well prepared and executed focus group data can easily produce information and insights that cannot be produced by a quantitative study (Mellinger & Chau, 2010), it is a way of getting qualitative data which involves engaging a small number of respondents in a group discussion centred on a particular subject or number of issues. It is a way of getting data from multiple respondents simultaneously (Onwuegbuzie et al., 2009). Selection of respondents is usually made with the criteria that they have something to say about the topic, and the respondents will be very comfortable talking to themselves and the moderator of the group (Rabiee, 2004).

According to a study carried out by Kruger and Casey 2002, good focus group set up should have the following characterises, recruit respondents who have the knowledge or experience needed to provide rich information on the topic, limit the size of respondents to six to eight respondents, provide a comfortable environment conducive for the respondents and use a skilled moderator for the focus group. It is also advisable to over recruit respondents of at least 20%. This serves as a buffer to avoid situations whereby some respondents might not be available on the day of the focus group session (Onwuegbuzie et al., 2009).

3.7 Summary of Chapter

This chapter was used to present the methodology adopted for the study. It highlighted the ontological and epistemological strand of this study. Due to the methodological, ontological and epistemology strands used for this study, social constructionism was used as the study philosophy.

The adoption of social constructionism as the research philosophy enabled the researcher to use qualitative methods to help provide the answers to the research questions of this study.

This chapter also highlighted the steps taken by the researcher to ensure the protection of all respondents and ensure their confidentiality is fully respected, which was largely the reason why they all agreed to participate in the research study.

The next chapter provides the analysis of findings, which emerged from the thematic analysis carried out for the study.

Chapter Four

Analysis

4.1 Introduction

The main objective of this research study was to critically investigate the reasons behind the banks not fully adhering to the corporate governance code, introduced by the CBN. The investigation entailed speaking to executive regulators of the Central Bank of Nigeria and other relevant stakeholders, to give a detailed account of ways by which the Central Bank of Nigeria is making sure banks, consistently have the right corporate governance structures in place and also pursue sustainable goals and not short term goals fueled by excessive risk-taking, at the detriment of the bank sustenance.

Having the banks pursue sustainable risks and not undertake excessive risks will help the apex regulator. It will also make the tasks of bank supervision easier for the regulators. This is because corporate governance, when properly implemented and practised, ensures the rights of all stakeholders are well protected and return in investments for shareholders is better harnessed.

This study is designed to look at the reasons why banks still have challenges implementing the codes of corporate governance despite the code of corporate governance, introduced by the CBN in 2014. It is important to point out, while financial regulation and supervision help to curtail crisis when properly channelled, it can only be fully empowered when banks and their managers employ the right corporate governance tools in running their organizations.

Looking at the global funds that were channelled to keep banks afloat, it is important studies like this are undertaken, to help proffer solutions to the challenges facing this very important sector of any economy. In Nigeria, the CBN had to inject over 620 billion Naira to rescue some banks in

2009 and also injected funds recently to former Skye Bank, in a bid to rescue the institution, due to its connectivity and systematic importance in the industry.

The Central Bank of Nigeria as a lender of last resort is required to help offer financial aid to banks facing liquidity challenges. However, it is important to add that rescuing banks with huge capital injections raises a lot of questions and cannot be said to be healthy for the growth of the nation. Constantly having the CBN pump taxpayer's money in rescuing banks, whose failure was largely fueled by directors' greed and poor corporate governance culture, will do the sector more harm than good. To address this issue, it will be a necessity to carefully analyze the findings that were obtained from the data collected for the study.

This chapter is fully devoted to analyzing the findings obtained from the data. This chapter will analyze the finding, highlighting on the effectiveness of the CBN in using their regulatory and supervisory tools in ensuring banks comply with the corporate governance codes rolled out in 2014. To address the research objectives of the study, the analysis was painstakingly undertaken using thematic analysis to careful analyze the respondent's answers to the research questions.

The data collection process involved semi-structured interviews with 16 serving and retired executives of the Central Bank of Nigeria, semi-structured interviews with ten bank members of staff of money deposit banks in Nigeria, interview sessions with two bank customers resident in Nigeria and focus group sessions with 16 Nigerians living in the diaspora. The researcher used the interview data, focus group sessions, code of corporate governance, financial reports, regulatory documents collected from corporate financial leaders and senior management of regulatory authority to generate the themes. The generated themes from the participants' responses and documents were reviewed.

Inductive thematic analysis was used to identify the themes for the study. This approach enabled the researcher to identify themes that are relevant to the data used for the study (Javadi & Zarea, 2016). The identified themes selected were strongly related to the data. Using thematic analysis, as suggested by Braun and Clark (2006), fifteen themes were identified and will be discussed in this chapter. Fifteen themes became visible from the interview sessions, focus group sessions, and document analysis approach examined.

Identified themes1 Ethics and Professionalism

2 Risk Management

3 Risk-Based Supervision

4 Insider Abuse

5 Staff Training and Technology

6 Returns and Reports to CBN

7 Creation of Credit Bureau

8 Effective Monitoring

9 Implementation and Enforcement

10 Regulatory Capture

11 Lack of Political will

12 Disclosure and Transparency

13 Use of Sanctions

14 Slow Judiciary

15 Dominant Managing Directors or Chairmen

List of Respondents

CBN

Executives of CBN (Expert Interview) Table 1

CBN 1	Deputy Director	Male
CBN 2	Deputy Director	Male
CBN 3	Deputy Director	Male
CBN 4	Deputy Director	Male
CBN 5	Deputy Director	Male
CBN 6	Assistant Director	Male
CBN 7	Assistant Director	Female
CBN 8	Assistant Director	Female
CBN 9	Retired Deputy Director	Male
CBN 10	Retired Deputy Director	Male
CBN 11	Retired Assistant Director	Female
CBN 12	Retired Assistant Director	Male
CBN 13	Retired Assistant Director	Female

CBN 14	Retired Deputy Director	Male
CBN 15	Retired Deputy Director	Male
CBN 16	Retired Deputy Director	Male

Table 1: Executives of CBN (Expert Interview)

Table 2: Interview with Bank Employees

Oceanic / Eco Bank1	Manager compliance	Female
Oceanic / Eco Bank2	Manager compliance	Male
Intercontinental /Access Bank1	Officer Retail Banking	Male
First Bank 1	Senior Officer / Compliance	Female
First Bank 2	Senior Officer / Relationship Banking	Female
UBA 1	Manager Branch	Female
UBA 2	Senior Officer Branch	Female
Skye Bank /Polaris Bank 1	Manager	Female

Zenith Bank 1	Senior Officer Risk Management	Male
Zenith Bank 2	Senior Officer Compliance	Male

Table 2: Interview with Bank Employees

Table 3: Focus Group Diaspora customers of Nigerian Banks

Respondents 1	Banking	Male
Respondent 2	Banking	Male
Respondent 3	Banking / Teacher	Female
Respondent 4	Postgraduate / Banking	Male
Respondent 5	Banking	Female
Respondent 6	Medical Doctor	Female
Respondent 7	Medical Doctor	Female
Respondent 8	Student	Male
Respondent 9	Student	Male
Respondent 10	Nursing	Female

Respondent 11	Nursing	Female
Respondent 12	Retail	Male
Respondent 13	Retail	Male
Respondent 14	Banking	Male
Respondent 15	Student	Female
Respondent 16	Banking	Female

Table 3: Focus Group Diaspora customers of Nigerian Banks

Table 4: Bank Customers based in Nigeria

Respondent 1	Oil and Gas	Male
Respondent 2	Telecommunication	Female

Table 4: Bank Customers based in Nigeria

Note Due to confidentiality concerns, participants requested for significant anonymity. This explains why no further identifiers were provided.

4.2 Overview of Thematic Analysis Used for the Study

Thematic Analysis was used by the researcher to help identify, sort, describe and report the themes identified in the data set used for this study (Braun & Clarke, 2006). It enabled the researcher to provide a very insightful analysis of data, which was a true reflection of the data used for the study (Nowell et al., 2017).

The researcher used the Braun & Clarke (2006), as a guide in conducting the thematic analysis of the study. It will be briefly highlighted below.

Step 1: Familiar with the Data

Data was collected by the researcher, which enabled the researcher to have a prior idea of the contents of the data collected. Following the steps prescribed by Braun & Clarke (2006), the researcher fully immersed in the data collected by constantly listening to the audio recordings of all the 28 interviews conducted for the study and also listening to the two audio recordings of the focus group sessions. The documents collected was read to enable the researcher to get fully familiar with the data. This stage provided the researcher with the opportunity of taking notes and jotting down any information that helped a great deal during the coding process.

The next step in this phase involved the researcher producing an accurate transcript of all the data collected for the study. Transcription is very key to the success of any data analysis; if the transcripts produced from the transcription process is undermined, the accuracy of the data analysis is affected greatly (Stuckey, 2014).

All data were transcribed verbatim into written words. Although the process was very time consuming because it was done manually, this enabled the researcher the opportunity of further gaining more insights into the data used for the research. After producing the transcripts, the researcher also listened to the audio recordings to ensure the accuracy of the transcripts.

Step 2: Obtaining Codes

Phase 2 begins when the researcher must have read and the transcripts thoroughly and is in a state where the researcher is very knowledgeable with the data. To enable the researcher, obtain the codes, the researcher generated an initial list of ideas about what is in the data and what is interesting about them.

Coding process enabled the researcher to condense the data into smaller data that helped to convey meanings relevant to the research. It also provided the researcher with the opportunity of breaking down the data into smaller parts that sends information pertinent to the study (Maguire& Delahunt, 2017). This process was carried out manually with the researcher working with the copies of the transcripts and making use of pens and highlighters to indicate the initial codes.

Step 3 Identifying Themes

Themes are patterns that are considered key to explaining issues relevant to the study (Maguire &Delahunt, 2017). It enables the researcher to closely examine the codes extracted for the study and combine similar ones to fit into a standalone theme. This process involves closely analyzing the codes and combining codes to produce the themes for the study that best explains something related to the research questions of the study.

An inductive means were used to obtain the themes of the study. The themes were strongly linked to the data collected for the study. This approach was data-driven in contrast to using a deductive approach, which would have meant the researcher would try to fit the coding process to fit a theoretical or analytic agenda. Using the inductive approach enabled the data to be very insightful and also enabled a richer analysis of the data obtained ((Nowell et al., 2017).

Step 4: Reviewing the Themes

Here the researcher looked closely at the initial themes obtained for the study, by reviewing and modifying the earlier themes from step three. This process, the researcher ensures that the theme obtained from step three is supported across all the data obtained for the study and if it is coherent (Maguire &Delahunt, 2017). At the end of this step, the researcher was able to obtain a good idea of what themes were useful for the study and how they elucidate the data (Braun &Clarke, 2006).

Step 5: Define Theme

This process entailed looking at the identified themes and identifying the story the theme is saying about the data. It was also important for the researcher to determine the data that supports each identified theme. Finally, the names given to each theme should be concise and able to give the reading audience a good idea of what the theme represents (Braun & Clarke, 2006).

Step 6 Making Report

The final stage of the steps recommended by Braun and Clarke (2006) is the production of the report for the thematic analysis conducted. It involves writing a very detailed, insightful and compelling account of the data within and across themes. This stage is very key to the analysis because it enables the understanding and elucidation of the themes (Nowell et al., 2017).

To aid the understanding of the selected themes, it was necessary for the researcher to add direct quotes from the respondents, to buttress the key points that buttress the essence of the selected themes. As recommended by Braun & Clarke,2006), each theme was supported with copious quotes from the respondents of the study, having only a few quotes to support each selected theme would have failed to highlight the richness of the data and affected the validity and quality of the analysis carried out by the researcher (Braun &Clarke,2006).

4.3 Identified Themes for the Study

Fifteen themes were identified during the thematic analysis carried out by the researcher. The identified themes helped to provide rich details for the study and were considered relevant to the research study. All the words of respondents used to illuminate each theme are were taken verbatim, to reflect clearly the words of respondents and ensure their views were not misrepresented. The report of the analysis will be presented in this section.

4.3.1 Ethics and Professionalism

Ethics and professionalism are very key to the survival of any organization. The respondents were of the opinion that for any bank to thrive, ethics and professionalism could not be compromised. They all agreed that one of the main challenges affecting the survival of banks over the years had been the issue of having compromised staffs steering the affairs of these banks. All the respondents drawn from the CBN agreed that, for banks to remain sustainable and effective in discharging her responsibilities, there was a need for ethics and professionalism, to be fully entrenched from the top management to the lowest cadre.

All participants interviewed agreed that ethics and professionalism remains one of the keys to ensuring banks comply with the corporate governance codes and other ethical and regulatory requirements unveiled by the CBN and other regulatory authorities. They maintained that members of staff of banks exhibit the right ethics and professionalism. These will avoid situations, where bankers will look for loopholes in the system, in a bid to evade the laws governing their operation. The selective implementation of laws or regulations governing the sector is one of the major banes facing the sector. The CBN is now taking a tough stance against unethical practices facing the sector, one of the respondents interviewed from the CBN clearly stated in his interview, the CBN in a bid to weed out unethical practices in the sector. The CBN insist banks give out the names of staffs that violate their rule books. The offending members of staff who get sacked from banks for exhibiting unethical practices are then placed on the CBN black book. The offending officers are given a lifetime ban from working in the sector.

The Central Bank of Nigeria in a bid to ensure that offending staffs are not recycled back to the sector insists that banks submit the names of their prospective employees before they are employed. These were collaborated by bank staffs interviewed during the study. They all agreed that before employment of staffs is made known to the intending staffs, the list is first sent to the

CBN, who then ensure that names of the prospective staffs are not in the blacklisted names kept by the CBN. These blacklisted members of staff are not allowed to work in any bank in the country. This rule, they added affects all staff cadre, meaning that executives found wanting or dismissed for unethical practices, are also added to the CBN black book and prevented from seeking employment in the banking sector.

Managers of companies can exploit loopholes and take advantage of choosing regulations that better serve their purpose. The selective implementation of regulations enables managers of companies to evade compliance with stricter regulations.

According to some of the respondents' views

"*The CBN also ensure the appointments of both executives and non-executive directors of banks meet the CBN's expected requirements for such positions. The Central Bank of Nigeria vets and ensures that bank appointees are people of credibility. CBN wants to ensure that the person is a fit and proper person, the bank would have to send in the individual 's credentials and documents, for the CBN to go through and do a thorough investigation about the person's background and standing* ***(CBN1)"***

"*The sacking of erring management team reinforces the importance the CBN attaches to having ethically sound professionals steer the ship of banks in the country. In the past, we were accused of turning a blind eye to the serious offences committed by managing directors and their management teams, but now we follow a tougher stance in ensuring banks are properly managed by these professionals (**CBN3**)".*

"Ethics and professionalism are taken seriously by the CBN now compared to what was obtainable in the past years. Banks are better scrutinized to ensure the management teams don't compromise

standards or allow unethical practices to go unpunished. Compliance is better now, especially when it comes to the appointment of directors. The CBN will have to approve before executives, and the board of banks are set up, this is key to ensure that professionalism and ethical values are upheld from the top echelon of the banks ***(CBN4)"***

"*Also, there is a blacklist kept by the CBN to ensure the banks do not employ unethical individuals. This blacklist is kept showing members of staff dismissed due to unethical conduct. This ensures the dismissed members of staff are not recycled or employed by other banks* ***(CBN5)"***

"The codes have helped to improve the ethics in the sector, bankers are now more aware of the dangers of flouting the rules, especially with the removal of bank managing directors and blacklisting of corrupt members of staff, bankers are becoming keener to trying to follow the codes ***(Zenith Bank 1)"****.*

"CBN has succeeded in a large extent by eschewing ethics and professionalism in the sector, although there is still room for improvement ***(Eco Bank 1)"***

"The removal of directors and managing directors sent a shockwave to the sector, and we now knew that it was no longer business as usual. We are now more diligent, especially in the area of following ethical requirements and showing zero tolerance to issues bordering professionalism and ethics ***(Access Bank)"****.*

"*Insincerity from customers and corruption is affecting the country, as a compliance officer after going through checks of given out facilities. We found out that the right ethics and professionalism wasn't carried before loans and advances were given out, either the account officers didn't carry out the required due diligence especially regarding the collateral put down as security or the account officer completely compromised his or her position by requiring unethical favours, in exchange of helping the customer get the facility approved (Eco Bank 2).*

4.3. 2 Risk Management

Risk Management is a tool that should not be compromised or underutilised by banks practising in Nigeria. The challenges inherent in the Nigerian banking sector makes it imperative that risk management is practised optimally, to help avoid the crisis that has continued to affect the growth and sustainability of banks in the country. The optimum deployment of risk management tools and techniques by banks in the country will help mitigate risks or hazards that can affect the sustenance of the sector.

All the sixteen respondents from the CBN alluded to the importance of risk management in ensuring the survival of the sector.

This was also collaborated by the views of the ten officials of banks interviewed. To them, one of the factors that led to the crisis that affected the eight banks in 2009 and the crisis in former Skye Bank and Diamond Bank, was the non-adherence to the right risk management policies.

For banks to comply with the CBN corporate code, it is expected that the banks have the right risk management team in place backed with by right skills and power to enforce the rules.

The views of the respondents were captured below

"*Also, poor risk management culture prevailing in the sector helped to erode good CG practices in the country. Things seem to be getting better, compared to 2009. I say from bad to weak is what is prevalent now* ***(CBN16)***"

"Skye Bank and Diamond Banks suffered crises due to poor risk management culture in those banks. Considering there were taken as systemically important banks, they still suffered a crisis. ***(CBN2)".***

"Unfortunately, the consolidation exercise created banks with the massive chest of money, the money made banks to increase their risk appetite and chase short term goals at the expense of long-term objectives. Management of these banks forgets that not following the right risk management framework could completely erode and destroy the banks in the long run. Credits were created without the right risk management practices, and this helped to create more toxic assets in the market ***(CBN3)****"*

"*Any bank that is not prudent in the management of its resources, especially its risk assets, are bound to fail. A bank which fails to pay serious attention to its corporate governance cannot survive. Banks are largely run with depositor's money. Therefore, the failure of a bank leaves the depositors in a worse position* ***(CBN15)****".*

"*If you look carefully at the failure of banks like Oceanic Bank and Intercontinental Bank in 2009, you will easily observe that the management of both banks committed serious blunders in risk management. They had too many loans that went awry, which led to the CBN been forced to act. One can easily deduce that risk management culture in both banks was defective* ***(CBN12)****"*

"Risk management in Nigerian banks was in the rudimentary stage until Sanusi acted by changing those affected management teams; I think banks are more aware now of the implications of having poor risk management. I am retired now, but from the feedback I get from colleagues still in service, I think things are getting better in terms of risk management ***(CBN11)****"*

"We are now insisting that sensitive departments and committees charged with risk management are equipped with the right personnel. When you have competent people handling departments like risk management, banks can easily steer clear from the mistakes of the past ***(CBN8)****"*

"Consolidation created banks with a big war chest, some of the management teams with the newfound war chest, began to heavily take up big-ticket transactions especially in the capital

*market (margin loans) and oil and gas sectors of the economy. Obviously, with defective risk management platforms existing in these banks, having not even carried out proper feasibility studies of these intending big tickets, they got their fingers burnt. Well, as the case, maybe they had to run to the CBN for help. It would have been unfair for the CBN not to act, and the CBN did what any regulatory authority would do, faced with such challenge, sanitise the system .Risk management is now preached, and banks are becoming more aware of the importance of risk management **(CBN6)**"***.

*"The situation in Oceanic Bank was that the then management team saw the creation of risk assets as one of the easiest ways of gaining quick returns for its shareholders. The bank was over-committed to sectors seen as other risk-averse banks as too risky to commit substantial funds. The bank heavily got involved with sectors such as capital market, oil and gas. The poor risk management led to the bank has a lot of bad loans due to poor credit appraisal of loans. This eventually led the bank to become heavily illiquid and had to become net users of the CBN 's expanded discount window **(CBN14)**".*

"*When there is a concentration of risk in specific sectors of the economy, it shows that the management is either not very forthright in areas of risk management because spreading of risks should be the watchword, to avoid messy situations .it led to banks losing so much money in sectors like energy and gas in the past **(First Bank 2)**".*

"*One of the major reasons behind bad loans in the country is the failure of the bank's staff to objectively assess the risk profile of the customer seeking a facility from the bank. When the risk assessment is done in a lopsided manner, the chances of loan default increases, when it is well* *carried out; the risk manager can easily ascertain the genuineness of the loan application. Also, it is key that the officer in charge starts monitoring the account from the first day of disbursement and not wait for issues to crop up before monitoring commences. Monitoring of the account is very key to ensure that the customer is meeting the covenants required for the account, such as turnovers and even repayment schedules, once an account is properly monitored, it will be very easy for the account to be run properly, also making sure the collateral used for the facility is available to be liquidated if the loan goes bad. The credit team should have done all, the verification needed to ensure the collateral is not encumbered by legal reasons or have been used to obtain another facility* ***(Eco Bank 1)****".*

"I would rather say one of the factors behind a large number of bad debts in the sector is the credit officers do not seem to do a thorough analysis of potential borrowers. Also, there is also the issue of compromised officers who are given kickbacks by customers, for every loan they help to facilitate, staffs will be given a certain percentage as a thank you gesture for facilitating the approval of a loan request ***(Eco Bank 2)****".*

"Also, another factor behind an avalanche of bad loans is the constant sack of staffs in the banking sector, with the constant change of guard, the new risk officers put in charge of the loans either have little knowledge about the facility or are not really interested in monitoring the loan. This has led to situations where credit officers who are now given the responsibility of monitoring the facility have little knowledge about the customer or even the business of the customer ***(Skye Bank)****".*

"In a desperate bid to meet your assigned targets, staffs get their fingers burnt by ignoring the risk management measures set aside to protect the bank. I think there is a need to sanitise the middle and top management staffs on the importance of risk management. Reason being, some of

the risks these middle and top tier management staffs take or encourage is very prone to putting the bank in a grave situation ***(First Bank 1)****".*

The code of corporate governance rolled out by the CBN in 2014 also rightly emphasised the importance of having the right risk management mechanism in place in the banks. The code expects the management team to put in place the right strategy to capture all the risks inherent in its operation. It also expects the strategy and policies put in place by management to incorporate the risk appetite and profile of the bank. To ensure the effectiveness of the risk management committee, the CBN directs that the composition of the committee should comprise of the executive director in charge of risk management in the bank and at least two non-executive directors and the committee must have a non-executive director as the chair of the bank's risk management committee.

This is a pointer to the importance attached to risk management, as confirmed by the interviews conducted with executives of the CBN and officials of banks operating in Nigeria.

This point was surmised by the words of a retired executive of the CBN, who concluded by saying things seem to be getting better now, in terms of risk management practices compared to what was obtainable in 2009. Although he added that with the events that led to defunct Skye Bank acquiring Mainstreet bank, which in his opinion contributed to the demise of Skye Bank. There was still question marks about risk management practices in the banks in the country.

The view from the two focus group sessions also addressed the huge importance of risk management policies in the banks. They both argued that one of the reasons behind the constant crisis inherent in the system is the poor adherence to credit risk in the country. Compromised officials they argue, have led to situations where non-deserving customers are given bank credit at the detriment of the bank.

4.3. 3. Risk-based Supervision

Risk-Based Supervision (RBS) was one the 13-point reform agenda announced for the banking sector by the former governor of CBN, Professor Chukwuma Soludo in 2004. The announcement by the CBN governor in 2004, was followed by the CBN creating a framework for risk-based supervision in 2005. The CBN adopted risk-based supervision in 2009/2010. Previously the CBN was using the compliance-based supervision approach (Oni, 2012. The compliance-based approach of supervision is seen as largely unable to deal with the demands of the modern financial sector complexity because it is largely seen as reactionary and not proactive like the risk-based supervision approach (Itsede, 2008).

The risk-based supervision adopted by Nigeria is anchored on the recommendations of the Basel 11/ 111, which advises that due to the complexities of the banking sector, the risk-based supervision is more reliable than the compliance-based approach (Soyemi, Ogunleye and Ashogbon, 2014). The transition from compliance-based supervision to risk-based supervision have aligned the CBN with other major regulatory authorities in the world.

The global financial crisis (2007-2008) exposed the limitations of compliance-based regulation, where regulators were mainly interested in looking for banks that contravened the existing guidelines and then making them correct those contraventions. The lessons of the crisis heightened the need for regulators to create a more robust method of supervision, which will help easily identify the risks prevalent in each institution and help easily provide the resources and manpower that will help mitigate the chances of the risks becoming a reality. The idea is to provide a comprehensive framework that will easily decipher each risk areas of the governed banks, thereby checkmating the chances of the institution going burst because of non-identification of the risk areas of the institution.

The respondents drawn from the CBN and banks clearly identified the importance of this approach in mitigating the occurrences of crisis in the financial sector. They all agreed that if the risk-based supervision is carried out adequately by the CBN, the compliance of corporate governance codes in the country will greatly improve, as banks will be keener to follow the rules and avoid breaches that will threaten their survival. They added that with the risk-based supervision fully implemented. The CBN will be able to properly utilize its resources by channelling its human resources to the correct designated areas .it will also help provide the actual risk profile of all the banks in the country, thereby helping the CBN identifying the actual risk appetite of all the banks in the country. With the CBN able to identify the risk appetite of the banks in the country, the designated relationship manager of the bank from the CBN will always be in the position to advise the management team under the purview of the relationship manager. This will help create an effective risk management system in the bank and ensure the right strategies and structures are always created to mitigate against the occurrences of the earlier identified risk areas.

Risk-based supervision they also added, will enable the CBN to spend more time supervising the institutions that pose more threat. That is the CBN will channel more resources to banks deemed to carry more risks. This will enable the CBN to focus more on properly allocating its resources to institutions that pose more systemic threats.

Some of the views of the respondents are as follows.

“*We assign relationship managers to banks, before embarking on inspections or examinations, the CBN assigns relationship managers to banks to scan the bank and pick out any issues that will warrant the CBN to investigate further during their examinations to know the risk areas and to know the areas to concentrate on. At the examination process, supervisory issues are noted so as to know the relevant tools and personnel to deploy, the organizational structure of the bank is also noted to allow the CBN look deeper and ensure they are fully compliant with the provisions and guidelines put out by the CBN* ***(CBN2)****”.*

“Having relationship managers in those banks provide them with the opportunity of learning the bank’s culture and also help them specialize in those areas that will enable them to know the bank better. Through the interactions, the relationship managers will also get to know how the tools appropriate to the banks are used. This also helps the bank examiners the opportunity of knowing the weaknesses and strength of the banks under their purview. This will help specialize in those banks. The successes of this scheme or method are fully dependent on the experience of the relationship manager assigned to observe and monitor the bank under their watch. The examiner can indirectly be experts of the bank ***(CBN 3)****”*

“The relationship managers are mostly managers of the CBN; the relationship manager is fully abreast on the issues of the bank, both externally and internally. External scanning involves the relationship manager getting information in the public domain like what members of the public are saying about the bank, also what the news agencies are saying about the bank etc. The internal scanning involves the relationship manager through their insights from scanning the bank through their interactions with both management and non-management staffs, looking deeply into the bank’s relevant affairs and trying to get answers to issues gotten from the public domain. The bank will address those issues raised by the relationship manager, and if the answers are not

satisfactory, the relationship manager will recommend a team of examiners are sent to the bank to fully investigate any areas of concern raised by the relationship managers ***(CBN15)****".*

"Due to the ongoing situation prevailing globally, the CBN was forced to adopt a risk-based supervisory framework. This was done to ensure the risk profile of banks in the country was measured, and resources optimally distributed to capture banks based on their risks. Having a risk-based framework has enabled the CBN to supervise banks in the country more effectively ***(CBN8)****".*

"I think like a banker. The risk-based supervision has helped to create more awareness for management to put their house in other. When I mean, put their house in order, I am only saying that with the CBN determined to know the actual risk appetite of the banks in the country, banks will now do a full review of their risk profile and ensure that they always carry the risk. This is because of the likelihood of the CBN frowning at their risk profile is more compared to what was obtainable before ***(First Bank 2)****".*

"I believe this method will bring more sanity to the sector, it is far more proactive, but it still depends on how it is implemented. If the system is not compromised, the risk-based approach will create a better banking sector for the country. But like I said, I don't work in the CBN to know how it is implemented, coupled with the crisis that befell Skye Bank and Diamond bank, I don't know if the system is error-proof for now. But it will be unfair to condemn the method because compared to what was obtainable before, the crisis in the sector is minimal ***(Eco Bank 2)****".*

"I think the way the CBN interacts with us is better now, the CBN has a risk profile of all banks, and they assign people to these banks to supervise the banks based on the information already

available to them. In my opinion, I think they are better prepared than what we were used to before ***(UBA 2)****".*

4.3.4 Insider Abuse

According to the CBN prudential guidelines released by the CBN in 2010, anyone with significant interest in the bank (any group or individual with at least 5% share, directors, shareholders, relatives of directors and employees) are termed as insiders. Based on the recommendations of the prudential guidelines released by the CBN, banks in the country are expected to follow appropriate discipline in giving out credit facilities to the insiders.

This is to ensure there is no abuse in its lending policies adopted by the banks in the country. In a bid to ensure transparency and prevent infractions in its credit process, banks should disclose the insider related facilities in its financial year statements and disclose the non-performing facilities extended to individuals or groups considered as insiders. This disclosure has been made mandatory by the CBN to help stop the abuse of insiders taking advantage of their privileged positions to abuse the lending processes in their institutions for their selfish gains.

The crisis that befell the sector in 2009 was largely fueled by the management teams and other related parties, taking advantage of their privileged positions, to abuse the powers given to them for illicit gains at the detriment of other stakeholders. Managing directors and their management boards were found culpable of abusing their positions, by taking facilities from their banks, with the intent of using them for illicit gains.

The management teams approved the majority of these facilities without following the due processes or even protected by adequate collateral, which is very detrimental to the safety of shareholders' funds and all stakeholders. The insider abuse led the CBN in taking a tougher stance against insider abuse in the 2010 prudential guidelines released by the CBN.

In an earlier circular released by the CBN in 2001, the CBN made it mandatory for directors applying for loans from the bank, to sign blank share transfer forms, which transfers their shares to the bank, in the event of non-liquidation of the granted facility. The CBN also added that if there exists a high level of insider loan in the bank, the CBN will restrict the bank from giving out more loans and until a substantial percentage of the insider facility is recovered. Another circular obtained from the CBN website revealed that the CBN also frowned at directors obtaining facilities from their bank by using the shares in the bank as collateral. The CBN revealed that such practices go against the spirit of the corporate governance and such practices are prone to abuse, according to the circular issued in 2004, banks were advised against such acts and will only accept directors using their own shares as collateral and must be seen as adequate to cover the amount borrowed from the bank (BSD/DO/CIR/04/2004).

Another circular released by the CBN in 2004, made it mandatory for banks to exercise a bit of restraint in granting loans to insiders, in a bid to reduce the chances of abuse in the system. The CBN insisted that a bank director cannot borrow more than 10% of the paid-up capital of the bank, any loan request above 10 %, will have the bank seeking special approval from the CBN before approval is given to the loan facility. Also, the total exposure to loans for insiders set as a maximum of 60 % of the paid-up capital of the bank.

The trend of management and board of directors perpetually trying to use their privileged positions, to take unsecured loans from the institutions they govern, seem unabated. A press release obtained from the NDIC website revealed that the former management team of Skye Bank is under investigation, for abusing the credit policies of the bank. The former management team of the bank have been placed on surveillance by the CBN / NDIC authorities. They have been accused of perpetuating insider abuse by obtaining unsecured facilities from the bank. The former management team was accused of destroying shareholders' funds by giving themselves illicit credit facilities. (https://ndic.gov.ng/management-directors-of-failed-skye-bank-under-investigation-ndic/).

With the following it is clear that insider abuse is one of the major factors affecting the banks from fully following the tenets of the corporate governance codes spelt out by the CBN, all respondents interviewed mentioned insider abuse as one of the major challenges facing corporate governance compliance in Nigeria banks, some of the views expressed by respondents are as follows

*"For director related loans that is none performing, the related director should vacate the membership of the board, all dividends due to him will be used to offset the loan. Also, the shares of the director will be used to pay for the loans. The aggregate volume of director related facilities must not be more than 10% of paid-up capital of the banks, this clause is found in BOFIA, but unfortunately, it is not followed by the banks; hence the crisis that keeps brewing in the sector, when it is not followed banks will constantly be in distressed states **(CBN1)**"*

*"Looking at Skye Bank and Diamond bank, non-performing loans of director related loans are more than 10% of the paid-up capital, which is contrary to the stipulations of the CBN codes **(CBN2)**"*

*"Nigeria's situation will not stop bank directors from abusing their powers, despite the best practices of the CBN. There was a time a chairman of one of the older generation banks in the country was stopped from taking more loans in his bank because he had a lot of bad loans. The CBN forced him from taking more loans from the institution. To cut corners; the same chairman was discovered to have approached other banks for loans because he was stopped by the CBN from getting more facilities from his bank. And the same loan sought by the chairman was guaranteed by his bank, thereby abusing his powers and in turn going against the CBN rule by cutting corners. This was discovered by an examiner who audited the books of the bank **(CBN5)**".*

"The laws governing director related abuses in Nigeria is clear, but unfortunately banks still look for a way to circumvent the laws to perpetuate insider abuse ***(CBN3)****".*

"Also, situations whereby managing directors of one of the failed banks in the country gave out ghost facilities to customers of the bank, thereby creating risk assets on paper that was not taken by those customers. It showed the rot in the banks before the CBN changed the management teams of the affected banks ***(CBN6)****"*

"Another major issue affecting banks following the corporate governance codes is insider abuses, where you have top management staffs perpetuating illicit activities, this undermines the banks and goes against the spirit of corporate governance provisions rolled out by the Central Bank of Nigeria. Because the Bible says, no one knows the heart of man, because an executive who has a vested interest in doing business or taking facilities from the bank, might go all out to use his or her position to undermine the interest of the bank. The executive or board member will use his privileged position to mastermind decisions or situations that will favour the interest of the company; he or she has a vested interest in. Also, the board member might be there to make fast money, thereby submitting to the whims and caprices of the executives ***(CBN 13)****".*

"Insider abuse when you have majority shareholders having an overbearing influence on their management teams or taking unsecured facilities that will most likely crystallize into bad loans. You also have banks that want to pose profits they didn't earn to pose as a bigger bank than they are ***(CBN 7)****"*

"Insider abuses remain the biggest problem affecting banks in Nigeria, even looking at the present occurrence with Skye Bank, it is a known secret that insider abuses led to the demise of the bank with executives and board members taking unsecured facilities leading to the bank losing millions of dollars due to management and board excesses ***(CBN 8)****".*

"At the same time, the Board and top management overriding the control and compliance mechanisms put in place to repeatedly abuse the lending process for their gains (UBA ***1)"***

"The case of Skye Bank, the Central Bank of Nigeria tried as much as possible to get the bank clear up their insider bank loans, and the bank directors were heavily exposed to the bank. The directors of the bank took lots of loans which heavily impacted the liquidity of the bank and saw the bank liquidity depleted seriously. This made the CBN change the management team of Skye Bank ***(CBN 13)****"*

"*Situations, whereby the management teams give out loans to themselves without the right security, have crippled banks in the past; hopefully, the CBN will correct that and ensure management teams stop giving themselves loans that they never expect to pay back* ***(Focus group 2)****".*

"The main tool used to fight insider related loans is the use of whistleblowing; incidentally, this was one of the main additions to the corporate governance code introduced by the CBN in 2014. We train and sanitize people always to raise the alarm. Loans such as these are usually not done alone, so we tell members of staff to be watchful for any infractions and any suspicious situation should be whistle blown. The staff's identity will be protected from being identified as the whistleblower, although we have tried to sanitize staffs about the effectiveness of using whistleblowing to stop the scourge, we can't say we have succeeded because we still have a very few numbers using the tool to report insider abuses in the system, we are not there yet regarding the use of this tool to fight insider abuse ***(Eco Bank 1)****"*

"Insider loans are usually not dealt with in ways you will deal with a normal customer, a normal customer who has defaulted repeatedly will have his or her collateral sold to get the required funds

to close the account while loans granted to insiders, the defaulting person will usually have the option of the facility been restructured, to enable him or her pay accordingly ***(Eco Bank 2)****".*

"Banks that lend to connected parties without following the due process will eventually fail ***(Cust 1)****".*

In a move by the CBN to help reduce the incidence of insider abuse and other unethical practices affecting the banking sector, the CBN also rolled out guidelines that will aid the use of whistleblowing to keep management and other related parties honest and accountable to all the stakeholders. This will encourage individuals or groups to report infractions to the relevant authorities, thereby helping to reduce the abuse of power, especially by management.

One respondent succinctly expressed this in the interview session, "in his words, the use of whistleblowing by the CBN will help reduce the abuse of insider loans and other connected parties, the CBN will protect the whistleblower from being identified, hence helping to encourage parties easily report any management team or directors that use their powers to steal funds from the institution via insider loans or facilities given out to connected parties .if we closely look at the case with Oceanic Bank, Intercontinental Bank and even recently Skye Bank, the abuse in the lending process to insiders, clearly depleted the liquidity of the bank and made the CBN sack its boards (CBN).

4.3. 5 Staff Training & Technology

Training of staffs will enable institutions to correct any deficiencies found in their staffs, by investing in human capital development through the training program for staffs, the organization is able to match their shareholders' goals with skilled employees who are goal-driven and able to compete in the very competitive environment. The task of providing the training required for employees to remain relevant and goal-driven, with all the technological advancement happening, is with the employers. Training will provide that outlet to provide the knowledge and skill needed to maintain that competitive edge (Imran, Maqbool & Shafique,2014).

To this end, the Central Bank of Nigeria has recognized the importance of training and development for staffs of banks operating in the country. The apex regulator of the Nigerian banking sector introduced the competency framework for the Nigerian banking sector. The framework which was rolled out in November 2012 and expected full compliance by banks was set for November 2014.

The CBN competency framework was introduced because the CBN recognized the dearth of skills and knowledge gap, especially in critical positions, relevant to the survival of the banks. The CBN decided that for banks to remain sustainable and profitable, the CBN needed to introduce the competency requirements for bank staffs, to address the inadequacies found in the sector. It was one of the reforms designed by the CBN to avoid the failures of the past.

The competency framework is designed by the CBN to ensure that banks accord high importance to training and development of their staffs, thereby providing them with the requisite knowledge and skill needed to move the banks to the required standard. To ensure banks compliance with the directive, examiners from the CBN were instructed to check the compliance of banks during their routine or on the spot inspection of the banks. Also, to help improve the competency of bank staffs operating in the country, banks in the country have now started setting up a learning academy for its recently recruited staffs and older staffs. These academies are licensed after they must have passed the CBN competency framework standards. These banks are now setting up their training institutes to enable the banks to meet the expectations of the CBN competency framework. The CBN competency framework policy is designed to enable the industry to have a large pool of skilled professionals unlike in the past, where there was a dearth of skilled professionals in critical sectors, which led to an avalanche of staff poaching .it will also help to provide a standard for the sector by specifying the minimum requirements and prescribed training certificates and programs relevant to job titles in the sector.

Also, the CBN in a bid to align its staffs with the best practices and improve their competencies, the CBN have made it a point of duty to get their staffs adequately trained. The apex regulator of the banking sector has tried to implement training programs for its staffs to align the staffs with the current development in the sector. The CBN to develop its workforce via continuous capacity building established the Central Bank of Nigeria international training institute in 2013. The institute is designed by the CBN to provide excellent world-class training for its staffs and other interested participants.it is also designed to reduce the reliance on foreign training by providing an opportunity for participants to have access to foreign expertise at a far subsidized cost.

The CBN in conjunction with five other Anglophone West Africa nations, namely Gambia, Ghana, Liberia and Sierra Leone, created the West African Institute for Financial and Economic Management (WAIFEM)). The institute is designed to provide capacity development for central bankers in the sub-region and other related parties. WAIFEM helps to provide relevant training they will help empower staffs of the CBN, thereby helping to increase their skillset and eliminate skill gap among the staffs of the CBN.

Looking at the importance attached to training, respondents selected from the CBN and banks all agreed that training is very key in ensuring banks imbibe the skill set needed to understand the code of corporate governance and fully comply with the codes. They also agreed, especially respondents from the CBN, that knowledge gap in the CBN will help destroy the ability of regulators from providing the needed surveillance needed to Instill full compliance in the sector. Views of respondents are captured below

"The barriers are mostly in the areas of technology and training. Often the banks are ahead of the CBN in terms of technology acquisition and training. However, assigning a team to supervise some banks over a period creates a form of specialization and helps the examiners to know the bank's area of strength and weakness and how to use its tools to achieve its desired result ***(CBN1)***"

"Gap of knowledge of examiners will affect their performance. Training is key to getting examiners up to speed with the banks. Another way is using the relationship managers to get used to the software used by the banks ***(CBN2)****".*

"There is also knowledge gap, but this is being taken care of by the CBN ensuring other supervisory agencies staffs get to attend the CBN training, to bring them up to speed with supervisory skills. The training is on different levels, thereby helping them perform better in their jobs ***(CBN3)****"*

"*The CBN has now invested so much on information technology, in a bid to improve the effective warning system surveillance of banks operating in the country. With the CBN upgrading software and all, they have now been made fully prepared of making more proactive decisions thatch kudos will guarantee the soundness of the country's banking sector* ***(CBN8)****"*

"Examiners sometimes face challenges related to information technology, with banks having superior information technology skills, they can easily manipulate their financials, making it difficult for examiners to decipher when banks falsify their returns or financial records. Software adaptability by staffs has led to the CBN getting training available for staffs to become more proficient with the information technology software ***(CBN16).****"*

"*Well inadequate skills, especially regarding information and technology, made it possible in the past for some banks to hoodwink the CBN by falsifying their records, inflating their figures to* *appear better than they are. This made the management of the CBN invest in acquiring the relevant software and also training the staffs on how to use it* ***(CBN12)****".*

"*I think there is a need for banks to invest in training and acquiring skilled and knowledgeable staffs, especially in the area of credit and risk management. There is an acute supply of these staffs, what we have now is banks poaching the best staffs from rival banks and leaving half-baked staffs to run some of these key areas. The knowledge gap can be reduced by providing excellent training for the staffs, to catch up with the demands of these offices* ***(Eco Bank1)****".*

"The biggest problem for me in the industry is the skill gap. We do not have a lot of knowledgeable persons working in key departments of the industry. This has led to us having non-qualified persons or highly connected persons running key departments of the sector. Also, some banks do not arrange training activities for their staffs. This can be very unhealthy for the growth of the industry, considering the ever-changing landscape of the industry ***(UBA 2)***

"Also, constant training is needed to ensure the staffs are abreast with the codes of governance. Training is needed to keep the staffs up to date with policy changes made by the CBN. It is not enough for circulars to be sent out to the head office without providing appropriate training provided for head office members of staffs and branch members of staff alike ***(Eco Bank 2)****".*

"Technology has helped us in the diaspora. We can monitor our accounts twenty-four seven without having to set our feet's in any banking hall. We can do online transfers and able to buy things online with our account. Credit to the banks for investing in technology and providing the human resources to run them ***(Focus group 1)****"*

"*With technology, mobile banking is at the peak, we do not need mediums like western union or trying to give someone money to go to Nigeria on our behalf. With technology advancement, we* *can use online transfer platforms such as world remit and Azimo to easily transfer money to my account in Nigeria* **(Focus group 2)".**

4.3.6 Returns and Reports to CBN

Banks are expected to make returns /reports showing their compliance with the codes and directives spelt out by the CBN. The reason behind the reports/returns is to enable the CBN to monitor the banks and give the CBN an avenue to decipher areas where banks are lagging in terms of compliance.

Banks making returns to the CBN falls under the ambit of offsite supervision. This returns will help the CBN make more informed decisions concerning the institution and also help to design policies that will be beneficial to the financial system stability. It also helps to provide early warning signs that will necessitate the prompt intervention of the CBN, to maintain the stability of the sector.

It is mandatory banks comply with the CBN's directives concerning the rendering of returns to the CBN. Non-compliance is sanctioned. The legal power provided the CBN to punish banks who give inaccurate returns or submit returns late is key to the success of supervision. Quality of data rendered is essential to the CBN, offering the best form of supervision for the sector. Banks render semiannually, quarterly, monthly and daily returns as specified by the CBN. This report is submitted using the software prescribed by the CBN. Mandatory data submission by the banks via the prescribed software is enforced by the CBN to ensure that banks provide a true picture of the state of their affairs and not present a muddled picture or manipulated figures. This data will enable the CBN to confirm the compliance with statutory requirements and ensure the banks are in good. The statutory data submitted by the banks enable the CBN to easily identify red flags, thereby flagging off and preventing issues before they consume the affected banks or became systemic issues. It will also help the CBN to avoid the need to bail banks out by easily flagging the problems and solving them before they become dire. The timely rendition by banks to the CBN will help facilitate the CBN to quickly identify problems that will threaten the bank and the sector in general. The BOFIA act (Banks and other Financial Institutions Act 1991 as amended in 2002) which empowers the CBN to regulate and supervise banks licensed in the country. Section 25 (1-3) empowers the CBN to mandate banks to make monthly or otherwise stated returns to the CBN. The returns expected from banks are expected to show the assets and liabilities of the bank, show the risk assets created by the bank and any other information requested by the CBN. This is done to determine the health of the supervised bank.

A circular from the CBN 's website revealed the returns required from banks considered as systemically important banks in the country. The monthly returns requested were total facilities given out to a customer, percentage of nonperforming facilities to total facilities are given out, director related facilities, recoveries of bad loans and any corporate governance issues etc.

This regulatory reporting is very key because it will help the CBN to enforce compliance culture in the banks, thereby helping to create a safer banking sector for the country.

The views of respondents buttressed the importance of regulatory returns made by the banks to the attainment of the goals of corporate governance in the Nigerian banking sector.

"Banks make a monthly report/returns to the CBN, showing their compliance. The CBN will look at the report and where a bank says they haven't fully complied with any provisions. The CBN will meet the bank management showing the report and ask where there was no compliance with any provisions. Discussion with the management will highlight what is responsible for non-compliance and any compliance that is deemed sanctioned. The CBN sanctions the Bank straight away. In instances where it is advisory, the CBN gives the bank a timeframe to put their house in order. CBN uses section 60 of BOFIA to impose sanctions where moral suasion has not yielded the right

result, although section 60 is not usually imposed except there is a persistent failure highlighted in the offending bank. Banks are forced to comply because of the powers provided to the examiners (CBN1)".

"We expect banks to send to use high-quality data that will contain all the required information. This offsite activity helps us to provide quality supervision for banks. Appropriate sanctions shall be imposed for non-compliance with the requirements of this framework (CBN2)".

"*Offsite supervisors are using the information gotten from the returns sent to the banks. Analyze the reports and ask questions where they need further clarification. In cases where their answers got are not seen as satisfactory, they can speak to the executives of the bank to get the appropriate feedback needed, and in instances where they notice a breach, they involve the onsite supervisory team, which are then asked to go to the field to investigate proper, to ensure the banks are fit and sound for their functions. Offsite basically are examiners who deal with returns sent to banks, and they do not go to the field to inspect banks, which assignment is fully given to onsite examiners* (CBN3)".

"First and foremost, a lack of transparency in most cases by the banks. It usually manifests in their returns sent to the CBN. A lot of banks would doctor or manipulate their figures, to hoodwink the CBN, in thinking they are doing well, or they are following the required provisions. There is a limit in which the CBN can get them to do the right thing. For banks that do not have the right culture, window dressing of their figures is a norm to hoodwink the CBN through the rendition of false returns to the CBN (CBN16)".

"Banks also render reports or returns to the CBN, showing their level of compliance with the codes. This provides the CBN with the opportunity of checking the level of compliance with the codes. When examiners go to the field, we check their level of compliance with the returns rendered to us, we now check to verify their claims, and when we discover discrepancies, we submit the

report to management, giving them advice and also the timeframe to correct the anomalies found (CBN3)"

"There is no clear method; we have a software where banks render monthly, weekly returns to the CBN offsite. Some of our colleagues' in the offsite team look at the returns rendered and analyze to see if there have been any breaches. From the returns rendered, the CBN can discover when banks have, for instance, going over the obligor requirements for any sector of the economy. It helps to enable the CBN to be proactive in their approach (CBN 7)"

This point was further buttressed by the former deputy governor of the CBN, Mrs Alade, who in a paper published by the CBN journal of applied statistics (2012), acknowledged the importance of investing in software to enable banks to give timely returns. She stated that the CBN invested in electronic financial analysis and surveillance system (eFASS) to enable the banks to give data in electronic form compared to manual returns, hitherto used for returns. In her words, it has greatly improved banking supervision by providing banks with the timely outlets of sending returns devoid of issues that came with manual submission.

Banks send monthly report/returns to the CBN, showing their compliance. The CBN will look at the report and where a bank says they haven't fully complied with any provisions. The CBN will meet the bank management showing the report and ask where there was no compliance with any provisions (CBN5).

We in compliance send returns to CBN showing our compliance with the laid down CBN guidelines, we try to regularize by ensuring that the affected staffs correct their infractions before sending the reports to the CBN. When we send these returns to the CBN showing our compliance level, the CBN will now sanction us for areas that we didn't comply with, and in some situations, the CBN will give us some time before we regularize the account before applying sanctions (Eco Bank 1).

Through the returns we send to the CBN, the CBN will be able to ascertain our compliance position, I must add that because of this returns, we send through the head office to the CBN, we can regularize internally to avoid getting sanctions from the CBN. When I say regularize, I mean, we can insist compliance with laid down processes to avoid sanctions from the CBN (UBA2).

4.3.7 Creation of Credit Bureau

Due to the rising cases of non-performing loans in the 80s and early 1990s, the banking sector witnessed an avalanche of bank failures. This era was marked with plenty of dubious customers taking advantage of the lax credit system and non-centralized data for credit. The absence of such led to customers going to different banks to get loan facilities despite having non-performing loans in other banks. This trend was due to the lack of a centralized credit check that could have been used to confirm if the customer had a non-performing loan elsewhere.

The banks didn't help the matter by not making good use of status enquiries on a bilateral basis with banks. Banks instead were not cooperating. Banks took forever to reply status regarding the information about customers credit file with a bid to frustrate the other bank's intention to give the same customer a facility. These implied banks were giving out loans to customers with non-performing loans in different banks and thereby incurring more debts with the present bank.

With the precarious situation, banks and the CBN were facing fighting the weak credit information system available in the sector. The CBN was faced with a challenge of addressing this handicap. Against this backdrop, the CBN established the first credit bureau in the country, the CBN Credit Risk Management System (CRMS). The act that led to the creation of the CRMS was the CBN act No.24 of 1991. The act made it mandatory that banks were told to inform the CBN, on any credits with a minimum balance of N100,000, which has now been updated to N1,000,000. It also made it mandatory for banks to furnish the CBN with any credit in their books, on a monthly basis and also furnish requesting banks the statue enquiries of their customers. Compliance was deemed as mandatory, and the CBN sanctioned non-compliance.

The main objectives behind the creation of the CBN ‘s CRMS were to enable banks easily decipher the capability of intending loan customer’s ability to pay back facilities and to create a centralized database that banks can furnish with the current credit positions of their customers and the ability to determine perennial loan defaulters. The CRMS has been made more user-friendly to enable stakeholders easily conduct status enquiries and update their information about their customers.

To facilitate the efficiency of the credit management system in the country, the CBN licensed three private credit bureau companies in the country in 2008, the CRC Credit Bureau Limited, CR Services Credit Bureau and XDS Credit Bureau Limited. Banks and all other financial institutions under the auspices of the CBN were mandated to use at least two of the three private bureaus in the country in addition to the CBN‘s CRMS before coming to a credit enquiries decision.

It is expected that banks and other financial institutions conduct their search using any two of the credit bureaus in the country with the CRMS. They are also mandated to also furnish the credit bureau with the information of their new customers and the amount borrowed. They are also required to update the credit bureaus with information regarding restructured facilities. The CBN also expects all financial institutions give names of dud cheque offenders to the three private credit bureaus, in addition to the Credit Risk Management System (CRMS). The bureaus are expected to have the names of the dud cheque defaulters for five years from the date it was updated before their names can be removed.

Where a financial institution refuses to report the issuance of dud cheque their customers issued to the credit bureaus operating in the country, it is considered as concealment and deception by the affected institutions. The CBN will, in turn, sanction the affected institutions for concealing such material facts from the CBN (BSD/DIR/GEN/LAB/08/016).

This circulars and information obtained from the CBN ‘s website resonate with the views of the respondents that informed the researcher about the importance of the credit bureau for corporate governance compliance in the Nigerian banking sector. Some of the views of selected respondents include

*“All banks update the database with the credit information of all their customers. This enables it to serve as a bank for all credit granted to bank customers. There is now a penalty for defaulting banks who do not access the database before granting new loans. Also, banks must check two additional credit bureaus before giving out loans to prospective customers. All these new measures were part of the reforms that happened after the meltdown in 2009. All these measures help to give a true credit profile picture of creditors in the country and help to strengthen risk management. CBN licensed about four credit bureaus sand before granting loans. Banks must check at least two credit bureaus in addition to the credit risk management system **(CBN1)**”*

“*It is mandatory banks make a status enquiry of their intending customers before granting of loans, banks that disburse loans without following this directive will be heavily sanctioned. This is important in other to stem the tide of bad debts in the country ‘s financial landscape **(CBN2)**”*

“*Due to the existence of predatory debtors in our banking system, we made it mandatory for banks to always do a credit check on their customers, before granting them facilities. The CBN intends to help reduce the incidence of non-performing facilities in the sector **(CBN3)”***

“Banks are required to always do a status report of customers before granting them loans. This is like what is obtainable in the UK and other western countries, where customers have to pass a credit check before they are granted loans and advances ***(Eco Bank 2)****”*

“Monthly returns customer ‘s credit position is usually sent to the CBN. Banks are required to update their customer’s details, to enable the CBN and other banks have a true profile of creditors in the system. This is designed to prevent corrupt customers from taking loans from different banks without paying back the loans ***(UBA 1)****”.*

“The Credit Risk Management System is now taken seriously, after the tsunami, banks are now penalized for non-compliance, to avoid more delinquent facilities been given out by banks ***(Zenith Bank)****”.*

“The CBN now takes non-compliance with the CRMS seriously, banks are expected to do a thorough credit check through the database before disbursement of funds to deserving customers, it is also their responsibility to ensure that they input the right details of the customer, the amount borrowed and the tenure and security details too ***(Skye Bank)”***

“The credit risk management system is designed to capture the credit history of borrowers in a bid to ensure banks only give out facilities to customers who are creditworthy and not to customers who do not honour their credit obligations ***(Access Bank)****”.*

“*All these new measures were part of the reforms that happened after the meltdown in 2009. All these measures help to give a true credit profile picture of creditors in the country and help to strengthen risk management. CBN licensed credit bureaus, and before granting loans, banks must* *check at least two credit bureaus in addition to the credit risk management system. Banks customer must pass all three before granting of loans* ***(CBN13)****".*

"*Well, I think banks need to adhere to what is obtainable in the West, where loans are not given to customers until they pass a credit check, with this I believe banks won't be having a huge profile of bad loans or toxic loans in the country* ***(Focus group 2)".***

4.3.8 Effective Monitoring

After the 2008 global financial crisis, regulators globally decided to establish more robust and proactive steps to protect the assets of consumers. The CBN is not left out of this development and has tried to create steps to protect depositors. This has been done to ensure banks are adequately monitored at all times. Today's fast-paced and interconnected banking sector demands banking supervision to be very forward-looking and very proactive from supervisors. This is geared towards avoiding supervisors from being caught off guards.

Effective monitoring by regulators enables regulators to ensure the right management is put in place in supervised banks. This is essential because no form of supervision can stop a bank from going under if the management team running the bank is inefficient in its responsibilities.

Management quality is a key element in the safety of banks. It is very key bank supervisors maintain a constant line of communication with bank management to ensure optimum monitoring. Any identified weakness during the offsite and onsite examination should be quickly communicated to the management and the board. This will help banks compliance with the report of the examiners.

Effective monitoring by CBN will help also ensure that management teams of banks adhere strictly to the codes guiding the sector. Compliance to the codes will help ensure the sector is devoid of crisis that can threaten the sustainability of the sector.

The views of a majority of the respondents interviewed revealed that the effective monitoring of banks by the CBN is considered very key to banks following the due process and, in the process, complying with the codes guiding their operations.

The views are provided below.

"CBN affects the governance of banks operating in Nigeria through the effective monitoring of banks' compliance with the relevant provisions of Banks and Other Financial Institutions Act and the issuance of guidelines and circulars from time to time on the qualifications, appointment and duties of Board and Management of banks. The list of potential members of the board and management of banks are required to be sent to the CBN for scrutiny and approval before the appointments are made. Some major decisions of banks are required to be sent to the CBN for approval before banks can implement them. Examples are opening, and closing of new branches, sale of a bank fixed assets, borrowing from foreign countries, promotion to executive cadre, forbearance, mergers and acquisitions among others ***(CBN 10)".***

"*From time to time, the CBN issue circulars to regulate the ethics of banks. For instance, the advertisement of banks is required to be submitted to the CBN for approval before they are aired or published. In some isolated cases, the CBN uses moral suasion (***CBN 16)***''.*

The CBN has a code of conduct for banks which is strictly monitored. Violation of the provision in the code of conduct attracts penalty ***(CBN 15)****".*

"*The crisis has led to supervisory authorities globally, also adopting macro-prudential supervision compared to the micro-prudential supervision that was in vogue before the crisis. Because of these, the CBN leadership created the financial policy and regulation department who are charged with looking at the aggregate of banks, they look at the aggregate risks obtained from the banks and create a stability report outlook for the CBN while the banking supervision department examines banks individually in a bid to create individual risk profiles for each bank in the country. An aggregate of all the micro led to the crisis, so there was the need to look at the aggregate in other to prevent the repeat of the crisis—the effects of all the risks coming from each other and the risk aggregate in the economy. The crisis was as a result of supervisory authorities overlooking the aggregate risk in the economy but instead concentrated on the risk profile emanating from individual banks. This new orientation of macro-prudential regulation provides a more proactive supervisory framework for the country* ***(CBN2)".***

"When the banks do not comply with the codes, the CBN is given authority by the section of the codes to ensure banks take corrective measures immediately and if not sanctions are given to them to ensure quick compliance and those breaches found during the examination, that is contrary to good practice, will be backed with sanctions ***(CBN 9)****".*

"CBN uses the section 60 of BOFIA to impose sanctions where moral suasion has not yielded the right result, although section 60 is not usually imposed except there is a persistent failure highlighted in the offending bank. Banks are forced to comply because of the powers provided to the examiners ***(CBN 13)".***

“*Poor monitoring has led to cases of banks going bust because the CBN was not proactive in taking the right decisions on time, instances where it was obvious that some banks were surviving on the CBN discount window for a long period, which ordinarily is a red flag but the CBN choose to look the other way until the liquidity of the bank was seriously impaired until the CBN become proactive using its powers to effectively regulate the sector, we will keep having issues like the Skye Bank and Diamond Bank play out* ***(Eco Bank 2)****”.*

“Faithful implementation of the code is the only way to ensure the sector is properly protected and also ensuring offending banks or individuals are either blacklisted or given hefty fines. This is only made possible by effective monitoring of banks by the CBN ***(UBA 2)****”.*

4.3.9 Implementation and Enforcement

Implementation remains one of the biggest challenges facing the supervision of banks in Nigeria, according to respondents interviewed for this study. As quoted by one of the executives interviewed for this study*,” implementation of corrective actions needed by the management team can be very slow and sometimes ignored, especially during the era of bank failures in the 90s, where most of the directors and promoters of banks had connections with the government of the day. We were put in a difficult situation because the banks were not ready to implement the remedial actions required by the onsite supervision carried out on their institution. I must confess now, implementation is on a larger scale now, because the CBN has been given more powers to enforce implementation of actions required by the banks and the bank management teams are more aware of the drastic actions the governor of CBN can enforce if they flout our recommendations “.*

"*I think in the past, especially before the 2009 crisis, one can argue that it was easier for CBN not to enforce banks to take corrective actions, to follow the recommendations provided by the CBN from the examination process to defaulting banks. I can comfortably beat my chest now, that we are better now, in ensuring banks carry out the required recommendations* ***(CBN1)".***

"*I believe in the past, there have been situations we could have prevented the full-blown crisis in the system if we have been harder on these banks. Situations whereby our examiners will go and examine banks and list out remedial actions for these banks to carry out urgently but due to the CBN not employing tough stance, we had instances where bank management will rather seat on those remedial actions and not act on them, they will rather pay fines than adopt the actions advised by the CBN* ***(CBN12****)".*

"While the last tsunami exposed some issues with the enforcement process in the CBN, banks that eventually had their management teams changed. The banks were perpetually on life support, virtually surviving on the CBN expanded discount window, but we did not act on the red flag early until Sanusi had to get examiners to audit the financials of the banks. The CBN did not act early by taking actions In the distress signs exhibited by the banks ***(CBN3)****".*

"Another executive from the CBN added that if the banks fully implement the policies and guidelines rolled out by the CBN, the sector will be devoid of crisis, the executive added that because of the policies of the CBN are well thought out, and in tune with the present circumstances of the banking climate, banks should be considered as safe, if they fully implement the guidelines of the code of corporate governance rolled out by the CBN ***(CBN4)****".*

A retired executive from the CBN added that *"if the policies of the CBN are well carried out especially regarding the cases of insider abuse, there will be fewer cases of instances of directors and management staffs abusing their positions by taking up loans. The policies put in place by the CBN, if fully implemented should deter directors and other insiders from abusing the system .Directors with non-performing loans should vacate their membership of the board and dividends due to the director should ideally be used to offset the non-performing facility **(CBN16)**".*

A retired executive added that *"implementation remains a thorny situation because a situation where the authority is not comfortable with the report of examiners concerning a bank or banks, there might be disagreement that might lead to delay of implementation. The reports of a group head must be approved by the deputy governor in charge of financial stability. Situations might arise where superior authorities override a decision made by an examiner, thereby nullifying the recommendations **(CBN10)**".*

In the area of the distress suffered by banks under the purview of this study, a retired regulator stated that "the crisis that befell the banks in 2009 was largely due to the CBN ignoring the remedial actions required by the CBN on the erring banks. The retired regulator added that some managing directors and their management teams considered themselves untouchable and could easily flout the directives of the CBN's reports about their non-compliance to guidelines. The non-implementation of these guidelines required by the CBN contributed to their fall from grace to grass **(CBN 13**)".

"The non-enforcement or non-implementation of CBN directives is a major issue that has affected the sector. Some banks will rather not implement the policies of the CBN and rather be comfortable paying fines. They will rather pay fines than carry out the remedial actions required by CBN examiners. Some boards and management teams will rather seat upon remedial actions than act on them because they are more comfortable following the status quo. They will see it as more beneficial to pay the penalties because the cost of paying the penalties outweighs the cost of compliance. This is a threat to CBN 's authority. Therefore the CBN will need to apply tougher sanctions to discourage the non-adherence ***(CBN8)****"*

This position was further illuminated by another regulator *"Enforcement has been the major bane affecting corporate governance in banks. The greatest obstacle to the utilization of the surveillance process available to the CBN has been the constant inability of the apex bank, insisting that banks obey the recommendations made by the CBN to them. Some banks will rather pay fines then even carry out the remedial actions recommended by the CBN. The onus lies on us, now insist that bank judiciously follow the recommendations of the reports of the examination process* ***(CBN7)"***

According to another regulator, there have been instances where banks would flout the directives of the CBN, by totally ignoring the directives spelt out by the CBN. The regulator added that in 2016, some banks were expelled from the forex market in Nigeria for failure to implement the treasury single account directive by the CBN. The CBN punished erring banks for not implementing the remittance of government funds in their possession. $2.3 billion was withheld by the banks from the government coffers, clearly flouting the CBN 's directive. The banks were given a hefty fine for not implementing the directive conveyed in the CBN 's circular BPS/CSO/CON/DIR/01/079 with the date as of February 25, 2015, and conveyed to all the Deposit Money Banks (DMB). This is a strong departure from the past, where banks will be given soft punitive fines. This, according to the respondent, will make management teams of banks take the CBN seriously and implement any code or circular given out by the CBN (**CBN5)''.**

The views of bankers interviewed agreed with the positions adopted by the regulators. The bankers largely agreed that implementation and enforcement by the CBN would help ensure banks follow the CBN codes judiciously without exceptions.

"*One of the advantages of the sensitization of the CBN corporate governance code is the way at which customers now know what waivers they can ask for and what they can't ask for. Situations were in the past. Customers could come and ask for waivers in their account documentation or any other situation, have considerably reduced because they are aware that the CBN is now beaming more searchlights on banks compared to what was obtainable in the past, some of them especially the big customers have their lawyers who even tell them what to expect from their banks and what not to expect, this has helped banks from having customer putting pressure on them for unsavoury favours that go against the spirit of the CBN codes. This has helped in the banks making big strides in the implementation of CBN codes* ***(Eco Bank 2)****".*

"It has always been there, but due to non-enforcement by the CBN in the past, there was a bit of laxity, but now banks make it a condition to check their applicants before they give out loans. This is done to implement the guidelines following credit creation and disbursements. The CBN is now getting tougher in enforcing this rule ***(UBA1)"****.*

"For the codes to be effective, we need to be very firm about enforcing rules and regulation, the exception to rules should be kept to the barest minimum, a situation whereby the bank is always granting waivers or exceptions to laid line rules or guidelines do not augur well for the sector. Situations, where policies put in place, are always put aside, and exceptions are approved is not good enough. Situations, whereby everyone gets an exception, will encourage people to willfully disobey the rules in the future ***(Access Bank)".***

Because of the nature of banking in Nigeria, we found out that a lot of staffs are caught between obeying the regulations or going against the regulations in order to meet their given targets. Staffs might willfully disobey the codes because they know, it will afford them the opportunity of meeting the stipulated targets given by management. While they are trying to meet their targets, so they do not get sacked, they do not question the red flags of accounts they should ordinarily be wary of. They are supposed to question or turn down an application, and they turn a blind eye to it, what we do in the compliance department, is to keep preaching the need for compliance to be total and not selective. We know the cost of non-compliance is very costly, and we try to encourage all staffs to imbibe the culture of total compliance in every given situation or transaction. This effort has now encouraged staffs to try and strike a balance between always trying to follow the laid down guidelines ***(Eco Bank 1).***

"Unfortunately, the bane affecting the sector is enforcement, Nigeria has a lot of rules and regulations to guide the players, but the agencies involved in enforcement sometimes pay lip services to their duties. Paying lip services to the issues bordering corporate governance have aided the various infractions affecting the sector. Enforcement needs to be improved because the laws are there, but enforcement remains an issue ***(First Bank1)".***

"There are still question marks about the monitoring and enforcement of the CBN over policies given out to the banks. The Diamond and Skye Bank saga are perfect examples. If the CBN were monitoring and ensuring enforcement, we wouldn't have had the large debt profile that easily consumed both banks. It appears banks can make mistakes, and the CBN now comes with a sledgehammer to discipline culpable management teams afterwards. The CBN now appears to be more reactive than been proactive in ensuring the banks comply with the laws ***(Skye Bank)****".*

In all honesty, I know there is a requirement that before any loan is approved, there should be a check with the relevant credit bureau, to determine if the customer is eligible for the loan, but I won't say we have reached that 100 % threshold for enforcement because we still have situations where customers who ordinarily won't be accepted for loans because of their adverse credit rating, have their loan request approved. Usually, these requirements are waived for the customers from the top ***(Eco Bank 2)****".*

There have been instances where board executives would rather have their banks incur the wrath of CBN by contravening the laws then have their banks comply with the required guidelines. Especially when breaking the laws will make them increase their profit bottom line. Take, for instance, the CBN fined several banks in 2015, for contravening its directive of moving all government funds to the government treasury accounts. The CBN had to fine the affected banks over N2.9 billion for not following its directives.

Before 2009, the level of compliance by banks with the corporate governance code by banks in Nigeria was low because the code came into effect not quite long before then. Over the years, the banks have realized the need to comply with the code in view of sanctions by the regulatory authorities for non-compliance and the fact that there is a provision for corporate governance report in the examiner's report.

Finally, according to Sanusi (2010), enforcement remained a major factor behind the CBN not insisting banks carried out the remedial actions required after the CBN 's inspection of their books and records. In his words, banks would rather pay fines prescribed by the CBN for contravening the recommendations prescribed by the CBN than carry out the remedial actions. The CBN didn't take the required steps in insisting banks carried out the remedial actions and directors were not brought to books for non-adherence to the directives of the CBN. This continued unabated until the CBN's sledgehammer fell on banks during his tenure as governor of the CBN.

4.3.10. Regulatory Capture

Regulatory capture remains a thorny issue in the financial sector. It refers to a situation where the regulated entities have some form of influence over the regulator, that makes the regulator act in their favour and not in the interest of the public (Turner, Hughes &Maher,2016). Regulatory capture occurs when the bank exerts great influence over the regulators, making the regulators act in their interest as against the interest of the public. It can also come in shape of banks influencing the regulations rolled out by the regulatory authority. This will enable the regulatory authorities to bring outlaws that will protect their interest (Igan &Lambert, 2019). It is expected that regulators will need the input of banks to make policy decisions, but when the influence becomes very disproportional, it becomes very unhealthy and prone to abuse. It must be noted that because of the vast means available to banks, they usually have the means to directly or indirectly influence bank regulators.

Prevention of regulatory capture is key to having a fully independent regulatory agency alive to their responsibilities of ensuring fairness to all and transparency in the sector they govern. A captured regulator is of no good to the Nigerian banking sector. Stigler theory about regulatory capture put it succinctly by saying that regulation is bought over by the sector, which in turn captures it for their benefit and not the benefit of the general public.

A great source of regulatory capture can also be attributed to the fact that there is a good chance of regulators coming directly from the industry and regulators also moving directly to the industry. The revolving door creates a big form of bias for regulatory decision making. A regulator who comes directly from the industry to take up an appointment with the regulatory agency, have the tendency for leniency with activities of the industry. Coming from the industry might induce the regulator to take pro-industry policies, having been socialized in the ways of the industry.

Also, the chances of regulators taking up post regulatory offers with the industry might induce regulators to take decisions tantamount to favouring the industry. Regulators here increase their chances of securing post-employment with the banks by being seen as friendly and getting rewarded with employment. Also, ex regulators might be given employment because of their contacts with the regulatory authority. This would give them the opportunity of currying favour from the regulatory agency.

Regulatory capture of the supervisory agency is a strong possibility because the deposit money banks can become too powerful to be properly regulated, because of having regulators come from the industry to take up plum and very influential position in the supervisory agency. It can be argued that it can be a disservice to have someone from the industry with a vested interest, act as the head of the regulatory agency because of conflict of interest. This conflict of interest if not nipped in the bud will lead to regulatory authorities turning a blind eye to infractions committed by banks .whenever the CBN is seen as acting in the interest of banks, at the detriment of customers and other stakeholders, then there exists a great danger of regulatory capture emerging. Except for the appointment of Professor Chukwuma Soludo, the history of the governors of the CBN since

1993, have been the appointment of managing directors of money deposit banks as governors of the Central Bank Of Nigeria.

In an interview granted by the previous governor of CBN, Alhaji Sanusi Lamido Sanusi in January 2009 to the financial times, he was also of the opinion that it was advisable for any CBN governor appointed from the money deposit banks, to avoid anything that will compromise his or her position in the new appointment. He added that it was necessary for the new employed regulator to cut their ties with the previous employers, to avoid issues that will bring about a conflict of interest. He gave an instance when he was newly employed as the governor of CBN, and he had to meet with the then managing director of the First Bank, to convert all his existing facilities with the bank to commercial rate. He concluded by adding that he found it unethical for senior regulators to be shareholders of banks they regulate and if he had such shares, he would matter of urgency sell them to avoid any conflict of interest. This he added was done not to compromise his new position as the governor of CBN and avoid any opportunity of regulatory capture. Industry watchers might not see this as a big signal for regulatory capture, but the views of insiders, especially past and present executive regulators, have captured this as a possibility for regulatory capture. The views of respondents have been presented below

"*There have been cases of governors of CBN selected purely for political reasons and not for the right reasons. Having cases of executives of banks becoming either the governor or deputy governor, especially having them sponsored by politicians or sponsors of banks in the country have compromised the standards. Instances where a previous executive of the CBN was appointed from one of the operating banks in the country to head a very sensitive position. The appointee is a former executive of the commercial bank and had his appointment in the CBN tied to the chairman of the commercial bank, did all he could to protect the interests of the bank he came* *from. He was someone who did all he could to protect the interest of his previous employers, which was in variance with right practices **(CBN1)**".*

*"The appointment of an operator is seen as a conduit to having higher chances of regulatory capture. Because of their vested interest, they are culpable to making decisions that will favour their former colleagues at the detriment of the state. Prefer organic growth from CBN to run the affairs of the CBN because they are more likely to be immune from regulatory capture even if the government decides to employ someone from outside. It will be best served if there is a list of shortlisted candidates selected by an advisory committee **(CBN3)**".*

*"Examiners could be vulnerable to regulatory capture if they are not properly trained, remunerated adequately and provided with the right incentives. In my opinion, examiners should also be seen as the above-board **(CBN12)".***

"Most times coming as an operator, with a vast interest in the banks, might come with positive or negative sentiments. If for instance, one with a vast interest in the bank, becomes governor of the CBN, you expect the operator to seize being shareholders of the bank. Also, in that same organization, the person might still have friends or colleagues in that organization or someone the operator was grooming to take over as an executive, this creates a huge challenge that might lead to serious attachment to the institution, the operator is living behind. The person might be sentimentally attached, but in another way, it might not be all that bad, depending on the experience the operator had in his bank. He or she might want to use the new appointment as a springboard to getting new appointments in the future and might be keen to make a mark with his

or her new position bequeathed to him or her by the government. All said, and now, I think it is advisable government employ regulators as governors of CBN, to curb the chances of them being captured by operators and because of the similar culture they must have imbibed over the years as a regulator ***(CBN 9)****".*

"Having products of that subsection becoming governor of CBN is not the best especially they will have gaps in regulatory activities, they might have excelled as operators but having them take over the mantle of the CBN is a different ball game. They will struggle in the new environment leading to sentimental capture due to their previous engagement as operators. It might not necessarily be bribes or anything else but just the sentiments ***(CBN 16)".***

"Attachment will affect their judgement and make them make decisions that might favour operators. In the lower level, it could be bribes or appointments from the CBN to banks or even ethnic background might even make the examiner want to go all out to protect the management team because they come from the same area ***(CBN 13)".***

"Past three out of four governors of CBN were former operators, I vehemently strongly feel it is not right having an operator become the governor of CBN, one because of our environment, they also do not have the skills to become regulators, being an examiner or a regulator entails years of good experience In the field, having to cut your teeth in the field. I do not know why CBN staffs cannot be appointed to become the governor. Having someone internally helps in a great way to reduce regulatory capture. Their approach and attitude will be different from having an operator; unfortunately, the government have politicized the appointment of the CBN governor ***(CBN 11)"***

"It cannot be ruled out banks trying to influence the members of staffs of the CBN, but as I said, it depends on the individuals involved ***(CBN6)".***

"I really can't say, it might not be a big deal, but I suppose having someone from CBN as the governor will insulate the CBN from making decisions that will favour some of the banks ***(CBN 7)****".*

"Well as someone coming from the bank, I know there is the danger of being captured because they have their former colleagues as managing directors, who might want to put pressure on the CBN governor, to curry favour from the governor ***(First Bank1)****".*

"Well my honest views, will be if you are going to get an operator as the governor of CBN, get someone who is not heavily linked to a bank (operator manager), an operator-manager is someone who has significant links to the bank, either as a shareholder or any other significant capacity. If you get an operator-manager as the governor of CBN, we are going to witness the situation where policies and decisions will be made to favour the bank the new governor is coming from. Another point is obviously since the new governor is leaving his previous appointment, he or she might have installed the successor, who obviously will have close ties to the new governor. Which examiner will be bold enough to write incriminating reports about the bank when you know your governor might still have vested interest there. I think it will be better to appoint someone from the Central Bank or any other regulatory body in the country. The culture is similar, and there are most likely fewer chances of been captured by banks. In a worst-case scenario, if you insist you

want to get a tested hand in the banking industry as governor, then make sure you do not appoint an owner-manager as the governor of CBN to avoid any conflict of interest ***(CBN 3)".***

"Well, as an operator, I do not think it is healthy getting someone from one of the banks to become the governor of CBN. It can be very unethical, because there is a possibility of the new helmsman protecting his or her former institution, thereby creating an unbalanced environment for the other banks ***(Zenith Bank1)****".*

4.3.11. Lack of Political Will

In a third world country like Nigeria, lack of political will remain a thorny issue, as succinctly put by the previous governor of CBN. This crisis befell the banking sector in Nigeria in 2009 was accentuated by lack of political will to insist banks follow the sanctions dished out to erring banks. There was no backing from the top to insist that banks carried out the remedial actions demanded of them. According to Sanusi (2010), lack of backing by the political class contributed to the leadership of the CBN not enforcing the decisions of the CBN on the banks.

With the change of guards in the leadership of the CBN, in 2009 and the entrant of the then governor of CBN, Alhaji Sanusi Lamido Sanusi was given the free mandate to change the erring management team of the affected banks. Using his words "*Fortunately, the President, Umaru Musa 'Yaradua, understood from the first day that this was an ideological choice we had to make. We could side with the rich and powerful and say the banks had failed. Or we could side with the poor and save the banks but go after the criminals. And we chose the latter. Do not say that government money has been stolen. Name the thief. And so, in keeping with that tradition, we did not say that banks had failed. We named human beings-the management that stole money in the name of borrowing, the gamblers that took depositors funds to speculate on the stock market and* *manipulate share prices, the billionaires and captains of industry whose wealth was money belonging to the poor which they "borrowed and refused to pay back"(Sanusi,2010).*

The political will to carry out the sanctions was provided to the then CBN governor, and he made use of it by carrying out the measures needed to rescue and clean up the banking sector. This was a departure from the era where the leadership of the CBN was not willing to enforce sanctions on erring banks due to lack of support from the political class. This position was further illuminated by the previous governor of the CBN, in an interview he granted the financial times in December 2009. He stated in the interview with the financial times that he was able to accomplish his objectives of sanitizing the sector with the sack of the erring managing directors and management team because of the immense support he got from the presidency. Political support is fundamental to the success of the CBN because the CBN needs other agencies of government to be very effective.

It must be emphasized that support from the political class is needed for regulatory agencies and other relevant agencies to carry out the letters of the laws and punish offenders. Without political will from the top, agencies are powerless in carrying out their operations, especially in nations like Nigeria. (Ugoani, 2015). Political will enable agencies to carry out the required policies and program needed for the successful implementation of its agenda. It also helps to provide the needed support and financial muscle backed with the independence to guarantee the success of the agency. The following comments from respondents provided the basis for this theme.

"*As a group head, my write-ups need approval from the deputy governor of CBN, when my reports get to the deputy governor, they discuss the reports, and sometimes they reject the reports because they believe that, the reports presented are in variance with the body language of the government. So, the lack of political will is a big problem for the implementation of policies to the letter. So,* *the hands of the examiners are tied. The case of the chairman of the bank comes into the picture here **(CBN 1)".***

*"Policies churned out by the government which is in variance with the direction the CBN wants to go, this would put the CBN in a tight corner, and due to non-backing from the government, the CBN will be handicapped in carrying out that particular objective **(CBN2)".***

*"The culture of the country encourages this and the political will to enforce this actions, I give you an instance when I retired, I was packing my things, and I discovered there was a particular report I did about a particular director in one of the banks in Nigeria, nothing was done about the report, the results and recommended actions of the report were not followed or carried out, and I felt very bad because the names of people who were directors of the bank and had insider related bad loans were there and no single action was taken till date. These directors are the bigwigs in the political scene in Nigeria now. All their facilities were not recovered, leading to the bank failing. I felt really sad that nothing was done about the report, another reason I was sad was because if the governor of the CBN was a career CBN staff, I would have known him one on one better and would have been in a better position to highlight the findings to him again, to see if justice could still be served after those number of years. Telling him, I want the money recovered **(CBN 15)"**.*

"It was the permanent discount window that necessitated the audit, but because the government of the day gave the political will for the then CBN governor to take decisive action on the defaulting management teams of bank, the governor of CBN could enforce his power, without the political backing given to the governor of CBN, he could not have exercised his powers by removing those managing directors that flouted the corporate governance provisions and other ethical issues.

With the political backing given to the then governor of CBN, he could fully implement the findings of the report. Political will is very important, especially in a country like Nigeria, bank executives are powerful individuals, and without getting political approval from the government. The regulator becomes toothless and powerless ***(CBN 4)*** *".*

"Overbearing influence of government functionaries have seriously impacted on the industry. It is a known fact that banks are very influential and usually have friends in high places, this can make it very difficult for the CBN to take some needed actions because of the government of the day might feel slighted or won't be very keen about punishing a friend at the expense of protecting the sector. Sanusi was only able to take those far-reaching decisions in 2009 because he had the total backing of the government of the day ***(Zenith Bank 1)****"*

"Well managing directors and directors of banks are very powerful individuals, without the backing of the government, to be honest CBN won't be in a position to fully impose their ways on these individuals ***(CBN 7)"***

"The CBN needs full support and independence from the government, to be more effective, without the political backing the CBN is handicapped, and banks can get away with a lot of things ***(CBN8)"***

"It is a known fact that the CBN needs the government to carry out any drastic action against managing directors and their boards. Political will is required to pull the plug on any of these individuals ***(CBN 13)".***

"Ha-ha, you must admit managing directors in Nigeria are powerful individuals, some of them have the backing of politicians and some of them have a powerful influence on these politicians

because they directly or indirectly provide funds for them for their campaigns. So, do you expect these individuals to be scared of the CBN when their backers are in charge of the country, I doubt that ***(Eco Bank1)****"*

"The saga that consumed Skye Bank, I must confess as an insider that was privy to some of the sordid details that led to the collapse of the bank, I can argue that the CBN was a bit handicapped in acting fact because the then chairman of the bank was actively a financier of the then ruling party, so who in the CBN could challenge someone close to the leadership of the country. There is little or nothing the CBN or even NDIC can do when there is no political backing for their planned actions. As the saying goes, power pass power ***(Skye Bank)''.***

"Our managing directors and chairmen are very powerful individuals, so these banks can sometimes go toe to toe with the CBN because they have political contacts that they can call upon when the need arises ***(UBA1****)".*

"Look I will even say things are better now, compared to when I first joined CBN, the spate of banks collapsing is lesser now. It was so bad in the past, that most of the promoters of banks then and management teams were closely linked to the political class then, so it was near impossible for the CBN to call them to order. Things are a lot better now, and I say we are getting there somehow ***(CBN 16)"***

"When the bigwigs in the society are actively involved in banks, it is very difficult for the CBN to act, so I think I can only advocate that the CBN is made truly independent and insulated from political shenanigans. This will provide the CBN leadership with the mantle to fully deliver on their objectives ***(First Bank 2)".***

4.3.12. Disclosure and Transparency

According to section 5 of the CBN corporate governance code of 2014, banks are expected to comply with the disclosure requirements of the CBN. Transparency is the watchdog here, to enhance corporate governance in the country, banks are required to always be transparent and factual in all disclosure released to the public and the central bank of Nigeria. Detailed disclosure is required for banks in the annual statements.

Banks are required to make a detailed account of their financial performance, names of directors, the corporate governance structure of the bank, list of shareholders with or than 5% shareholding. The onus lies with the bank's audit committee to ensure the details of the statement is correct and external auditors are required to look at the books of the bank and ensure figures are not doctored or exaggerated.

In the past some banks colluded with other banks to exaggerate their financials, they also hoodwinked the CBN examiners by doctoring their financials, to indicate a clean bill of health whereas, they were in dire situations. These disclosure issues have led to the CBN taking a tougher stance with the transparency of disclosed information presented to the public and the CBN. The integrity of financial statements sent to the CBN is key to effective banking supervision when figures are doctored, it makes the work of examiners difficult, and if not spotted by eagle-eyed examiners or external auditors, the bank can become distressed, which in turn can become a systemic issue especially when it involves an important systematic bank.

The integrity of data has been enforced by the CBN to ensure; the CBN can always ascertain the current financial standing of the money deposit bank. It also will help stakeholders know the actual health profile of the banks in the country. With the CBN now trying to make the transparency of disclosure a culture in the sector, banks will be tasked to ensure that the quality of disclosure presented to the public and the CBN is devoid of material inaccuracies that will mislead shareholders and the general public. This will also make the banks more responsible in their disclosure requirements because they are more scrutinized now compared to the previous era.

The views of respondents attest to the importance of this theme.

“*Another instance, there was a period after the tsunami, the Central Bank of Nigeria ordered the relationship managers of banks to attend executive meetings conducted by the executives of the bank, it was implemented then to enable the relationship managers to have a piece of firsthand information about dealings going on in the bank, but what the management of some banks did then was to either not discuss any important topic, in the full glare of the relationship managers or ask the relationship managers to vacate the room while they discussed pressing issues. This was done to avoid situations whereby the relationship managers will have the correct position of the bank* ***(CBN1)”***

First and foremost, a lack of transparency in most cases by the banks. It usually manifests in their returns sent to the CBN. A lot of banks would doctor or manipulate their figures, to hoodwink the CBN, in thinking they are doing well, or they are following the required provisions. There is a limit in which the CBN can get them to do the right thing ***(CBN2)”***

“Also, banks used fictitious means to shore up their positions to get approval from the CBN to remain in business. They came up with a balance sheet that they couldn’t defend. The lifestyle of the executives changed, and they were leaving very large. The use of bubble capital was not quickly identified by the CBN, because the CBN and government were desperate to have banks consolidate, and hence CBN turned their blind eyes to their actions ***(CBN 6)*** *“.*

"Situations have arisen in the past, where some banks were sending false returns and disclosure to the CBN. The misleading positions presented by the banks to the CBN created a false picture of what was the state of affairs of the affected banks ***(CBN 10)".***

*"Banks in the past devised means of artificially enhancing their figures, the common financial year for banks have helped to reduce this practice. Before now, especially in the days when there was no common financial year, bank a will go to bank b and other banks to borrow a massive chest of money to inflate their position, vice versa. The common year made it impossible for that practice to continue (****CBN4****)".*

*"Some banks in a bid to appear healthy, will go to other banks, get money from them to create a false financial position, that was far from their true position. This was one of the major reasons why the CBN made it mandatory for all banks to operate only one financial accounting period. Also, we have had banks who converted non-performing loans to commercial papers, and this was done to avoid the CBN query the toxic positions of their non-performing loans (****CBN 5****)".*

4.3.13. Use of Sanctions

The Central Bank of Nigeria uses sanctions as a punitive measure against banks that infringe or go against the deadlines prescribed by the CBN. When the CBN considers the actions of any bank as an infringement on its powers as a regulator, the CBN will be forced to use sanctions to deter the bank from further infractions and also dissuade other banks from following the same practices. The CBN is charged with ensuring the smooth running of the financial system, therefore to maintain the smooth running of the financial system. The CBN expects banks to always comply with their directives or codes.

Appropriate sanctions are used based on the infraction committed by the affected bank. It is worthy to note that most circulars issued out by the CBN are accompanied by sections in the circular addressing penalties or sanctions that will be meted to offending banks if they do not obey the letters of the circular. This indicates the CBN uses sanctions or threat of sanctions, as a means to elicit compliance from banks. The threat of sanctions which is usually in monetary value or in worst situations suspension of managing directors or blacklisting offending staffs or in dire situations sacking of management and suspension of banking license for a continuous offence.

Recent use of the sanctions by the CBN was as a result of banks contravening its directives about deposit money banks in the country lending to the real sector. The circular dated July 3, 2019 (BSD /DIR/GEN/MDD/01/045) and addressed to all deposit money banks in the country, required banks to maintain a minimum loan to deposit ratio of 60% by September 2019.

In a bid to ensure compliance with the increased lending requirements given to the deposit money banks, the CBN made it mandatory for banks to meet the requirement by the required date and failure to meet the required loan deposit ratio, will see banks sanctioned heavily based on the outstanding amount left to meet the required threshold.

Twelve money deposit banks fell short of the directives of the CBN and were sanctioned for contravening the laws of the circular. The affected banks were made to maintain a higher cash reserve requirement and hence making the affected banks not have access to these funds kept with the CBN until they abide by the CBN's directives.

In furtherance to the CBN's directive for banks to fully follow the laws governing their operations in the country, four banks got sanctioned in 2018, for helping MTN Nigeria move $8.1 billion funds illegally. The four affected banks, Standard Chartered Bank (2.4 billion Naira), Stanbic IBTC (1.8 billion Naira), Citibank (1.2 billion Naira) and Diamond Bank (250million).

Sanctions remain a very powerful tool used by regulators to instil discipline by punishing misconduct committed by financial institutions. These will help ensure compliance and protect the stability of the sector.

The views of respondents lead credence to the importance of sanctions in ensuring compliance with the corporate governance code.

"*The sacking of managing directors in the past have led to other executives becoming more careful in the handling of their institutions. Banks are now aware of the immense powers available to the CBN to sanction or punish them appropriately for any infractions or infringement of the rules governing their existence* ***(CBN 1)".***

"Other bank managing directors had to seat up and had more respect for the CBN because of the fallout of the crisis. The banks are now forced to take the CBN seriously. The notion that bank managing directors had before that they would be treated with kid gloves always made them more prone to taking things for granted and not complying with regulations ***(CBN2)".***

"The notion that banks won't be allowed to fail also contributed to banks not always adhering to rules. Now we can easily apply sanctions to punish offenders which helps protect the system and increases discipline in the sector ***(CBN3)".***

"Any time erring managing directors are removed; the impact is always great because it sets a big message to the banks that it is no longer business as usual. The impact can also be felt in the stock market because of the signal received from the removal of the bank executives. The perception of depositors to the removal is also great, especially the affected bank. These are issues, but sometimes this cannot be avoided, because remember the regulators are not the ones managing the banks, regulators only come to the scene after the bank executives must have taken action, regulators come to verify the books and check if the banks have been following laid down rules ***(CBN 16)"***

"While the regulators are doing their jobs, the bank management and the board must manage the bank properly. If they are not alive to their responsibilities, then the likelihood of the CBN using their pangs to sanction the erring management and board is very high ***(CBN 10)****".*

"Give you an instance, when banks in 2008, were accused of giving out deposit rates above the rates agreed in the bankers' committee, the CBN through banking supervision department had to send a letter of warning to all banks, that any bank that didn't desist from such practices will be heavily sanctioned. This threat helped to bring a bit of sanity to the sector ***(CBN 11)"***

"In the history of the banking industry, I can say there has been a relative crisis-free environment in Nigeria and only recently due to Skye Bank and Diamond Bank, have issues come to rise again. Unlike Diamond bank, which appeared to be addressed faster than that of Skye Bank. CBN after 2009 has made it mandatory for the CBN to enforce rules and ensure banking is safe. The use of sanctions and other powers by the CBN has helped to create a relatively safer environment. So

*now the bank's managing directors are more aware of the dangers of contravening the regulations provided by the CBN **(CBN 7)** ".*

*"When the banks do not comply with the codes, the CBN is given authority by the section of the codes to ensure banks take corrective measures immediately and if not sanctions are given to them to ensure quick compliance and those breaches found during the examination, that is contrary to good practice, will be backed with sanctions**(CBN2)**".*

*There are some instances the CBN will first use moral suasion to get them to act or instances where the management is finding it difficult to immediately comply with the provisions, i.e. maybe they have not appointed an individual's, due to waiting for the CBN to verify the documents and good conduct of those individuals **(CBN 8)"**.*

"The sacking of managing directors made other bank made to the seat because they know the CBN could take actions against any erring bank managing director (Access Bank)

*We were fined about four billion Naira for not obeying the TSA directives. The CBN penalized us for not following the directives laid down by the CBN. I must confess that affected our financial standing and led the bank to a more precarious situation **(Skye Bank)**".*

4.3.14. Slow judiciary

The use of the judiciary is very key in resolving disputes that might occur between regulators and any party. The swift resolution of judicial matters instituted by the interested parties is key to enabling the regulatory authority to ensure a smooth financial system. After the 2009 crisis in

Nigeria, because of the actions the CBN took to safeguard the financial system, the deposed bank chiefs and shareholders challenged the decisions of the CBN in court. These chiefs and their shareholders challenged the legality of the actions taken by the CBN and wanted the courts to overturn the decisions made by the CBN (Osinubi & Nnamdi,2015).

It must be maintained that delay in resolution of cases brought by parties to court doesn't auger well for the banking sector, as it creates uncertainty and affects the confidence of stakeholders in the application of the judiciary in solving litigations brought to them for hearing and judgement.

The views of respondents eloquently address the importance of an impartial and independent judiciary in ensuring the speedy resolution of cases brought to the courts, which is key to having individuals who have contravened the laws governing corporate governance, to be brought to books and also serve as a deterrent to others.

"*Unfortunately, the dismissed executives have not to be penalized by the judiciary, apart from losing their jobs or positions, most of them are free from judicial actions and those that are not free, the case is still ongoing many years later* ***(CBN 10)".***

"The judiciary has not been so helpful in dealing with unethical practices by giving out quick judgements that will help serve as a deterrent to other self-serving executives. The CBN backed by a very functional judiciary will help deter executives from making self-serving decisions that will endanger the bank. It will help to reduce the number of unethical insider practices. When managements know the judiciary is up and running and free from abuses, the level of compliance will greatly increase because they know they will likely face the penalty and not just losing their seats in the bank but get a hefty fine or jail term ***(CBN 1)".***

"I feel very strongly that we do not have a very viable, strict legal framework to address the anomalies in the Nigerian banking sector. It is not enough for the examiner to do his report, the management is not performing, the executive chairman has insider credit that is not performing into billions, there have been compromised loans given out without collateral etc. and the affected parties are not prosecuted and brought to justice. All the chairman or executive gets is removal from office and a pat on the bag; he or she is not sent to the judiciary to face the consequences of his actions. There should be a dedicated court that deals with the financial sector, whereby bank defaulters are put to justice quickly like what was obtainable during the early 90s with Abacha failed bank tribunals ***(CBN 14)".***

"If our judiciary were user-friendly to bank-related, most of the bad debts or bank squabbles would have been settled incompetent law courts, the low nature of our judiciary system discourages speedy resolution of disputes or cases that would have the banks run smoothly and also help ensure corporate governance infractions are reduced considerably ***(CBN 10)"****.*

"In Nigeria, it can be common to have different courts give conflicting judgement for the same case; consistency in the decisions reached by the judiciary is very key for this sector to thrive. It is important judgements are speedy, and defaulters are brought to justice for their actions ***(CBN 7)"****.*

"Speedy resolution of cases in the court is very key to having the confidence of stakeholders and ensuring investors continue to invest in the sector. The CBN will need the courts to give speedy judgements that will help settle the many disputes affecting the smooth running of banks in the country. A lot of unresolved or pending cases have still not been resolved, for instance, we still have cases from the 2009 plunge, that has not been decided, over ten years we still have some of these former executives and board members still challenging the decisions of the CBN in court, and unfortunately, some of these cases are still not resolved ***(CBN 16)"***

"The CBN has no power to order the arrest of chronic loan defaulters. We can only depend on their judicial system in place to aid the recovery of bad loans. It is the responsibility of the judiciary to help the seamless recovery of these funds from those responsible for bringing down the bank in the first place. Unfortunately, the judiciary process in Nigeria can be very slow, and this provides the leverage for defaulters especially the very powerful ones, the opportunity of buying considerable time or even outright frustration of the case brought before the appropriate court of law. During the Abacha era, with the failed bank tribunal, cases were speedily dealt with because there was a specialist court for deciding bank infractions ***(CBN 13)"***

"To discourage bad management, we need to ensure the judiciary is well equipped to punish erring management that deliberately contravenes the laws governing the institution. This will help to reduce episodes of bad management leading banks to their death via unnecessary risk-taking or through insider debt accumulation ***(Eco Bank 2)****"*

I think the judiciary needs to do more, the unending court cases and delays in convictions that underscores our judicial system. In honesty, the judiciary needs to do more to help the CBN in addressing the rot in the system ***(Zenith Bank1)''.***

*"I feel very strongly that we do not have a very viable, strict legal framework to address the anomalies in the Nigerian banking sector. It is not enough for the examiner to do his report, the management is not performing, the executive chairman has insider credit that is not performing into billions, there have been compromised loans given out without collateral etc. and the affected parties are not prosecuted and brought to justice **(CBN 13)"***

*"A strong judiciary will help sanitize the banking sector in Nigeria; any society that ignores the independence of judiciary suffers the consequences. A well-funded judiciary free from executive manipulation will enable the judiciary speedily to take actions that will bring bank offenders to books. Of course, this will help Nigeria banks get more funds from the diaspora (**Focus group 1)**".*

4.3.15 Very Dominant Managing Directors or Chairmen

CBN made a big statement in 2009 with the sack of erring managing directors and their management teams. The statement the CBN was trying to the sector was that the era of over dominant boards or managing directors is over. Managing directors who constantly flout the rule book can be removed with the powers accorded to the governor of the CBN (Okafor, 2013).

The CBN in a bid to consolidate the gains of entrenching corporate governance in the sector and enable the continuity of good practice by management teams of banks made it mandatory that managing directors of banks in the country are allowed only a maximum of ten years in office. This was done to avoid the challenges that arise from having sit-tight leaders running the affairs of the bank and avoid having too dominant managing directors, who become too big to be held accountable by the board. When there is so much power in the hands of a managing director or chairman of the board, there is less room for checks and balances, which will encourage the holders of the office to abuse their power and eventually lead the organization to the financial crisis (Abid &Ahmed, 2014).

In a bid to further enhance corporate governance in the sector and avoid concentration of power in any individual or group of individuals, the CBN in section 2.2 of the 2014 corporate governance code disallows having the managing director and chairman of the board coming from the same extended family. Also, to ensure financial responsibility, there should exist an independent audit committee headed by a non-executive director. The audit committee must always have access to the financials of the bank. This was put in place by the CBN to entrench financial discipline in the bank and avoid the situation where the managing director or chairman has unfettered access to the accounts of the bank.

The views of respondents reiterate the importance of having checks and balances to curb the excesses of dominant chairpersons or managing directors.

"*The critical issues are the relationship between management and board, is the board able to function independently from management, is the management team overbearing, these questions are relevant especially knowing the executives' pay allowances to board members thereby making them susceptible to control from the management. The board that should ensure they monitor the management team, once these roles are compromised, it is difficult for the management team to not fall to the temptation of not contravening the governance codes* ***(CBN 15)".***

"With the resources made available by the managing directors makes them very powerful and also we have situations where we have a powerful chairman, it will be difficult to control his excesses, we have situations where some chairmen of banks, who also are the majority

shareholders of banks determine the directions of the bank, they now act as the de facto managing director, who controls the board. The aim of separation of powers is now defeated because the chairman has fused the power of the chairman and managing director into one. The present executive board will be forced to rubber-stamp all decisions of the powerful executive chairman ***(CBN 14)".***

"The management will be at the mercy of the executive chairman when the executive chairman is also the majority shareholder of the bank. These factors make it impossible to be very confident about the true state of compliance in the banking sector, on the surface it might appear compliance is going to the right direction, but deeper analysis might reveal it is cosmetic. So, there could be some form of abuses affecting corporate governance compliance ***(Eco Bank 2)".***

"If you look at what contributed to intercontinental bank failing, you will observe that the former managing director of the bank had some powers and he used such powers to abuse his powers by taking facilities for his cronies and himself ***(Access Bank)".***

"When managing directors or chairmen have overbearing posture, the tendency for them to self-destruct is very high. Compared to having a managing director who is not overbearing and easily monitored by a truly independent board ***(First Bank2)".***

"There was no separation of power in Oceanic Bank. The managing director was so powerful that all the board did then was to rubber-stamp her decisions. It was really bad because mama had so

much power and could easily take facilities to increase her equity in the bank without following due process. It was more or less a family bank and ran as a one-person show with little or no control from the board ***(Eco Bank 2)***.

"The resources made available by the managing directors makes them very powerful. We also have situations where we have a powerful chairman; it will be difficult to control his excesses, we have situations where some chairmen of banks, who also happens to be the majority shareholders of banks determine the directions of the bank, they now act as the de facto managing director, who controls the board. The aim of separation of powers is now defeated because the chairman has fused the power of the chairman and managing director into one. The present executive board will be forced to rubber-stamp all decisions of the powerful executive chairman ***(CBN10)".***

"The Central Bank of Nigeria has now recognized the importance of having the right leadership in place in banks and decided that having very dominant managing directors, will not be good for the sector.

That is one of the overriding reasons behind the removal of any erring managing director and also the tenure system introduced by the CBN. When managing directors are untouchable by the board and staffs of the bank, the board is not able to perform its oversight functions and hence leads to managing directors to perpetuate decisions that are against the overall health of the banks they manage ***(CBN 16)****"*.

"The 2009 crisis provides a good example of how dominant managing directors abused the principles of having a board of director's act judiciously as a form of checks and balances on their activities. In the case of a former bank managing director ***(Eco Bank2)****, the board was mainly seen as a toothless bulldog. Their duty was just to rubber-stamp decisions taken by the MD. The board was not seen as independent because of the overbearing posture of the then managing director* ***(CBN5)"***

"I admit having powerful managing directors can be very bad for Nigerian banks because they will be most times self-serving and resistant to fresh ideas, which is usually not good for business ***(Cust 2)****".*

4.4Summary of Chapter

In this chapter, the researcher looked at the demographics and data collection and analysis of the study. To answer the research questions of the study, the researcher used the thematic analysis, closely following the design put in place by Braun & Clarke (2006). CBN documents, interviews and focus group sessions were all analyzed using thematic analysis.

The data analyzed were collected from sixteen past and present senior executives of the Central Bank of Nigeria, ten staffs of six money deposit banks in Nigeria and two different sessions of focus groups comprising of eight participants in each focus group sessions. The focus group sessions are consisting of Nigerians living in the diaspora. A cursory glance at the members of the focus group sessions will show respondents were drawn from various walk of life. There were ex-bankers from Nigerian banking scene who have relocated to the United Kingdom, Nigerian students living in the diaspora and other Nigerian based professionals now based in the United Kingdom.

Fifteen themes were generated from the interviews, focus group sessions and document analysis. The themes generated all helped in providing answers to the research questions of the study. The voices of all participants were captured verbatim to enable their voices to speak and ensure credibility for the study. This also provided a richer understanding of the phenomenon being studied.

Chapter Five

Discussion of Findings

5.1 Introduction

This chapter discussed the fifteen themes that emerged from the transcripts of the interview sessions, focus group sessions and document analysis. It discusses the findings from the previous chapter. This discussion looks succinctly at the identified themes of this study with a view of unearthing the ways at which the CBN can entrench the practice of good corporate governance in Nigerian banks.

5.2 Discussions of Identified Themes

This section discusses the themes identified in the previous chapter of this research study.

5.2 .1 Professionalism and Ethics

The corporate governance code of 2014 has a section entirely dedicated to ethics and professionalism. Consequently, the study assumes that the lessons from the 2009 banking crisis enabled the CBN to update the code of corporate governance. The 2006 code made scant mention of ethics and professionalism unlike 2014, which had a full section dedicated to ethics and professionalism.

This study believes that crisis in 2009 was fueled by the increased appetite by bankers to carry out unethical practices which went against their professionalism. True professionalism and ethical practices would have helped to avoid situations that almost threw the sector to disarray. The CBN corporate governance code of 2014 expects bankers to exhibit the highest level of professionalism and ethics in all their conduct. This would imply that all employees employed by banks should always display a high sense of integrity in all their duties (De Tejada,2015).

Professionalism and ethical practices ensure that bank employees and management teams apply integrity in all their dealings and enable them to adhere to the highest ethical standards required by law. It remains the gateway to ensuring a healthy and sustainable banking sector (Oyewunmi et al.,2017).

Consequently, the study assumes that professionalism is very key to bank officials exhibiting the right ethical practices that will help ensure the bank is devoid of practices that would undermine the brand of the bank in the eyes of depositors and other relevant stakeholders. Professionalism is key to curbing fraud, negligence and incompetence in banks. A true professional will always work ethically and professional by avoiding vices that will lead the bank to chaos. Having bankers meet up their responsibilities to depositors and other stakeholders, in an ethical and very professional manner, with no intent to deceive is seen as the best way of restoring trust in the system (DE Tejada, 2015).

The study discovered from the interview sessions with respondents that professionalism and ethics in Nigerian banks suffered a severe setback. This was largely due to the events of 2009, that left a big dent to the image of the industry. Ethics and professionalism were sacrificed on the altar of being competitive and returning impressive profits for shareholders. This agrees with extant literature, such as (Becht, Bolton, and Röell, 2011) and (Mehran, Morrison & Shapiro, 2011), which argues for a different corporate governance structure for banks, that considers the interests of stakeholders and not just that of shareholders.

In a bid to safeguard the interest of stakeholders from the failure of bank executives, desirous of maximizing returns for shareholders, the CBN had to carry out some reforms, which helped the sector from systemic failure (Oyewunmi et al., 2017). Part of the reforms carried out by the CBN involved making it mandatory for banks to have a code of conduct for all their members of staff.

The CBN using the coercive powers available to it made it mandatory for banks to roll out the code of conduct that applies to all staffs. The institutional factors prevalent in the country, made it a matter of urgency for the CBN, to insist all employees of banks, follow the highest level of conduct, in dealing with both internal and external stakeholders. The use of coercive powers available to the CBN, in trying to instil sanity in the sector, agrees with the postulations of DiMaggio and Powell (1983), who believe that compliance can be acquired by the use of coercive powers available to regulators.

This study reiterates that code of conduct is very important to bankers and should be taken as the guidance for the sector. The banking sector entails having professions that are ethically upright and competent for the job. The code should be enforceable, to ensure compliance is not compromised, as this will help instil the culture of compliance in the sector (Adeyanju,2014).

The adherence to the set laws and standards by bankers will also help enshrine a well-defined effective and robust system that is geared towards sustainability and not one geared towards only short-term goals, which are not sustainable in the long run (Oyewunmi et al.,2017).

Also, the study discovered that the CBN is desirous of having only people of integrity take up employment in the sector. The banks are not allowed to employ people of questionable character, and they are also barred from employing dismissed employees of other banks, whose appointments of service were terminated due to fraud-related incidents (BOFLA 91).

The integrity of staffs in the banking sector remains paramount to the CBN, hence the use of the black book to stop the banks from recycling staffs with questionable character into the sector. As disclosed by the executives of the CBN during the interviews conducted, having unethical professionals in the banking sector is a threat to any organization, especially in the banking sector. The chances of a bank failing rise with the unbridled practices of unethical banking practices. The CBN in the words of CBN 2, "*is doing its best to ensure banks employ only persons of untainted character*". Another respondent highlighted the dangers of having unethical professionals in our banks can lead to cases, according to the respondent*," unethical staffs can plot with outsiders to defraud the bank or even have the banks robbed, in a desperate attempt to make wealth at all costs"*. Having staffs who are ethically sound and professional in their dealings with stakeholders is key to revamping the reputation of banks, so banks should now be expected to adhere to rules.

It is expected that bank staffs always adhere to the standards, expected of professionals with ethics as the watchword. With the various fines been paid by banks globally for various violations of ethical and professional standards, regulators globally are doing their best to ensure the right standards in the banks operating in their domain. The CBN has not been left out of these onerous challenges, of making banks see the need of shifting the culture of short-term profit at all cost to the more responsive goal of sustainable banking, with ethics and professionalism being the bedrock.

5.2.2. Risk Management

The effect of the global financial crisis of 2008 exacerbated by the events of the crisis that rocked Nigerian banks in 2009 created the crisis that exposed the poor risk management practices in the Nigerian banking sector. Due to the poor risk management practices across banks in the country, depositors' funds were under threat until the intervention of the CBN. This unacceptable situation made it imperative for the CBN to quickly try and correct this anomaly. The CBN was forced to implement policies that highlighted the importance of risk management in the sector (Erin et al., 2018). This agrees with the views of the respondents interviewed for this study.

In a bid to sanitize the banking landscape, the CBN was forced to make improvements in the corporate governance statues of 2006, a new corporate governance code was rolled out in 2014, with a section (section 6) wholly dedicated to risk management. A marked improvement from the previous corporate governance code of 2006, where there was only a scant mention of risk management. The 2014 code had more details concerning risk management (CBN, 2014).

The CBN in recognizing the rudimentary stage of risk management in banks in the country exacerbated by the dearth of professionals in risk management in the country introduced several reforms to tackle the problems. The findings of this work discovered that the CBN made it mandatory for banks in the country to develop a sound system of risk management to avoid the crisis that engulfed the sector. This was also illuminated by (Soyemi et al., 2014) in their study. The CBN has made it mandatory for banks to have a chief risk officer in charge of running a fully-fledged risk management department, which happens to be a clear departure from the pre-crisis period. In addition to this, the CBN has also mandated banks to have an effective risk management board, charged with providing the oversight duties for risk management in their various banks (Erin et al., 2018).

This study discovered that the CBN mandates the risk management board of banks to ensure their oversight responsibilities are thorough and detailed. The CBN expects that bank boards are made up of thorough and experienced members. And should be better placed in a better position, to provide the oversight duties. The board is also expected to monitor the management of the bank, to ensure the risk framework is fully implemented. The board should also be chaired by a non-executive director and must also comprise of the executive director in charge of the bank 's risk management department (CBN,2014).

The CBN having recognized the importance of risk management practices to good practice of corporate governance in banks, ensuring that banks maintained a clear division of responsibilities and roles in the area of risk management. Banks were also mandated to have a very effective internal control mechanism to ensure the bank's risk management framework is not compromised. All these are put in place to ensure banks achieve the right objectives concerning its risk management policies. This was also disclosed in Pan (2016).

The CBN now recognizes just like other regulators globally, that the greatest threat to the survival of banks is the inability for banks to manage the risks they are carrying properly. Poor exposure to risks can undermine any bank in the world, irrespective of its size or status. Regulators recognize that regulatory restrictions will not solve the issue of poor risk management in banks they supervise (Belo-Osagie, 2012).

Risk management remains very key to any bank's survival, with a big bank like Lehman Brothers failing, risk management is becoming very key (Iftikhar, 2016). Banks in better-supervised climes have been known to fail despite the efforts of bank regulators in their jurisdiction. What is important now is banks to have in place a risk management framework, that is appropriate for the bank and risk management team that is effective and devoted to its duties (Belo-Osagie 2012).

The importance attached to risk management by the CBN has made banks take the issues of risk management very importantly, previously risk management was not seen as that important by some of the banks operating in the country, it was merely relegated to an office space in the headquarters, devoid of the right architectural support and adequate human resources (Olamide, Uwalomwa & Ranti,2015). The study discovered that it is no longer the case where risk management can be relegated to the bottom. It is seen as a very crucial department in any bank in Nigeria.

This has made risk management become a very important component of banks operating in the country. It is also instructive to add that since all banks compete for the same customers, banks can become desperate in creating risk assets, in a bid to stimulate growth in the affected bank. This potential for an increase in risk appetite can lead to cases of burnt fingers due to poor risk management. In other to avoid such potential for losses, a sound and well thought out risk management strategy will be required by these banks to increase their chances of getting good returns to their investment and ensure their continued operations (Dugguh & Diggi, 2015). To this end, this study discovered since the 2009 banking tsunami in Nigeria, the CBN has made it clear, it is no longer business as usual, but unfortunately due to the dearth of risk managers in the country, banks are still struggling to match the expectations of the CBN.

The shortage of risk managers in the sector, like it, was pointed out earlier contributed in no small ways to the crisis that befell banks in Nigeria. The demand for quality risk necessitates having experienced hands who can competently run the departments of risk management across banks in the country (Belo-Osage, 2012). The dearth of human resources in the sector will usually lead to increase in staff poaching, high turnover of members of staff and eventually lead to the employment of inexperienced officers, as a result of lack of options to recruit more experienced human personnel.

The dearth of experienced risk managers has led to staff poaching and inadequate workforce to address the challenges of risk management. The lack of adequate professionals in risk management was one of the reasons behind the CBN setting up a competency framework for banks in Nigeria. The CBN saw the need to address such shortcomings in Nigerian banks by developing opportunities for banks to accord high priority to banks having adequately trained staffs in specialist departments like risk management (CBN Competency framework circular,2012).

With banks in Nigeria now becoming more acquainted with the demands of risk management, especially with the CBN trying to plug the holes, by ensuring specialist training for risk management is available to help develop staffs (Soyemi et al.,2014). This study discovered that with banks now trying to meet the CBN's requirements about having the right risk management team available to securitize the risk assets in their disposal. Banks will no longer be bent on chasing short term profitability at the expense of having quality risk risks in their books. The CBN expects the chief risk officer and the risk management team to have a strategy that matches the risk governance framework in the institution.

With the banks having the right governance framework in place, banks will now be in a better position to grow the bank's lending position based on the right indices and not just based on market sentiments or strictly on market demands (Sabato,2010). With the aftermath of the global financial crisis, the role of the chief risk officer has become more pronounced. Their access to management and the board have helped to bring more stability to the risk management profile of the bank under their guidance. With their access to management compared to previously and more guarantee of independence, the risk management profile of the bank can be better prioritized. It will also enable the bank to have a risk culture than can easily be cascaded to all staffs of the bank (Sheedy &Griffen, 2014).

Nigerian banks cannot afford to be in the dark concerning the importance of having the right risk culture or risk management framework in place. Any bank that decides not to give the right priority to risk management will likely be inflicted with bad financial woes due to the lopsided risk returns that will emanate from their bad decisions. Risk management will help facilitate stable growth (Dugguh & Diggi, 2015). With the employment of well trained and experienced risk officers in banks in Nigeria, there is expected to more prudent use of risk tools to determine the risk of investment to be carried out, also the previous trend where banks where always investing in the same market without diversification of risks into other markets, will likely be looked into, to avoid the occurrence of the events of 2009 (CBN interview 3). Excessive risk-taking in margin loans and oil and gas contributed in no small measure to the events of 2009 (Agbonpolor, 2010). What is expected from Nigerian banks now, are the strict compliance to the provisions of the 2014 corporate governance code, especially regarding risk management.

It cannot be taken for granted the importance of risk management to the survival of banks in Nigeria (Eco Bank2). The analysis revealed that banks would need more work in the area of risk management. Having the right personnel will go a long way in achieving that. Management of banks needs to urgently strengthen risk management in their banks, to enable the banks to remain sustainable. Compliance of the codes should not be compromised, and banks should provide the risk management team, the independence needed to perform their duties dutifully (Onyekwelu & Onyeka, 2014). The key remains for the unalloyed support from top management. This is needed to help risk managers implement the right strategies needed for the mitigation of risk. Strict compliance with the provisions of the CBN code will also help, and finally, the right internal control structures should always be in place to mitigate against abuses in the system (Dugguh & Diggi, 2015).

5.2. 3 Risk-Based Supervision

From the analysis of findings relating to risk-based supervision, majority of the regulators interviewed, and bank staffs interviewed, indicated the importance of risk-based supervision to the success of compliance culture and corporate governance in the country. Having the appropriate supervisory architecture, they all agree is very key to the success of corporate governance in the banks. The need for a proactive and robust architecture supervisory platform, they added will be the very beneficiary in ensuring the regulators fully understand the risks inherent in the banks and the banks also understand the benefits of fully cooperating with regulators, to ensure the success of risk-based supervision. The Central Bank of Nigeria and the banks are equal stakeholders in the success of risk-based supervision in the country.

This study found out that risk-based supervision will need the active collaboration of banks and regulators to maximize the gains of risk-based supervision. Banks will be required to have a well functional information technology system, which can provide the required data needed to monitor the major activities of the bank. Data integrity will be very key for the bank and the regulators to always ascertain the actual health of the bank (Chakrabarty, 2013). Banks will be expected to fully understand and manage the risk profile, by putting in place the right mechanism to mitigate against loss using the data in their possession. This will help banks in pricing the risks and ensuring they have the right capital outlay needed to mitigate against the risk going bad (Itsede, 1998).

This buttress the importance of bank management and board fully understanding the business of managing risks in their bank. It is very key the board and management of banks remain very sensitive to the number of risks their bank is required to carry, as no form of supervision or regulation can save a bank, whose management and board are not conversant with what is required to keep the bank healthy and free from taking bad risks. The analysis revealed that board and management remain very key to the success of risk-based supervision and the health of the bank under their control. They remain the first line of defence against bad risks consuming the bank. Regulators cannot save a bank, whose directors do not have what it takes to identify, manage and mitigate against risks in their day to day running of the banks' activities (Chakrabarty, 2013). The supervisor believes that the management should be in a good position to make independent decisions concerning it risk-taking, thereby empowering banks to fully under the risk profile they are always carrying (Curry, 2015).

Risk-based supervision enables the regulator to have a complementary relationship with the banks, due to the nature of this supervisory methodology, the regulator will be well informed about the risk appetite and risk profile of the supervised bank. The examiner or supervisor is always expected to be fully abreast of the bank's risk profile and condition. They are expected to also communicate with the management of the banks, concerning issues bordering the safety of the bank. Risk-based supervision enables the supervisor to be fully immersed in the bank they are supervising. The regulator has a very good understanding of the bank, which will enable the regulator to assess the true picture of the bank.

When compared to the compliance-based methodology employed previously, which entailed the regulator ticking boxes, showing the banks complied with the rules and returns were carried out. The compliance-based architecture design relied mainly on the transaction being tested, such as data reconciliation, cash and securities being counted, and other checks made to verify returns received from the banks. The regulator having checked for any infractions, will ask the bank to correct such problems.

The risk-based supervision looks at situations that might threaten the sustainability of the bank both in current and future. This enables the regulator to know the risks faced by the bank that might affect the bank (Bahago, Jelilov& Celik, 2019). This supervisory methodology will enable regulators to identify and prioritize risks identified and look for ways to mitigate the perceived risks. It also offers the regulator the opportunity to allocate resources to areas that need supervision efficiently. The profiling of risks of all banks provides regulators with the opportunity of making good use of their scarce resources in a very efficient in the supervision of banks (Chakrabarty, 2013). It will help enable regulatory authorities to use their scare regulatory resources for institutions which are deemed more at risk, thereby helping regulators apply a proactive approach in tackling chances of risk becoming problematic. It is very useful as a supervisory tool to prevent used in addressing gaps in the bank before it affects the earnings and capital of the affected bank (Odusola, 2008).

The study discovered that risk-based supervision enables the CBN to evaluate risks in the banking sector, by emphasizing on identifying the risk early and applying a continuous assessment of institutions, to enable the CBN address the risks in that institution with a tailor-made the on-site examination, created to address the risk profile of the bank. In other to have a better understanding of each institution under its supervisory purview, every bank is provided with a relationship manager. The relationship manager is key to helping the CBN fulfil the goals of risk-based supervision. A relationship manager, who most likely will be in the Deputy Director cadre in the CBN. He or she is the CBN's focal contact with the supervised bank by providing the mechanism for the continuous supervision of the bank, which is very key to the goals of the risk-based supervision (CBN BSD, 2008). Having a dedicated relationship manager for each institution enables the CBN to compare the risk profiles of banks and provide the outlet for the CBN to correctly predict the changing risk profile in the sector.

For an effective application of risk-based supervision, the CBN uses both the off-site monitoring and on-site monitoring. The offsite monitoring helps to provide relationship managers and their dedicated teams, an early warning signs of any troubled spot in the supervised bank. Effective use of the early warning system will enable the relationship managers to understand the banks better and also help provide the supervisory team with the present condition, performance indicators and the compliance of the bank. The offsite supervision helps to provide the areas of concern. The on-site supervisory team should look a for in their visit to the bank. The on-site team provides the best method to ascertain the true condition of the bank, by verifying the bank's compliance to rules and regulations and also helps ensure problems identified are corrected to avoid it deteriorating(CBN BSD,2011).

The on-site and off-site monitoring will help provide to risk-based supervision the composite risk rating for the banks. The composite risk rating will be rated as low, moderate, above average or high. This ranking will help determine the supervisory action needed for each institution. The intervention for each institution will be based on their rating. A bank under the low-risk profile is seen as having a generally stable financial situation and would not require any special supervisory action. A moderate risk profile will see supervisory authority indicate to the management team of the bank, areas of concern that required correction. A bank with an above-average risk profile will be addressed as a bank with some risks that are not considered as an immediate threat but requires remedial corrections to address them and prevent them from becoming toxic. This will require the supervisory team conducting more on-site visit until things improve. A high composite risk profile indicates severe management deficiencies and unsafe banking conditions in the bank. This may require the CBN revoking the license of the bank or changing the management team (CBN, 2011).

By having banks classified using the composite risk indicator, the CBN can categorize banks based on their risk profiles. Identifying the bank whose risks are greatest will help the CBN judiciously apply supervisory resources to banks that need them most. Priority is given to banks with the highest risk profile, to help nullify the threat posed by the bank to the banking sector (Afolabi, 2008). This is in tandem with the words of the regulators interviewed, who all agreed in their interview sessions, that the risk-based supervision offers the CBN the best opportunity of using its scarce supervisory resources more optimally, This they added offers the CBN the best platform to regulate the CBN and provide the opportunity to mitigate against risks emanating due to poor regulatory oversight.

An area of concern that was brought to light during the interview sessions was the area of skilled human resources needed to effectively run the risk-based supervision in the country. Risk-based supervision, like most experts, requires very skilled supervisory teams to effectively run and maximize the benefits of this supervisory architectural platform. Without the required trained manpower, the risk-based supervision will suffer glitches that will affect the smooth sailing of the system and derail the opportunities offered by risk-based supervision to mitigate against bank failures. The proactive nature of risk-based supervision requires a high skill set that can decipher data received from banks and correctly interpret and evaluate the risks banks are carrying. Without the right skill set, the chances of supervisors understanding the bank risk models will be affected, and this will seriously impact on the supervisory advice received from the supervisory team to the management of the banks. Also not having the right skill set in the supervisory authorities might provide the opportunity for dishonest management teams to hoodwink the CBN staffs with inaccurate information designed to make the CBN, downplay the risks the banks are carrying. Having a highly-skilled supervisory team will enable the CBN correctly supervise the banks and help the bank comply with the required guidelines and codes.

5.2. 4 Insider Abuse

Insider abuse remains a menace to the safety of banks in the country. Insider abuse constitutes a huge drain in the profitability of banks. The safety of banks requires the apex regulator taking a tougher stance against perpetrators of insider abuse in the Nigerian banking sector. From the interview sessions conducted with executives of the CBN and bankers, it is obvious that insider abuse remains a big threat to the sustainability of banking in the country. Although the efforts of the CBN is trying to clamp down on insider abuse in the banking sector, there still have been cases of insiders using their privileged positions to abuse their offices. Former Skye Bank, now known as Polaris bank, is a recent example of the board and executive perpetuating illicit insider abuse, by granting themselves and their cronies' loans which eventually became bad. These insider abuse made the CBN revoke the license of the defunct Skye Bank and made the CBN inject over N789 billion Naira ($2.57 billion) into the newly created bridge (Polaris Bank). The failure of Skye Bank highlighted the problems of having directors and management involved in infractions that could serve as a threat to the sustainability of any institution (Bejide, 2019).

Maintaining the safety and soundness of the Nigerian banking sector forced the regulators to change the management team of the defunct Skye Bank for the various infractions committed by the board and management team. The board and management team were said to be involved in various infractions such as insider abuse, false accounting disclosure, overstating profits, non-disclosure of directors' interests and lending above the single obligor limits prescribed by the CBN (NDIC). According to the former governor of the CBN, one of the factors that undermined the practice of corporate governance was the practice of management and boards of banks taking advantage of their positions, by contravening the CBN's position about connected lending or insider abuse (Sanusi, 2010). Having directors take facilities from banks, without following the guidelines set out by the CBN, provides a leeway for the directors to have become the lackey of the management. When directors become compromised due to taking unsecured loans, they cannot fulfil their oversight duties of ensuring the management enshrine the right governance in their institution. A compromised board provides a veritable outlet for management to perpetuate insider abuse and other corporate governance abuses without the directors calling the management to order (Ikpefan, Iyoha & Ojeka, 2014).

This study found out this was evident in the banks that failed in 2009, where the boards were unable to carry out their oversight functions because their involvements compromised the directors in connected lending or insider abuse. The inability of the board to overcome the lure of taking unsecured credits placed them in a position, whereby they would not be able to correct the management from perpetuating insider abuse too. Insider abuse carries huge costs for the banking sector and has led to banks in the country suffering distress. Over the years, insider abuse has contributed to bank failure in the country, insider abuse was said to responsible for 65 % of the total loans of the four banks that failed in 1994 (Brownbridge,1996). The huge spate of bad loans in the 1990s was due to loans given to connected insiders of the banks. Banks were giving out unsecured loans to promoters of banks, directors and other large shareholders, at the detriment of the safety and soundness of the banks (Ugoani, 2016).

The impact of insider abuse in the 90s saw the CBN and NDIC revoking bank licenses due to insider abuses by directors and management teams of the affected banks. In a bid to stop the spate of bank failures due to insider abuses and other related reasons, the then military government had to set up a special court, known as failed bank tribunal, to help restore sanity to the sector (Adegboye, 2009). It was specially designed by then military government to reduce the spate of insiders taking advantage of their privileged positions, by abusing the lending process and other infractions (Ugoani,1998). Insider Abuse by directors and management remain inimical to the growth of the banking sector and should be totally expunged because banking is based on trust and integrity. The CBN needs to do more to address this plague affecting the sustainability of the banks in the country. Although there are laws and regulations in both BOFLA and various CBN circulars, that address insider abuse, management staffs and bank directors alongside their cronies, still find a way to circumvent the laws. Insider abuse can be very difficult to decipher because of the perpetrator's access to all areas of bank operations. They can easily hide their dealings from unsuspecting eyes (O'Keefe & Yom, 2017).

This study adds that it is important to assume that any bank whose management or directors engage in insider abuse is at great risk of going down. The staying power of any bank, in the long run, will depend on the integrity and probity displayed by their management teams and directors of the bank. It remains the duty of the CBN to ensure that bank directors and management teams display honesty and transparency in all their dealings. Allowing directors and management teams abuse their positions by granting themselves self-serving facilities or granting such to related or connected parties, should be outlawed and any party found guilty should be prosecuted to serve as a deterrent to others. Also, whistleblowing should be fully implemented in all banks, to independently serve as an oversight device, in bringing to books guilty directors and managements who perpetuate insider dealings.

Whistleblowing is designed by the CBN to provide the outlet for unethical practices to be reported internally or externally. It will provide regulators or the concerned institution to conduct an investigation, to verify the authenticity of the claims made by the whistleblower. The right of the whistleblower is also protected from any form of victimization (CBN,2014). "*The whistleblower policy has, in the past, succeeded in the removal of an erring managing director. In 2014, Mrs Laurence do Rego, of Eco Bank, brought wrongdoings perpetrated by the then Group Chief Executive Officer, Mr Thierry Tanoh and former chairman Mr Kolapo Lawson. She informed the Nigerian Security and Exchange Commission that the two had pressurized her to sell off the assets of the bank below the market price and was also pressurized to write off debts, owned by companies connected to the former chairman. SEC swung into action, which led to the termination of the appointment of, Mr Thierry Tanoh by the board of Eco Bank (Eco Bank 2)".* Whistleblowing has helped to provide a platform for insiders to reveal the wrongdoing in their companies. The case of Sherron Watkins of Enron, who gave out the information regarding financial misconduct in Enron, by exposing the financial recklessness carried out by the top executives of Enron and Cynthia Cooper, the former Vice President Of WorldCom, who opened the can of worms, regarding the wrongdoings going on in her company. The actions of these individuals have reinforced the importance of whistleblowing as an effective corporate governance mechanism (Nwoke, 2019).

Whistleblowing has provided a means of saving billions of dollars and helped to prevent misconducts and scandals perpetuated by directors and senior management, from worsening. It is a veritable means of exposing corrupt practices, especially in developing economies of the world (Alleyne&Chandler,2018). This study believes, that for whistleblowing to be effective in any clime, it is important legal and institutional structures are strengthened, this will enable the gains of whistleblowing to be fully maximized. A strong legal and institutional structure will provide the protection needed for whistleblowers and make them more inclined to expose wrongdoings in their workplace or anywhere, without the fear of retaliatory activities in the form of attack, dismissal, blackmail or any other activities inimical to their safety (Nwoke,2019). These protections will enable whistleblowing protection to be put in place to encourage more disclosures of unethical activities in institutions.

A good example of a system making good use of whistleblowing is Dodd-Frank Wall Street Reform and Consumer Protection Act Of 2010, which provides the Security and Exchange Commission, United States of America, a protection scheme that rewards whistleblowers handsome rewards for their information (Filler &. Markham, 2018).

These protection and reward scheme introduced by SEC have proved very popular among whistleblowers. So far, more than $953 million have been recovered, and only over $150 million were paid out to whistleblowers. SEC maintains that the continued payout to whistleblowers will help provide incentives to insiders and other persons with the knowledge of any corporate wrongdoings, to report such infractions to SEC, which will help reduce or prevent corporate malfeasances (Filler &. Markham, 2018).

This study proposes a reward system can be adopted in the Nigerian financial institutions to help preserve the sustainability of these institutions from insider abuse and other malfeasance. Whistleblowing remains a good platform to help reduce the incidence of insider abuse, and the CBN will need to strengthen the legal and institutional structures to provide the needed protection for whistleblowers. It must be added that the CBN is currently sanitizing the public about the importance of whistleblowing. The public is now encouraged to report any perceived misdeeds to the regulatory authority, without any fear of defamation or threat to life. Also, the CBN is making it mandatory for all banks in the country to have whistleblowing channels in their banks, to provide employees and other stakeholders, the opportunity of reporting wrongdoings. These will help ensure corporate governance compliance by banks in the country.

5.2.5 Training and Development

In the present ever-changing world, current knowledge is inadequate to meet up with the dynamic and technical business world. It is, therefore, a major priority of organizations to acquire skills following the changing technologies. For this reason, most companies take proactive measures, in providing the needed training needed to ensure their staffs are equipped for job functions (Imran & Tanveer, 2015). Training empowers staffs, by enabling them to carry out their job functions confidently, with less propensity for errors (Mohammed, 1995). The mimetic training programs run by various banks align with mimetic isomorphism, which says that companies are usually compelled to copy best practice across the board (DiMaggio and Powell, 1983).

Training provides organizations desirous of increasing the competency of their staffs the opportunity of having the outlet of increasing their skill level and updating their knowledge with the latest information and technology needed to become more productive. In service delivery jobs like banking, it is very key to have staffs that are very competent and skilled in their job functions. Training provides that opportunity to have skilled staffs working in the banking sector in Nigeria. To this end, the Central Bank of Nigeria introduced the competency framework, which is designed to ensure banks have well-trained staffs managing the affairs of banks in the country.

The study discovered that the CBN believes that the greatest impediment to the financial sector growth is in the area of having qualified, well-skilled and very knowledgeable individuals working in the banks. Absence of adequately trained staffs, the CBN maintained have affected the growth of the sector. The growth of the sector is hampered by the lack of trained members of staff running the affairs of key positions in the banks in the country. (www.cbn.gov.ng/fss/tue/BSP/Human%20Capital/Human%20Capital%20Development.pdf)

To address this shortcomings identified by the CBN, this study discovered that In Nov 2012, the CBN through the director of financial policy and regulation department sent a circular (

FPR/DIR/CIR/GEN/01/035) to all money deposit banks operating in the country, about the new competency framework, designed to ensure banks had the right skilled professionals running key positions in the bank. The competency framework was designed to address the pitfalls of the past, that led the shortage of skilled staffs running the affairs of banks in the country. The circular sent out highlighted the reasons behind the CBN adopting the competency framework for banks in the country. The CBN acknowledged that there was clear evidence of the skill gap in the sector that necessitated the CBN taking such a proactive action. The CBN identified the sector was suffering from operators suffering from knowledge gap in the area of proper understanding of basic banking operations, inadequate understanding of regulations guiding the sector, which has led to a rise in unethical conduct and unprofessional practices, systemic knowledge gaps in financial markets, treasury management, human development management and poor relationship management(CBN,2012).

The framework was designed to correct all the anomalies identified in the Nigerian banking sector. It was designed by the CBN to define the minimum qualifications and certificates expected by officers of the bank, especially those who occupy key positions in the bank. In the words of an executive regulator of the CBN, "The *CBN having looked at the events of the past, found some banks were promoting officers above their competency based on sentiments and favouritism, placing them in key positions. The CBN decided it was wise to correct this anomaly by making it mandatory that banks employed competent officers to run key positions".* This made the CBN insist that banks had well trained and equipped staffs running the key positions in their banks. The framework identified the need for banks to provide training sessions and allow their staffs to get at least the minimum certificate needed to run their organizations effectively. These appropriate training and certification are designed to improve the human capital available to banks in the country. This minimum standard is geared towards ensuring the sustainability of banks in the country (Okoye, 2016).

Views from respondents indicate that the competency framework introduced by the CBN underscores the need for banks to have the necessary human capital needed to drive the banks to a sustainable path. Consequently, this study assumes that the inadequacies noted by the CBN could only be corrected when operators put in place training and certifications that would improve members of staff and also help them incorporate the technological and banking operational changes that will enable them to function appropriately, with all relevant stakeholders well served. To this end, human capital can only be fully improved by banks providing staffs with the opportunity of having lifelong learning opportunities, to grasp their responsibilities fully (Jacob, 2018).

The lifelong learning opportunity is a necessity in the ever-changing world of banking, because of the constant changes in technological, products and services that constantly emanate from the sector. Banking is a very key sector of any economy in the world, and in a developing nation like Nigeria, lifelong learning is very apt. In developed nations of the world, bank staffs are given the opportunity of getting acquainted with lifelong learning through mentoring programs between senior bank staffs and junior bank staffs. Lifelong learning is also provided via various organized seminars and training programs provided for staffs to improve themselves further. These capacity building exercises in the West enables the staffs to be very adept with the various technological and developmental changes in the sector ((Obilade & Akpomuje, 2017).

Going back to Nigeria, it was established by the respondents selected for this study, about the importance of training for capacity building in the banking sector. All respondents acknowledged that for the sector to grow and remain sustainable, all operators and regulators involved should be afforded the opportunity of improving themselves. This they maintain, will enable the Nigerian banking sector to serve the various stakeholders better. The respondents see the competency framework as a means to further enshrine the best banking practices in the country by prioritizing human capital development and lifelong learning. This will enable the county to have banks staffed with the right competency level and skills needed to deliver high-class performance (Obilade & Akpomuje, 2017).

As part of the process of ensuring the competency level expected of the various cadre of bankers is maintained in all the banks operating in the country, the CBN appointed the Chartered Institute of Bankers of Nigeria (CIBN), as the sole accreditation agent charged with ensuring the various institutions responsible for organizing training programmes for bank staffs meet the required standards. To this end, the Chartered Institute of Bankers of Nigeria has accredited seventeen academies owned by banks in the country. These academics owned by banks in the country are expected to deliver training programmes to their staffs, to enable them to meet with the required standards specified by the CBN. The seventeen banks whose academics were granted licenses are as follows Access Bank, Diamond Bank, Eco Bank, FCMB, First Bank, GTB, Keystone Bank, Polaris Bank, Stanbic IBTC, Standard Chartered, Sterling Bank, UBA, Union Bank, Wema Bank, Zenith Bank and an academy run by the Nigeria Deposit Insurance Corporation. The role of CIBN will entail ensuring these academics always meet the required standards set by the bank (CIBN website). This role will ensure that the standards are maintained, and the CIBN helps compliance by using its normative powers to improve the standards of banking in the country.

Also, this study believes that having a large number of academics owned by the banks in Nigeria shows the seriousness of the banks trying to meet up with the challenge of empowering their staffs and also complying with the directives of the CBN. Regulators are also not left out with meeting the standards expected of them to perform dutifully. The Nigeria Deposit Insurance Corporation, who happens to be a sister agency to the CBN, in banking supervision, also runs an academy, this buttresses the zeal of regulators also to come to grasp with the required standards also. The CBN, having set out these lofty targets for banks, is not resting on its oars, the CBN is consistently training its staffs to improve the standards of banking supervision by creating banking supervisors, who are proficient in their responsibilities. According to one of the executives interviewed, the CBN has invested in information technology needed to be up to speed with the demands of their duty. These investments have necessitated the apex regulator training staffs, on how to use them and also provide staffs with the requisite training needed to be very proficient in their duties, as regulators of banks.

The study can also infer that the current competency framework set out by the CBN, is the right step to enhance the use of proper and fit staffs to run the various banks in the country. This is a good departure from the past, where banks were staffed with unskilled staffs and the few core skilled professionals, are constantly poached by the highest bidders. If the competency framework is properly carried out by the CBN in conjunction with the Chartered Institute of Bankers, there will be a new wave of highly skilled and trained workforce emerging. Also, the lifelong learning emphasized by the competency framework will go a long way in enabling members of bank staff get up to speed with the ever-changing demands of their job. These resonate with the reasoning behind lifelong learning as emphasized in the study of Obilade & Akpomuje(2017), who believed that the success and sustainability of the banking sector are tied to bank staffs, taking advantage of the opportunity to improve themselves and that the competency framework as designed by the CBN offers a unique platform, for these to be achieved. Therefore, it can easily be deduced that the competency framework prescribed by the CBN to all banks in the country offers the best way to ensure only well-equipped and trained staffs direct the affairs of the banks in the country. Well skilled and knowledgeable staffs offer one of the easiest ways for bank staffs to understand the workings of the corporate governance codes and also know the consequences of not adhering to the codes.

5.2.6 Returns and Reports to CBN

From the analysis relating to regulatory returns, it was clear that regulatory returns serve as a good indicator of the compliance level of banks operating in the country. It is quite noticeable that the CBN uses the returns gotten from banks to make informed decisions about the state of the bank and determine which bank is struggling or needs the help of the CBN. Through the different returns sent by the banks, the CBN is in a good position to monitor the banks easily and ensure the banks are following the various circulars and codes guiding their operations. Also having banks send regulatory reports enables the compliance officers of banks to put their houses in order, by ensuring that deficient areas in the bank are taken care of, to enable the banks to meet up with the expectations of the CBN. It is also a means of making banks reconcile their accounts and keep them updated regularly.

The views of the respondents from the CBN made it clear that the CBN does not compromise with the rendition of reports from the banks operating in the country. They make it a point of duty to remind banks, the importance of complying with the submission of these data, which enables the CBN, to have an informed position of the current state of affairs of the banks and the banks are made fully aware of the dire consequences of non-rendition of reports or the submission of inaccurate or error-ridden reports, which is punishable with heavy fines.

The actions can see the importance of regulatory returns of another regulator in a different clime. In November 2019, the United Kingdom Prudential Regulation Authority fined the United Kingdom branch of one of America‘s biggest bank, Citigroup, £44 million ($56.6million) for error-ridden regulatory returns. Citigroup UK operations were fined by the UK Regulator, for submission of error-ridden returns, from June 19, 2014, and December 2019. According to the

PRA, the inaccurate returns sent in by the Citi group, made it difficult for the regulator, to fully get the true picture of the institution's capital and liquidity position. In addition, the PRA added that this error was as a result of the Citi group allocating inadequate members of staff, that led to the inaccurate report (Walker, 2019).

Consequently, it can be adduced that accurate regulatory reports received from banks, enable regulators like the CBN to perform their roles effectively. Without the returns or reports received from these banks, regulators are hampered from performing their functions properly. Without these data received from various banks, regulators like the CBN will not be able to properly assess the true state of banks operating in their domain, and they will also be hampered in making sound policies that will guide banks under their supervision.

According to the United States of America ‘s Federal Reserve, timely and accurate rendition of data by banks enables the Federal Reserve to quickly identify any issues that might affect the safety and well-being of the reporting banks. It will also provide supervisors, the opportunity of addressing any issues, discovered from the report with corrective actions, that will help address the problems discovered from the report (https://www.federalreserve.gov/supervisionreg/topics/reporting.htm).

The regulators also use the reports gotten from banks to plan for the onsite visit to the banks. This study discovered that returns are very key to the success of the risk-based supervision adopted by the CBN. The returns received from the banks enable the relationship managers and their teams, prepare adequately for visits to the banks. With the returns received from the banks, the CBN examiners are able to know the problem spots in the bank and also know the areas the bank is falling in terms of compliance with the CBN circulars and codes of corporate governance. This report provides the input needed for the thorough supervision of the banks.

Consequently, to enable the CBN can make good use of the returns received from banks, the CBN sends out template guides to banks. Template guides sent to banks enable the banks to send fit for purpose data, that contains useful information, relevant for the report purpose. It also helps to make the reports to be easily understood, interpreted, and easily compare across the board. The template enables all banks to fill the returns using the same format and to make it easier for the CBN to understand the micro and macro trend in that particular period. The comparability will enable regulators to design or address issues that will safeguard the banking sector. This will also quickly enable the CBN to take remedial actions, that will help resolve challenges affecting the banks in the country.

In all these, data integrity remains key, when reports are falsified or not properly addressed, like the case of Citigroup earlier mentioned, the reasons behind returns rendition is defeated. Data integrity issues have led to the CBN adopting a zero-tolerance regime, in the area of data submission by banks. To this end, all returns sent by banks are usually signed off by senior management staff. The rendition is also automated to minimize errors in the data rendition (Ojong et al.,2014). This study discovered that apart from sanctions banks face for non-rendition of returns or falsified returns, banks suffer reputational damages due to non-submission or falsified returns. This has made it imperative for banks to take the issue of timely rendition of data devoid of any falsification of information.

However, despite the best efforts of the CBN in ensuring banks comply with the timely submission of data to the regulatory authority, there still exist some challenges affecting the smooth rendition of these reports to the CBN. Challenges such as highly skilled human resources needed to ensure the smooth running of data collation and data submission in banks, information technology challenges, ensuring reports are devoid of inaccurate or false rendition. The CBN had over the years tried to encourage the banks in providing the needed support in empowering staffs of banks, by organizing workshops and training for members of staff of banks, in the correct rendition of data submission. In the area of information technology, the use of excel and spreadsheets for data collection and verifying figures, means banks continually need to have staffs manually input the figures before collating the sum total, which is eventually sent to the CBN, this can be cumbersome and most times responsible for delays in prompt data submission by banks to the CBN. The CBN stance on zero tolerance for false rendition has made it imperative for banks to get their figures devoid of mistakes or falsified figures that would make the apex regulator sanction them.

In view of all the steps taken by the CBN and the banks to improve the standard of returns submission, this study understands that poor data quality submitted by banks to the CBN reduces the regulatory functions of the CBN, in ensuring the stability of the banks operating in the country. The study also found that the quick rendition of data by banks, helps the CBN proffer quick solutions to any bank having issues. The returns help the CBN to quickly decipher what the issues are and advise the banks the best possible ways to address the problems before they escalate. The CBN can also increase their onsite supervision based on reports gathered from the banks, the banks with troubled spots gathered from the reports will necessitate the CBN examiners spending more time in the institution. These findings were also noted in Ng and Rusticus (2011) who argued that banks who submit poorer quality of reports to regulatory bodies, making it difficult for the regulators to effectively monitor the banks. They suggested that bank regulators will need to pay very close attention to banks that consistently send inaccurate reports to the supervisory authorities. Another possible solution proffered by their study is for a better synergy to exist between regulators and banks, to ensure data integrity is not compromised and returns sent to regulators are accurate. The need to manage issues affecting accurate and timing rendition of returns to the CBN will enable the CBN proactively ensure banks are consistently following the corporate governance codes and also following other relevant circulars sent out by the CBN. This will enable banks to remain sustainable and avoid any infractions that will threaten the stability of the banking sector.

5.2.7 Credit Bureau

From the analysis relating to credit bureaus, it is very noticeable that the CBN is taking steps to ensure banks always use the credit bureau and the CBN's credit risk management system, before approving loan requests. In view of the prevalence of bad loans in the banking sector, the CBN had to insist that banks had to get the credit status of any intending customers, from any two bureaus, alongside the CBN's CRMS. The ability for intending customers to get credit from banks is hinged on them passing the credit check. This is a good departure from the past, where banks were disbursing funds to customers, without knowing their true credit status.

Hitherto before the creation of CRMS and the licensing of the three private bureaus, credit information about customers was not commonly available to be used for customer's credit status check. Banks were also not prepared to share credit information of their customers to competitors. Banks would rather delay in giving out the status report of their high solvent customers, to discourage competitors from taking their customers and when they finally did, they could give out some details that could warrant competitors to offer rates, which would make the high solvent customer get discouraged and decline taking the offer. Also, due to the lack of a centralized database for the credit status of customers, it was very difficult for banks to access the capability of their potential customers.

The factors mentioned above make it very costly for banks to personally search for their customers' profile that will enable them to offer the right amount and pricing without making use of a credit bureau (Nabi & Souissi, 2013). This necessitated the CBN, making it very imperative to license three credit bureaus in the country. The three credit bureaus namely XDS, credit registry and credit reference company of Nigeria, in addition to the already existing public credit registry (CRMS) were mandated with getting the database of customer's credit information to their clients.

According to Kitchener, Giucci and Kravchuk (2012), credit bureaus are very key to any financial sector of any country in the world.

They provide the mechanism for collating and exchanging information about debtors, which now provides banks with the information needed to decide who they lend money to. The ability of credit bureaus providing this vital mechanism enables the cost of lending to be reduced and access to finance to smaller net worth individuals increased. This important function was also highlighted in Nabi & Souissi,2013), who agreed that cost of lending is reduced because the important role credit bureaus play in providing banks with the credit profile of bank customers. For credit bureaus to perform their functions adequately, banks will also need to play a vital role in providing the credit bureaus with the information about their customers. To this end, the CBN insists that all banks are required to furnish the credit database with the credit information of their customers. Through the storage of all the past payment history, including any existence of default payments or late fees paid for delayed payments and the sum of all loans collected from different banks. This process enables the credit bureaus to have all the information needed to inform banks about the credit behaviour of their customers.

In the view of the above, it is vital banks do not withhold credit information about their customers to the credit database. Transparency from banks is key to having the credit bureaus function in the country. The CBN should always sanction any bank found guilty of withholding information to the database. The effectiveness of a functional credit bureau is key to checkmating the abuse of the lending process in the country. With the banks following the directives of the CBN in conducting credit check of intending customers, from the public register (CRMS) and two of the three private bureaus in the country, the menace of predatory loan defaulters will reduce, and banks will be positioned to give loans to deserving customers.

In addition to this, there will no longer be a hiding place for predatory lenders, who go from one bank to another bank abusing the loan process, by not fulfilling their loan obligations. This has been the bane of the Nigeria banking system. A cursory look at the list of defaulting bank customers, as published by AMCON, will reveal that a lot of bank customers have left a string of non-performing loans, especially in the rescued banks. With a functional credit bureau system and banks adhering to the CBN's policy of having banks check for credit profile of customers before any loan approval, customers will now be desirous of fulfilling their loan agreements because if they don't, they will be refused new loans by banks and their reputation will also be severely damaged with their banks.

Consequently, this study agrees with the provisions of the CBN circular which instructs that banks always have a data exchange with at least two of the private credit bureau and also obtain credit reports from at least two credit bureaus, in addition to the public register, before granting any loan to any customer and also obtain quarterly reports from credit bureaus, to determine the current status of their customer's full exposure to banks in the country (BSD/DIR/GEN/CIR/04/014). In addition to this, this study also agrees with Kichner, Gicucci and Kravchuk(2012), who argues that the information provided by credit bureaus to banks in developing nations of the world is very key to the payment system and that because of this important function, banks are readily provided with the right mechanism to determine the suitability of their customers to facilities, which helps the real economy by avoiding giving out facilities to overexposed customers or even discourage customers from taking loans that are beyond their capabilities. It is also noted in this study, that with the reduction of information asymmetries about bank customers and their ability to pay back facilities given to them, banks are in a better position to follow the codes and circulars of the CBN.

This will also help in stopping the abuse of the lending process, which has threatened the sustainability of banks in the country.

5.2 8 Effective Monitoring

The effective monitoring by bank supervisory agencies can enhance the chances of banks abiding with the spirits that guide the right practices of corporate governance in the Nigerian banks. The onus lies on the CBN in ensuring that the standard of supervision is always high and that banks are duly mandated always to follow the 2014 code of corporate governance. This is geared towards ensuring banks are duly disciplined for adherence to the codes, to ensure banks are made aware of the dangers of not following the codes as stipulated. A well functional supervisory agency can easily influence banks to follow the directives of the regulatory agency because infractions are duly spotted, and offending banks are being punished with the letters of the law without any compromise.

Effective monitoring by the CBN means the CBN can easily ensure offending parties are held accountable for their errors. It also means that the bank's internal control mechanism is strengthened to avoid infractions that will warrant the CBN, taking corrective actions that might warrant the use of sanctions or even in extreme or dire situations, change of management teams. The powers provided to the CBN is enormous, and if fully used by the CBN, the apex regulatory authority can help ensure compliance in banks is higher than what is presently obtainable. Robust checks by bank examiners under the guidance of the risk-based supervision provides the CBN veritable access to demand banks compliance is not compromised and that banks are fully made aware of infractions that provide a threat to their survival.

Effective monitoring by the CBN also ensures that the right management team is responsible for steering the affairs of the bank. This is by ensuring that persons of questionable characters are not responsible for managing the affairs of the bank and that the management team is fully competent and can be trusted with the ability to run the banks properly. According to respondents interviewed from the CBN, it was noted that the CBN is very particular about the management team of banks. It was gathered during the interviews, that any bank that flouts sending the name of a potential appointee to the CBN for approval would be heavily sanctioned. An internal memo showing some banks who have flouted that rule in the past was made available during this study. This reinforces the fact that in the past management of banks could run their banks at their own intuition without proper guidance from the CBN.

A clear case of these was the constant abuse by the management teams of the affected banks that had their management teams changed. An effective and proactive CBN supervision, who for instance, had noticed the wanton abuse of powers by the affected managing directors. The former management team of Intercontinental bank gave out facilities without the right amount of collateral, over 8 billion Naira was given out to Soo-Kok Holdings, 13 billion Naira was extended to companies with ties to board members and also a loan of 44.6 billion Naira was extended to Ascott Offshore, a transaction which exceeded the bank‘s single obligor requirements (Agbonkpolor, 2010). Also, the management used customers' deposits to purchase over 30 % of the shares of the bank (CBN, 2010). The case of Afribank (acquired by Mainstreet bank) was not different. The management team also made use of depositors' funds to acquire eighty per cent of its initial public office. The CEO of Oceanic Bank controlled over thirty-five per cent of the bank through special purpose vehicles. Effective supervision by the CBN should have noticed all these discrepancies in the books of the banks earlier than when the special audit was carried out in 2009. Also, there was enough ample time for the CBN to have noticed through supervision, that the banks were falling due to corporate governance failures. The banks were constantly going to the CBN for liquidity support. The discount expanded window of the CBN was constantly the lifesaver of these banks, which should have indicated to the CBN; the banks needed closer scrutiny (Agbonkpolor, 2010). It appears the CBN supervisory team has not learnt the lesson. With the events that led to the failure of former Skye Bank (now Polaris Bank), where a bank has some liquidity challenges could go beyond their earning capabilities to acquire a bridge bank (Mainstreet Bank). Skye Bank was allowed by the CBN to commit over 126 billion Naira to acquire the bank. Also, another regulatory failing, was the CBN not taking steps to quickly address the liquidity strain in the bank, because the bank was constantly a net borrower from the CBN's expanded discount window. These failings can be attributed to the CBN not effectively monitoring these banks to ensure they always maintain the right liquidity and capital thresholds and taking proactive steps to address this issue on time. Bank supervisors must not compromise on any facts available to them, to show that banks are going through challenges. This will help reduce the spate of bank failures and reduce the use of bailouts to rescue banks. The actions of the CBN in not taking drastic actions to nip the bud early was seen in this study as a clear case of regulatory forbearance.

In addition to these, the CBN should have it as a culture to ensure the letters of the examination reports are adhered to by the banks and remedial exercises are painstakingly carried out by the banks, without allowing any compromise from the banks. Any bank that does not follow the stipulated remedial programs should be fined and made to complete them as soon as possible to avoid more dire consequences. Lack of follow up on examinations and supervisory bodies not insisting banks carry out the agreed corrections have led to banks not complying with the provisions of the code and other circulars given out by the CBN. A culture of non-adherence to codes was the order of the day, especially in the past because the CBN was not fully seen to be alive to the responsibilities of fully using its powers, to make this bank comply.

Regulatory gaps due to inconsistent monitoring by the CBN was made worse by the CBN not being able to proactively deal with the emerging risks, especially concerning margin loans and oil and gas sector. There was a clear case of the CBN not having the right capacity to identify or act on the emerging risks. Effective monitoring by the CBN would have exposed the CBN to the early buildup of these risks in the banks. These can also be attributed to comprehensive monitoring not carried out in these banks, and this position was also identified in Agbonkpolor (2010) and Sanusi (2010).

Based on this assertion, it can be adduced that comprehensive monitoring of the banks by the CBN, will help ensure the banks comply with the codes, as stipulated by the apex regulator. Effective monitoring provides banks with the right support to meet address issues that threaten their survival and ensures that there is little or no regulatory intervention.

5.2.9 Implementation and Enforcement

A weak enforcement regime of the CBN has increasingly made it a lot easier for banks to comply with circulars and codes emanating from the CBN. A culture of noncompliance was aided by a lack of action by the regulatory agency, to punish misconducts committed by the banks. The lack of enforcement by the CBN is an issue that needs to be addressed because corporate governance in a developing country like Nigeria, will thrive with a culture of strict enforcement by the regulatory agencies, charged with implementing and enforcing the laws of corporate governance. In Nigeria, there is the general feeling that government agencies or departments responsible for enforcing laws are seen as weak when it comes to strict enforcement of the rules. There is also the general perception and belief, that there is always some sacred cow, who is always seen as above the law and can get away with any infractions, without any penalty or only get away with a lenient sentence for their violation or misdemeanour (Mande, Ishak & Idris,2014). A cursory look at the act empowering the CBN to regulate banks (Banks and other Financial Institutions Act, 2002), shows the enormous powers bestowed on the governor of the CBN, in enforcing its laws and circulars on banks. The act enables the governor of the CBN to take steps to ensure banks comply with its requirements. A financial institution that refuses to abide by any rules, regulations or codes guiding their operations can have its license suspended or given a hefty fine.

Historic evidence buttresses the fact that poor enforcement has severely led to weak, fragile nature of financial institutions in the country. This view was supported by Sanusi (2010), who added that enforcement was abysmal, despite the CBN having immense powers to enforce their examination recommendations on the banks. A culture of tolerance was encouraged by the CBN by not insisting the banks carried out corrective actions given to them by the regulator. A way of business that entailed banks taking the easier route of paying fines than following up with the CBN 's recommendations, due to the inaction of the CBN on banks carried out the corrective steps, as stipulated. Despite the powers available to the CBN to enforce the rules, the banks didn't feel any need to enact the changes or remedial actions, given to them by the supervisors from the CBN.

Consequently, the power vested on regulators gives them the authority to insist banks carry out any actions that will address any violation or infraction committed by the banks. The power of enforcement will ideally provide regulators like the CBN the impetus to act promptly and rescue banks, from failure or anything that threatens their existence. When regulators decide not to use this power to bring erring banks to book, it affects the sector because banks will keep getting away from inappropriate actions, without paying for them. It also aids in compromising the effectiveness of banking supervision because supervision without the enforcement process can never be taken as comprehensive. The benefit of supervision is then lost because the banks won't be held accountable for their falling.

Consequently, for the CBN to fully use its powers to regulate the sector, the CBN must operate the risk-based supervision that is fully backed with the threat of enforcement, to any bank found flouting any of its rules or regulations. This will enable the sector to avoid the mistakes of the past, that led the CBN pumping funds into the banks, to aid their recovery process. The CBN should use its enforcement powers to enforce banks to practice responsible banking, and any erring bank should be punished according to serve as a deterrent to other banks.

These enforcement process will help in bringing a culture of compliance in the banks, by bringing a change from the behaviour that led to the regulatory agency using its powers to insist on enforcing the letters of the law on the bank. Enforcement remains a good key for the CBN to sanitize the banking sector and bring it up to the sustainability standards needed to ensure the survival of the banks. Therefore, enforcement and implementation remain very key to ensuring banks' compliance with the corporate governance code is high, and the culture of non-adherence is reduced. The era of banking finds it easier to pay fine, than follow the guidelines provided by the CBN, will be minimized, if the CBN maintains a tough stance, insisting banks always adhere to its codes.

The study further gathered from the respondents that non-enforcement or non-implementation of CBN directives is a significant issue that has affected the sector. Some banks will instead not implement the policies of the CBN and rather be comfortable paying fines. Implementation and enforcement from the CBN should be total and devoid of any sentiments.

5.2.10 Regulatory Capture

From the analysis relating to regulatory capture, bank regulators can be easily captured by powerful banks they regulate. Literature (see Baker, 2010, Pagliari, 2012, Echekoba, 2017, Veltrop, D. de Haan, J., 2014) and data both indicate that the banks can capture supervisors, they were appointed to regulate. CBN 5 explained that the appointment of governors from the banks exposes the CBN to the vulnerability of been captured by the banks. The regulators appointed to act in the best interest of the public ends up acting in the best interest of the money deposit banks.

When regulators act in the best interest of banks at the detriment of the general public, they fail to prevent the banks from pursuing agendas that will expose them to excessive risks. Rather than remain impartial in their regulatory duties, the supervisory body becomes exposed to the powerful lobbying presented by the banks and acts in bias by always following the plan presented by the banks wholeheartedly, without objecting to their opinions. This is further made worsened by the revolving door factor, which makes it possible for an operator to become the head of the regulatory agency.

The head regulator is put in a difficult situation because as a former operator, it becomes very difficult for him or her to ignore the lobbying from his former colleagues in the industry. Thus the conflict of interest makes it difficult for the previous operator turned regulator, to indeed check all infractions committed by the banks operating in the country.

Consequently, as a regulator, it is necessary to avoid any conflict of interest that will impair the judgment of the regulator. One can argue that it is instead a misnomer for someone with a vested interest in a bank to now be made the head regulator. The conflict of interest will most probably lead to decision making that favours the industry and not the public. This might lead to banks committing infractions that the regulators would be placed in a difficult situation to correct. This narrow and selfish interest won't bode well for the public because banks will become too powerful for the regulators to correct their misdemeanour. The vulnerability of having former operators becoming head regulators, is a matter the government should consider, before appointing governors of the Central Bank Of Nigeria, this situation was aptly described by a former regulator, who in his interview remarked, that due to the previous practice of approach, of appointing governors and deputy governors of the CBN, from one of the big banks in the country. It becomes difficult for regulators to go hard, in terms of enforcing their decisions on some of these big banks. Because it is possible, the managing director becomes the governor of CBN or deputy governor of the CBN tomorrow. This will likely make the regulator thread careful and avoid any confrontation that will make the regulator uneasy, the moment the managing director becomes the head of the CBN. Also, the threat of having to go head to head with a managing director, who happens to be close to the governor of the CBN or close to the corridors of power, further makes it complicated for regulators not to be captured by these powerful banks. These scenarios will compromise the regulator and make him or her tread carefully when dealing with these powerful banks and their management teams.

Regulatory inaction due to the perceived powers of banks defeats the purpose of the regulation because a permissive regulatory arena defeats the purpose of regulation. A permissive regulatory environment will provide the banks with the opportunity of taking actions that are inimical to the health of the sector. Unfortunately, this is not also helped by the manner of appointment of the governor of the CBN, having the political class employ the governor makes the individual susceptible to capture from the political class, who most times are either promoters of banks in the country or have close allies among the managing directors club in the country. This is also another avenue to have regulators becoming prone to capture from the banks. These further weakens the power of the head regulator and makes the regulatory authority exhibit restraint in carrying out some of the roles, guiding the safety and soundness of the sector (Echekoba,2017).

However, the combination of interest groups (political class colluding with banks), will enable the regulatory authorities to make policies that will favour the bank, at the detriment of the general public. These collusions between the political class and lobby groups from the banks will help to leverage the interest of the banks above the benefit of the general public, their influence over the policymaking process of the regulatory authority will steer powers to the bank, to avoid regulation that is against their interest(Pagliari2012). Another area that enables the regulators to become captured by the banks is in the field of knowledge. When a regulator is deficient in areas that banks have an edge, the regulator becomes forced to accept the recommendations and advice given by the banks. This will provide an excellent platform, for banks to push out their agenda to the supervisors, with the intent to get favourable decisions in their favour. Due to concerns about regulators dealing with more sophisticated and knowledgeable bankers, the operators (bankers) will take advantage of the knowledge gap, by insisting that their line of augment is superior to that of the regulators. The regulators, having no idea of that area, will rubber-stamp any decision emanating from the operators (Hakenes & Schnabel,2014). This position was further posited by the study of Ping (2013), that regulatory capture could occur when a regulatory agency is not in a position to guide the banks because they have little or no experience in regulating the complex products churned out by the banks. In this situation, due to the knowledge gap looming in regulatory authority, the banks are in the position to influence the regulator and make them act in their favour. Due to the lack of expertise exhibited by the regulator and the constant interaction with the banks, to enable the regulators to get to grips with the products and services provided by the banks. These banks, in turn, with help the regulators' design regulations that will strengthen their influence and not impede their interest.

Another postulation found in literature, suggest that banks or coalition of banks will do all they can to look for a way to capture a powerful regulator. Regulators who are deemed as very powerful will always be at a threat to the banks. This will prompt the banks to do all they possibly can do to capture the regulatory body. To avoid the capture of the regulator, it was suggested that there should be two different agencies responsible for banking supervision in any clime. This will make it difficult for regulators to be captured by the banks. Having two supervisory bodies handle supervision of banks will make it difficult for banks to induce supervisors with bribe and help prevent capture. Because two agencies are responsible for joint supervision of bank, it will cost more for the banks to induce the two regulatory bodies with bribes or other incentives, in a bid to capture them and make them work in their interest. Separation of supervision bodies will dilute the information available to each agency and hence reduce their level of influence. It will also remove the power of regulators to use their discretion to favour particular banks because the rules are more spelt out and enforced and there is more pronounced check and balance, which will be absent in one supervisory body (Boyer& Ponce, 2012).

In Nigeria, the lead regulator of banks remains the CBN, and they are ably assisted by the Nigeria Deposit Insurance Cooperation (NDIC)

There has been an attempt in the past, to give more powers to the NDIC, to enable the agency to have more regulatory powers over banks in the country. In a public hearing before the Nigeria senate in 2015, the Nigeria Deposit Insurance Corporation wanted the senate to amend the bill establishing the agency, by granting them powers to become parallel regulators for banks, alongside the CBN. The agency wanted the Nigerian senate to give them powers to license banks, just like what is currently performed by the CBN and to have powers to oust managements and boards of banks culpable for corporate governance offences or serious infractions. Powers which are currently only vested with the CBN. The CBN didn't support such moves and felt the duplication of powers in both agencies, will reduce the influence of the CBN and will not augur well for the sector. They also argued that this would induce financial instability in the sector and the NDIC is better off as a collaborator in banking supervision and not as a parallel or a coordinate regulatory body for banks in Nigeria. The views of regulators interviewed for this study agrees with the position of the CBN, they argue that having the NDIC has equal supervisory powers with the CBN, will not be healthy for the sector, because it will induce unhealthy rivalry or a battle for supremacy, which will ultimately lead to two agencies hoarding information from each other and trying to outdo each other at the detriment of the banks and other stakeholders.

Another factor responsible for regulatory capture is the area of culture; this was observed from the responses of respondents of the study. According to them, the prevailing culture in CBN is different from that of the deposit money banks in the country. Regulators are more restrained in taking risks, while operators (banks) are more daring and always on the lookout for risks that will bolster their earnings for their shareholders. It can be argued that performing managing directors of banks in the country are usually classified as those who are great in making money for the institution they manage, whereas a good regulator will be deemed as the one, who protects the rights of stakeholders especially depositors, from exploitative banks desirous of making profit at all means, even at the mercy of depositors.

Consequently, it can be added that the affiliation a new helmsman has with the operators will probably remain intact, the social identification they have with the industry they left behind, won't be impaired and they will continue to associate with the industry they left behind. This creates an avenue for regulation churned out by these regulators not to be watertight and to provide more succour for the banks. A study which was carried out in two Dutch supervisory bodies agrees with this postulation. The study showed that regulators with previous ties with the banking sector negatively affects their impact in performing their regulatory functions. The regulators will tend to be more lenient to the industry than regulators without previous ties to the sector (Veltrop & Haan, 2014). This position was also highlighted in Wirsching(2018), who added that individuals who leave private practice and take up public positions, will most likely be sympathetic and friendly to the industry they left behind. They will always be open to taking advice from their former colleagues and be very receptive to their needs and concerns. Central Bank governors employed from the industry will make regulations that won't be a threat to the industry they left behind, they will remain friendly with the industry and continue to exhibit traits of the culture of the industry, in their decision making. The same argument is also spelt out for regulators who do not have prior industry experience but can also be captured by the banks, with the lure of a lucrative appointment post-retirement from public service.

Consequently, in a bid to reduce the possibility of retired regulators, using their influence to gain openings for banks, there is currently a law enacted by the CBN, which provides a five year cooling-off period for former Governors/ Deputy Governors of the CBN and Managing Directors of the NDIC, from taking up any form of appointment and the same law makes it mandatory for former directors of the CBN and NDIC, from taking been eligible for an appointment in the banks, three years after they leave the regulatory agencies. This study agrees with the rationale behind this law because it helps to reduce the influence of former regulators in using their privileged positions, in helping the banks capture their former colleagues, in the regulatory agencies. As their time out of office increases, their access to power and ability to use their influence in shaping decisions reduces. This will enable the regulators to make decisions that won't be influenced by their previous boss or anyone that owe a debt to.

Finally, like opined by a retired regulator of the CBN, a captured CBN is no good to the industry and having a captured CBN will be tantamount to not having any regulation in place. A system that allows banks to go unchecked without adequate supervision has no place in modern banking, and the lessons of the past make it important that the CBN remains key in ensuring the interest of the public remains the major goal. Customer protection and financial stability should always be the main driver for an impartial regulator. To this end, it is key the chances of regulatory capture of the CBN is minimized by having a cooling-off period, by which managing directors of banks are made the governor of the CBN. To this end, this study suggests that governours of the CBN should be appointed internally from the CBN or any related regulatory agency, with a similar culture. The government should borrow a leaf, from the CBN, who has identified the dangers provided by retired executives of the CBN / NDIC, switching over the banks, immediately after their exit from the regulatory agencies. To abate the risk of regulatory capture, the CBN introduced a cooling-off period, to reduce the chances of retired executives capturing their former subordinates. This will enable the chances of regulatory capture to be reduced or heavily checkmated.

Besides, it is also important that the CBN provides a good salary structure, that is more than adequate, to avoid the chances of regulators conniving with operators, to do their bidding at the detriment of the general public.

5.2.11 Lack of Political Will

The analysis of this study revealed that lack of political would hinder the effectiveness of the CBN, in using its power to insist that banks' compliance with the corporate governance code is comprehensive and not limited. In the past, it has been glaring that due to the lack of political will, the CBN has been made a toothless bulldog in the fight against infractions committed by erring banks. Due to the connections, banks have with the political class, there have been situations, where the CBN will be put in a difficult situation, in making the banks comply with its recommendations or directives. In the past, during the early nineties, it was an open knowledge to see the mushroom establishment backed by politicians and their cronies acquire a license from the CBN and use the license to set up banks, that ended up, providing an outlet to rob the poor and middle class of their life long savings. The lure of having a bank account made the poor and middle class, trust these banks, with their savings, which eventually led to a lot of depositors losing their funds to the politically connected individuals. The ability of the politician connected class to easily acquire bank licenses, especially after the deregulation, that happened in the late eighties and early nineties crippled the CBN and allowed an era marked by lax regulation and poor supervision.

The early nineties were also a period where government-owned banks existed. These banks were a platform for the political class and their cronies to be rewarded with board membership in these banks. This provided an outlet for these individuals to siphon the funds in these banks without the CBN able to do much to stem the tide. In a bid to correct the failures and distressed banks, reforms such as the creation of NDIC in 1988 and amendments to the CBN decree, was designed to bring some form of sanity to the sector (Oluduro,2015).

Another factor that led to the political class dominating banking in the country, which in turn provided an outlet for the government to have a stranglehold on the banking sector, was the craze for public deposits by banks in the country. Public sector accounts accounted for a large chunk of deposits in many Nigerian banks. Many banks in the country then were on survival mode, due to government deposits. These were one of the factors that led to the consolidation exercise, that was undertaken in 2006, to prune the sector of banks, whose survival was hinged on government funds or were only in practice for the gains, they could make from round-tripping (forex). These practices made it possible for the CBN to be crippled in terms of drastic decision making. The CBN was not proactive because they were handicapped by the fact that they had to follow the body language of the government in power, before making any decision that affects the sector.

Consequently, due to the restrained powers allocated to the CBN, the regulatory body couldn't take policies, without the political class having a major say. This position was further clarified during the interview sessions with the regulators. It was commonly agreed that due to the strong influence of government in the appointment of the governor of the CBN, it is usually in the best interest of the CBN 's helmsman to carry out policies in tandem with the government's agenda.

Although, it can be added that there exist more restraint by the government to control the activities of the CBN, compared to what was obtainable in the past. Like the previous governor of the CBN said, the 2009 tsunami exercise that was carried out by the CBN, which led to the ouster of eight managing directors of banks, was only made possible because the body language of the president of the county then, allowed it (FT,2009). When the president of the country, especially in a developing nation, gives free rein to the regulators to implement, far-reaching decisions, it empowers the regulators and makes them more powerful and also enables them to gain the respect and fear of the banks they are monitoring and supervising.

It is also common knowledge in the Nigerian banking arena that despite the powers flouted by the CBN there are still accountable to the government of the day, it will, therefore, be difficult to fully disengage government intervention or interference in the affairs of the CBN. The governor and deputy governor of CBN owe his or her appointment, to the president of the country and if they are desirous of getting a second term, will most likely dance to the tune of the executive (Echekoba,2017). Instances in the past support this assertion made above. The previous governor of the CBN (Alhaji Sanusi) was suspended from in 2014, for daring to accuse the government of the day, of alleged financial recklessness and misconduct. He was not given a second term tenure and was promptly replaced by the current governor of the CBN (Mr Emefiele). This clearly shows the limits to the supposed independence granted to the CBN, because the politicians will always have a way to influence the decisions emerging from the CBN, despite the posture exhibited by the government in the open. The body language exhibited by the top officials of the government will always influence the decision making of the regulators, charged with safeguarding the financial sector of the Nigerian economy.

This study found out that true independence for the CBN remains an illusion but compared to what was obtainable during the military era, things are a lot better and bank supervision as presently practised in the country, is in better shape to achieve financial stability compared to what was obtainable previously.

5.2.12 Disclosure and Transparency

Timely disclosure of financial information is very vital in today's global world. With the increasing scrutiny regulators are introducing to institutions, to enable companies to meet the increasing demands from stakeholders. In today's world, stakeholders are becoming more interested in knowing the health status of institutions, compared to previously, there are more demands for timely and informative financial information devoid of any misleading content (Fung, 2014). Respondents are unanimous that transparency and disclosure are very important in today's financial world. They all agree that it is needed to help restore sanity into the affairs of banks in the country. Trust, which is a key element in banking, unfortunately, is in its lowest ebb and therefore for trust, to be restored it is important for transparency and timely disclosure of the affairs of the bank to regulators and other relevant stakeholders.

The importance of timely and accurate disclosure of the affairs of banks have been elaborated by regulators globally. Standards have been introduced to ensure that rules and regulations are introduced, to help instil the needed standards that institutions are by law, forced to obey. With increased scrutiny by regulators, institutions are made aware of the need to adhere to the rules or face sanctions.

Consequently, banks in Nigeria are now aware that information provided in their annual financial statements, should be comprehensive and informative to all relevant parties. The 2014 code of corporate governance is a marked improvement, from the previous code of corporate governance of 2006. The new code is far more comprehensive and demands that banks give detailed information that will aid the growth of the effective market discipline. With detailed information provided, depositors and other stakeholders, are more informed and provided with an effective mechanism, to decide whether to continue or discontinue their relationship with the bank. In retrospect, events in the past have revealed the importance of having detailed and timely information made available to all stakeholders. Having information available makes it easier for stakeholders to make informed decisions, based on the information in their disposal. Also, with the market being able to access information and make informed choices, banks whose risk management is taken to be inadequate will be penalized by the market. This provides another way in which banks can be punished outside the use of the regulatory apparatus.

In addition, it can be said that market discipline and bank supervision, will enable banks to take the disclosure and transparency serious, which will aid the development of a safe and sound banking sector. Therefore, it remains very important that the CBN encourages banks to make available detailed and timely information, for all stakeholders to have an informed position of the affairs of the bank. The code recommends that bank very detailed information, made available to all. This study discovered that a cursory look at the annual financial statement of banks in the country, banks are taking steps to ensure that compared to what was obtainable in the past, detailed information is made available to all. This is a right step and banks should be encouraged to continue to improve on that standard.

It is important to add, that not all disclosure is said to be comprehensive or transparent, making disclosures can't be said to necessarily lead to transparency. For banks to present disclosures which can be termed transparent, the bank should present disclosures which are a true reflection of the affairs of the bank to the public, and this report must be very enough, detailed and timely. Without all these characteristics, the disclosure won't be adequate for the market participants and regulators, to make an informed decision, concerning the affairs of the bank (BIS, 1998). The Basel Committee of Supervision (2015), also recommended that disclosures emanating from banks should have the following five qualities. The qualities are clear, comprehensive, meaningful to users, consistent over time and should be comparable across banks. It is therefore key for banks to make disclosures very clear and understandable to all users, should be very comprehensive, concerning all relevant areas of the bank and their risk activities, should also be containing details of the bank's emerging and current risks, highlighting how the bank is managing such risks, the information provided should also be very consistent, to enable users to capture the emerging patterns in the risk profile of the bank and finally should be presented in a format, that enables all users to access and facilitate useful comparison across all banks.

Explicit from the above is that the code of corporate governance code of 2014, captured all these requirements in the code. What is only required is for the CBN to insist all banks, continue to adhere to the requirements of the code and ensure that areas needing improvement, is looked at. With increased disclosure and transparency not compromised in any form, information asymmetry between the banks and stakeholders is heavily reduced. With disclosure requirements fully adhered to, corporate governance standards are enhanced in the banks and any misdemeanour by management is quickly identified and taken care of by actions of regulatory authorities and market discipline. The previous culture where banks where at liberty to decide what information to share with stakeholders have been consigned to history, with the directive by the CBN for banks to disclosure more, which will help provide the market with the impetus to assess the true profile of banks in the country.

This clearly indicates that market discipline is also very important in ensuring that banks follow the right steps in their disclosure and transparency requirements. With the increasing abuse of privileges by boards and management, it is vital that investors, depositors, creditors and other relevant stakeholders, are provided with the information to monitor their interests in the banks. Without the availability of transparent information about the true state of affairs in the banks, the market won't be in a good position to comprehend the affairs of the bank and take timely decisions that will protect their wealth (Bascand, 2018).

Looking at the peculiarities in the Nigerian environment and based on events that have occurred in the past. When information is readily made available to all relevant stakeholders in a timely and comprehensive manner, customers and all stakeholders can ignore the use of false reporting or unwholesome practices of de-marketing strategy, used by rivals to attempt to pull their competitors down. This issue warranted the CBN sending out circulars in the past, to address this false reporting (BSD/08/2006). The development created panic in the system and created an air of fear, especially among uninformed stakeholders. In an attempt to smear the brand of a competitor, rivals went all out to create panic in the affected banks. This development has greatly reduced with the timely dissemination of information from banks and the CBN. The CBN has been able to reduce the use of this practice, with the availability of the status of banks on their websites and also through public disclosure of the state of affairs of banks.

Finally, in a bid to leverage on the gains of full disclosure by banks, there must be a re-engineering of customer advocacy to encourage the full participation of depositors, in following and monitoring the activities of their banks. Also, the shareholders' forum should be strengthened and made to perform their oversight functions properly, by making use of the improved disclosure of the banks in the country, by making banks more accountable for their actions. Also, the CBN should ensure the gains of the improved disclosure is sustained, by making sure the accounts of the financial statements are well audited, and the auditing firms and management teams of banks are held fully accountable for any distorted accounts, aimed in deceiving stakeholders.

5.2.13 Sanctions

The analysis from this study revealed that sanctions and fines remain one of the biggest tool used by regulators globally to fight unsound practices by banks. Prudential regulation globally has changed in response to the unwholesome practices exhibited by financial firms during the last financial crisis by the increased use of sanctions to deter banks from committing infractions. In Nigeria, it has also become common practice for the CBN to use its regulatory powers to impose stiff penalties or sanctions on erring banks for infractions committed they go against the spirit of corporate governance or offences tantamount to misconduct.

The Bank for International Settlements (2012) believes that bank regulators have in their disposal the power to use sanctions to discipline banks that engage in any unsafe bank activities that threaten the banking sector. The use of sanctions such as financial fines is to punish offenders that engage in unethical practices that undermine the trust; stakeholders have in banks. The use of sanctions proves to all stakeholders that regulators will no longer accept any form of unethical practices and that the basic banking principles of equity and integrity is will not allowed be undermined by practices considered injurious to the sector. It also shows that the supervisory authority does not encourage unethical practices and hence will use sanctions, as a form of deterrence to other banks. This will be carried out to make other banks avoid taking the same line of action that infringes on the sustainability of the sector. Excessive risk and acceptance of unethical practices are discouraged by regulators using sanctions to help maintain the safety of the sector from activities that will harm the sector (Hannes Köster & Pelster,2017)

Consequently, the begging the question remains if the use of sanctions by regulators acts as enough deterrence to banks. Penalizing offending banks with sanctions have not deterred other banks from committing similar offences, especially when the benefit accrued from committing the said offence outweighs the punitive fine paid out for noncompliance. This has made regulators like the CBN increasing the amount paid out by banks for infractions committed. Another measure carried out by the CBN is insisting banks publish the amount paid out by banks as fines, in their annual statements, to enable stakeholders to establish banks they are compliant or serial offenders.

One of the main thrusts behind the CBN, asking banks to highlight the fines paid out for infractions to the general public is the reputation serial offenders will suffer when they consistently pay out fines to regulators. This sends a bad signal to their shareholders and other relevant stakeholders that the management is not following ethical standards in managing the affairs of the bank. The views from respondents denote that reputational damage can be a signpost for customers and other relevant stakeholders to insist that bank management put their house in order, or they lose their loyalty as a result of their delinquent actions. For this reason, it remains very key for the CBN, to insist banks keep publishing their fines or sanctions paid out during to year, in their annual statements and also for the apex regulator to publicly announce banks that have been fined, for violation of corporate governance code or any unsound practices, that threaten the sustainability of the bank.

Consequently, it is critical the CBN adopts a zero-tolerance to banks, continually violating its rules because they consider the fines as minimal, compared to the gains of the offence committed. It is noteworthy to add that; currently, the CBN is adopting a more proactive stance concerning banks violating the laws that govern banking in the country. The recent hike in the use of sanctions by the CBN compared to the lax sanctions employed in the past will help reduce delinquent behaviour in the banking sector.

From the views gotten from respondents, the CBN considers the use of sanctions as a more viable approach to coercing banks to comply with the code of corporate governance and other laws governing banking in the country. It is, therefore, the responsibility of banks to fully adhere to the laws or be punished severely by the regulation, for infractions committed. Also, literature (Ferguson,2013, Yusuf & Ekundayo,2018), are of the opinion that sanctions remain a good means of coercing banks to comply with the regulator’s rules. They believe the use of the good use of sanctions has a good effect, on ensuring banks adherence to the laws is not compromised. The ability of regulators using powers such as sanctions will help avoid the mistakes of the past, where the financial crisis illuminated the concerns that occur when supervisors allow banks so much discretion in complying with the rules governing their existence. The passive application of regulation is detrimental to the pursuit of safe banking practice. Banks should be sanctioned for their misdemeanour, especially banks who constantly violate the rules for their gains, at the expense of the safety of other banks and stakeholders.

The CBN should adopt the proactive application of sanctions for offending parties in helping to entrench good corporate governance in the banks. A country like Nigeria cannot afford a regime of self-regulation, where banks decide on what laws to follow and laws to disobey. The safety of depositors and other stakeholders depends on the CBN, fully applying the full wrath of the laws on offending parties. This should be done to sanitize the sector and getting rid of culture harmful to the sector. A culture of not adhering to the laws and been fined a small fine, which developed over the years, helped to entrench a culture of noncompliance. This contributed to making regulators appear toothless because of the lax regulatory approach, prevalent then.

What is needed now, is a culture where the CBN fully uses the power of sanctions, to enforce discipline in the sector. The good use of sanction will also serve to make banks, fully adhere to the standards expected of them by the regulators. This study agrees with the position of Yusuf & Ekundayo (2018) that fines and sanctions should become more severe, as this will make banks avoid engaging in activities, that are inimical to the sector and also the CBN should always publish the list of offending banks, as soon as they are sanctioned for offences. This will make banks becoming more mindful of committing offences.

5.2.14. Role of Judiciary

The role of the judiciary in resolving disputes that arises in the Nigerian banking sector, cannot be downplayed. The judiciary occupies a special place in any country, desirous of making economic growth and attract substantial foreign and local investors. In a country which prides itself as a destination for remittances from its citizens in the diaspora, it is vital that the judiciary is seen as impartial and very independent, in enthroning the rule of law in the country. Since the inception of banking in Nigeria, there have been many cases of distress in the sector caused by criminal acts of directors and their cronies, which have gone unpunished by the judiciary, due to different factors that will be discussed here.

The most recent case of an instance of banking distress that occurred in 2009, saw the CBN arraigning five managing directors to the court, for criminal acts which almost led to the collapse of institutions under their watchdog, but unfortunately, only one case out of the five have been successfully prosecuted to date. The unending delay employed by the lawyers involved in prosecuting and defending the accused parties has led to observers questioning the judiciary process in the country.

The spate of court adjournment and other long delays in the prosecution of court cases is a common practice in most developing nations of the world. The failure to quickly dispense cases brought to court doesn't auger well for any society, as delay in justice portends denial of justice. A judiciary system that is well functioning attracts economic stability.

In Nigeria, it is common practice, for litigation to take forever to be dispensed with, this process is not time effective and the unnecessary delays encountered, doesn't portend well for institutions (Olujobi et al.,2018). It is common practice for the rich and mighty, who is facing legal prosecution, employing all tactics to delay or frustrate the legal process. It must be noted, that without an honest and truly independent judiciary, the rich in the society can buy their way to justice and avoid, consequences for their actions (Salihu & Gholami,2018). Unfortunately, this has become one of the major ways by which justice is perverted and delayed in developing countries. Banking litigation seems to be worst hit in Nigeria, due to this delayed judiciary process, the role of the judiciary in correcting the misdeeds of the financial sector is key to correcting the anomalies been witnessed with delayed and denied judiciary interpretation of cases brought to the courts for judgement.

A cursory look at the current judiciary process in the country will reveal that the judiciary process has not enabled regulatory authorities in the financial system, to effectively bring the guilty to books, for abusing their position of trust. As earlier stated, it has been over ten years, that the tsunami occurred in the Nigerian banking landscape, and unfortunately, the majority of the cases are still under litigation. This delay not unprecedented in the Nigerian system, reveals a systemic rot in the system, that needs urgent cleansing, that will enable the CBN to effectively carry out the reform process in the Nigerian banking sector.

Literature such as (Salihu & Gholami,2018, Olujobi et al.,2018 and Akanmidu,2018) agree that an effective judicial system is a key to countries desirous of stamping out illicit activities. A well functional judicial system will help herald a process where the rich and mighty will be held accountable for their actions, it will help provide the CBN with the ammunition to fight directors misdemeanour, with the successful prosecution of those culpable and help enthrone corporate governance in the Nigerian banking system.

The ability to prosecute offending directors fall under the remit of the Economic and Financial Crimes Commission (EFCC). The inability to successfully prove beyond the doubts of the court, that the director's transgressions are culpable for the failure of banks being investigated, has hindered the ability of the CBN in getting directors convicted for their alleged crimes. The haste to prosecute the accused has sometimes affected the preparedness of the agency, providing enough evidence to prosecute and help convict the accused parties. Consequently, the accused can buy time and delay the hand of justice in getting them convicted for their ignoble actions (Akinmidu,2018).

Based on the above, it is key the EFCC work closely with the CBN, in getting overwhelming evidence, that can be used to prosecute erring managements and directors successfully. This will help provide the right ammunition needed for the courts to successful convict the guilty parties. It will also be in the financial well-being of the country, for successful dispensation of justice. A situation where the rich and powerful can easily get away with light sentences doesn't auger well for the nation. The CBN will need the judiciary system to get rid of the bottlenecks that hinder the quick dispensation of justice, especially as it concerns the banking sector. The banks in the country are yearning for foreign investors and remittances from Nigerians living in the diaspora. This will only come to fruition, when investors and those in the diaspora, have faith in our litigation system. A judiciary system devoid of corrupt practices and bottlenecks designed to delay the prosecution of guilty parties will be key to attracting investors and those living in the diaspora.

Also, speedy dispensation of judiciary cases will help enforce good corporate governance in Nigerian banks. Individuals who are aware that the judiciary will quickly punish offenders, despite their wealth or political connections, will be careful not to fall in the wrong side of the law. This will help serve as a deterrent to those who oversee banks in the county and enable them not to abuse the trust reposed on them by stakeholders. A truly independent and politically insulated judiciary will be very key in enabling the objectives of the CBN, in ensuring the right corporate governance practice in Nigerian banks is fully adhered to by banks operating in the country.

5.2 15 **Dominant Managing Director / Dominant Board Chairman**

The history of Nigerian banking is littered with instances where directors and owners of banks in the country, have abused the trust reposed on them to manage the banks under their tutelage effectively. This has for most instances been aided by their dominant powers given to them, in steering the affairs of the bank. The crisis in 2009 was largely fueled by managing directors and the board running aground the institutions under their care. A clear absence of checks and balances effectively led to situations, where managing directors or board chairpersons could effectively decide the direction, they wanted the bank to head to, without any objection from other board members or members of the executive. This was also largely due to these dominant personalities having larger than life personalities and other members of the board and executives, owning their present positions, to the discretion of the managing directors or board chairpersons. This situation was not helped by the previous law, which allowed managing directors to remain in office if they wanted to. These effectively crippled the effective use of checks and balances because many managing directors effectively became larger than life and were considered untouchable. Instances abound where these managing directors effectively decided the decisions of all the committees and made it impossible for proper consultations to take place before decisions were agreed on. Also, these sit-tight managing directors had the board rubber stamp all their decisions, without the board having the power to either nullify their decisions or carry out proper scrutiny of decisions decided by the managing directors.

There were many instances where the sacked managing directors abused their positions by abusing the lending process and going above the single obligor lending threshold, without the board calling the managing director to others. Loans such as granting facilities worth $1.3 million to Pettossan Farms, which was above the lending capacity of the bank at the time of the issuance of the loan by the former managing director of Oceanic Bank (Cecilia Ibru). Former managing director of Union Bank (Bartholomew Ebong) giving out loans above over $1 million, without collateral (Nwagbara,2012). This indicated a culture of overbearing managing directors, who were allowed to do their bidding, without the necessary check and balances, provided by the board. The oversight duties of many boards were compromised, because of the overbearing nature of the managing directors backed by the board chairmen, who turned a blind eye to the unwholesome activities.

The litany of abuses was also clearly observed by the respondents, who were mostly of the opinion, that the overbearing posture of managing directors made it near impossible for good corporate governance to be practised in the banks. Majority of the respondents were pleased with the current CBN 's tenure system, which limits the managing directors to a maximum of 10 years in power, effectively reducing the chances of having a sit-tight syndrome, that encourages the abuse of power by the dominant managing director. A power-drunk managing director with no limit to a tenure system will abuse the system, to enable him or her elongate their stay in power. This is very common, especially when the owner-manager is running the affairs of the bank. In Nigeria, there existed banks that had the main shareholder of the bank, managing the affairs of the bank, as the managing director. The tenure system introduced by the CBN enabled the owner-managers running the affairs of the banks, to effectively groom successors, that steered the institutions, post-retirement.

The ability of the CBN in introducing the tenure system enabled most banks to introduce a successor program, that effectively helped in enabling the banks, to become more independent of the owner-managers. It has helped to help preserve the sustainability of these banks because the owner-managers are now forced to groom successors that will take the bank to the next level, and also the overbearing powers accorded the owner-managers are not transferred to the new helmsmen of the institutions. These developments were seen as a welcome development by regulators interviewed, who opined that these have helped to address the near absence of checks and balances occasioned by the presence of overbearing owner-managers running the institutions as managing directors. With the movement of owner-managers to the other side of the fence (board members), there appears to be a semblance of checks and balances, because the actions of the management teams are now better scrutinized by the board.

Consequently, there appears the prevalence of corporate governance becoming a feature in these institutions, compared to previously, where there was a board of director, which were made to rubber-stamp the actions and decisions of the executive. The CBN is also making it mandatory that members of the board, are individuals with unblemished integrity and professionals with adequate business and financial acumen. Also, the provisions of the CBN code, make it mandatory that board chairmen are not allowed to be members of any board committee, this will help to effectively reduce the chances of having dominant chairmen, running the affairs of the banks, in manners detrimental to good corporate governance in the banks.

Also, in a bid to reduce the influence and powers of the managing directors and chairmen of boards, the CBN has made it mandatory for appointments to executive positions in institutions, to be ratified by the CBN before they are made public. Nonadherence to these principles is sanctionable by the CBN. These have reduced the chances of management employing non-qualified persons, as members of the executive, who in turn will owe their appointments to the management team and act in acquiescence to all their actions, without applying any professional discipline to unethical demands. The appointment of the chief compliance/head of internal audit is also subject to the ratification of appointment by the CBN. This is very key because the independence of the audit and compliance teams are key to curbing any excesses or financial recklessness of a dominant managing director. This agrees with the study conducted by (Ojeka et al.,2019), which argues that an independent audit committee is very vital to the success of the financial institution. The study also added that the quality of financial drops with any overbearing managing director, overseeing or controlling the activities of the committee.

The lessons of the past have made the CBN insist that committees such as audit and compliance, is independent of the whims and caprices of management.

A cursory look at the provisions of the 2014 corporate governance, will indicate that the CBN has also taken steps to address the lessons from 2009, which indicted managing directors and board, of failing in their duties of entrenching corporate governance, in the institutions under their watch. Furthermore, with the CBN, taking steps to eradicate the enthronement of sit tight dominant managing directors, through the issuance of the tenure system, indicates that the CBN is trying to avoid the pitfalls of the past, where a dominant managing director or board chairs, will arrogate so many powers to themselves and therefore become a threat to the sustainability of the institution, they were meant to protect, from activities inimical to the continued existence of the institution. This theme discussed showed the dangers of having self-serving agents manage organizations on behalf of shareholders. It helped to highlight the failure of executive compensation, in ensuring agents act in the best interest of their principals. It also revealed the failure of boards in curbing the excesses of a dominant CEO. Institutional failures also provided the ambit for the executives to exercise their powers unhindered, due to lack of prompt regulatory oversight in checking the excesses of the sacked executives and finally the search for a corporate governance system, that offers more protection to stakeholders, against the backdrop of the excesses of executives and profit maximization agenda of shareholders. The wanton abuse of deposits of customer heightens the quest for a stakeholder centric framework that offers more protection to depositors and other relevant stakeholders.

5.3 Chapter Summary

The findings of the study are discussed, which helped greatly to address the research questions and research objectives of the study. These discussions were supported by extant literature. The discussion explained the findings by using extant literature to support the findings gotten from this study. The discussions have helped to provide more insight into the factors affecting compliance in Nigerian banks. The chapter also helped to reveal the challenges the CBN is facing in ensuring banks follow regulatory codes, primarily due to the institutional environment prevalent in Nigeria.

Chapter 6

Conclusion & Recommendations

6.1 Introduction

This chapter concludes this research study. It starts by summarizing the main findings of this thesis (6.2), followed by the contributions of this research study (6.3). This research thesis also provides recommendations geared towards improving the compliance of banks to the CBN code of corporate governance (6.4). Consequently, the research limitations are presented (6.5). Finally, areas for future research were also identified to provide the opportunity for further exploration of issues uncovered in this research study (6.6).

6.2 Brief Overview of Research Findings

This study was undertaken to interpret the role the Central Bank of Nigeria undertakes in ensuring that the money deposit banks in Nigeria comply with the corporate governance codes guiding their activities.

The study revealed that the CBN has a big responsibility in ensuring the bank's compliance with the codes is not in any way compromised. The ability of the CBN in ensuring banks comply with the codes, provide the needed protection of the relevant stakeholders.

The events of August / September 2009, which is locally called the bank tsunami in Nigeria and also the events that surrounded the failure of one of the top eight banks in the country (Skye Bank), coupled with the acquisition of Diamond Bank by Access Bank, is enough evidence, that the fight to install the right compliance culture in the Nigerian banks is onerous and will require the right form of supervision and adequate regulation from the apex regulatory body.

Consequently, this study has revealed the presence of factors responsible for non-compliance of banks in adhering to the 2006 CBN corporate governance code and the updated 2014 CBN corporate governance code. The non-adherence by some banks led to the catastrophic events of 2009, which almost resulted in a systemic crisis until the CBN was forced to bail out the affected banks with a pricey 620 billion Naira. The events which remain a watershed in the Nigerian banking arena, saw the CBN changing the affected management teams due to serious corporate governance failings. This infraction, the study revealed is still a feature in the Nigerian sector. The events of Skye Bank, the study revealed has proved that despite the stricter stance been introduced by the CBN, to mitigate against corporate governance failures in the banks, there still exist some management teams, whose mode of operation, is to broadly pursue short term goals at the expense of the sustainability of the banks and the interests of stakeholders.

The study revealed a culture of short-termism that has led to management of banks going all out to increase their profit margins, by taking excessive risks that can be very detrimental to the health of the affected banks. Directors and boards were found culpable of pursuing agendas that secured their financial position and made them the darlings of shareholders. The management was out to secure their future doing anything to meet their short-term targets, even if it meant declaring profits, founded on manipulated accounting figures. Not to be left out of the gambit been exploited by management, some board of directors were found guilty of turning their eyes from these illicit actions of the executives, by obtaining insider credit, that they never serviced or intended to pay back.

The study revealed that corporate governance was in dire straits before the intervention of the CBN in 2009, banks buoyed by the 2004 consolidation exercise, had in their disposal excess capital, which provided an outlet for some overzealous managing directors backed by their boards, to perpetuate illicit activities that threatened deposits of customers and other stakeholders' interests. The supervisory apparatus in the CBN was not proactive soon enough to mitigate against these activities. The infractions committed by the affected banks were supposedly glaring, but in the words of the previous governor of the CBN (Mallam Sanusi), the CBN didn't use their enforcement powers to order the banks to order and allowed the banks to perpetually persist in flouting the codes, with the CBN turning a blind eye.

The indictment of the CBN, in not using their supposedly powerful powers in ensuring banks religiously followed their rule books, revealed that the supervision provided by the CBN pre-2009 was flawed. The events of 2009 revealed that the CBN failed in ensuring the banks complied with the then 2006 corporate governance code, by allowing the banks so much latitude to take risks and self-govern, without the apex regulatory authority questioning the business models adopted by the banks and also ensuring that the financial of the banks were healthy, as against the seriously flawed figures declared by the affected banks. The CBN appeared to be captured by the banks because the banks were not adequately supervised and a lot of remedial actions, to be carried out in the banks were left undone, without the CBN, applying sanctions to insist the banks carried out those corrective actions.

Among the fallen banks, were banks seen previously as giants in the Nigerian banking sector, this revealed an endemic rot in the corporate governance prevalent then. After the removal of the erring bank management teams and boards, the CBN was forced to carry out urgent reforms to revitalize the sector. The reforms which were undertaken, the study found out have helped to improve the compliance of banks in following the corporate governance codes. The CBN in a bid to correct the failure of the past undertook consultation with relevant stakeholders and in the process introduced a new corporate governance code in 2014, to replace the now obsolete 2006 code.

Also, in a bid to ensure banks are better supervised, the CBN migrated their supervision approach form compliance based on the risk-based approach during 2009 / 2010. The risk-based supervision, which is fully in operation now, was part of the reforms undertaken by the CBN to correct the anomalies observed during the 2009 crisis. The CBN has now fully adopted the risk-based approach, to help provide a proactive approach to supervision compared to the compliance-based system, that was used before. Considering the new supervisory architecture approach used now, the approach is better positioned to address the problems that befell the sector in 2009, if well utilized.

The new robust and proactive supervisory regime is also designed to ensure that the CBN is positioned to adequately monitor and supervise banks based on their risk profiles.

The study found out that RBS is designed to ensure banks are better supervised and risks are better understood and mitigated against by the CBN. This appears to be a departure from the past, where banks were not provided with the right supervisory mechanism. With the risk-based supervision, the CBN supervisory structure is now better positioned to become more proactive in curbing banks from committing infractions compared to pre-2009. Although the study found out that challenges exist that has not allowed the risk-based supervision to be termed as very successful in identifying failures in banks before that become endemic.

The events in Skye Bank buttresses the fact that there is still a lot of room for improvement for the CBN, in the area of supervision. The failure that consumed Skye Bank (Polaris Bank) revealed that the CBN didn't perform its regulatory oversight efficiently which led to series of infractions committed by the former management team and board, to go unchecked, leading to the eventual demise of the bank. This regulatory lapse in judgement from the CBN signalled the fact that the regulatory supervision provided by the CBN is still error-prone and cannot be said to be fully effective in stopping infractions in the banks. It also revealed that despite, the best measures of the CBN in ensuring the banks remain committed to following the corporate governance codes judiciously, there still exist elements from the banks that are not fully committed to following the CBN principles.

The factors that appear to be affecting hindering the CBN from complying with the codes were outlined in the analysis chapter and fully disclosed in the penultimate chapter of this thesis. Furthermore, this thesis not only highlighted the impact of the danger of regulatory capture on the CBN acting on the best interest of stakeholders and not at the behest of banks. The risks of having the CBN captured by the banks does not bode well with the attainment of right corporate governance in the Nigerian banks. It is imperative to note that the insights regarding regulatory capture were very refreshing and unfortunately has not received the attention it deserves, considering the underlying issues that come with regulatory capture.

As the respondents all added, regulatory capture equates no regulation, the danger of been captured by banks, exist in the Nigerian banking sector, due to factors already elucidated in the analysis and discussion chapters of this thesis. Also, the study found out that most of the reforms carried out post-2009 have helped in ensuring relative stability in the sector. This has also helped in providing the compliance level of banks is higher compared to what was available pre-2009.

Reforms such as the competency framework designed by the CBN to ensure banks have qualified employees staffing vital positions have helped to bring sanity and better coordination, to departments such as risk management and audit departments. With the CBN vetting the appointees of the key departments, by ensuring that they have the requisite experience and qualifications, banks are now better managed and able to eliminate the mistakes that ensued in the 2009 crisis. Consequential effect means banks are better informed and able to manage their risks better than what was obtainable previously. The era of having unqualified employees leading departments to appear to be a thing of the past. Also, the study discovered that one of the factors militating against compliance is the lack of political will by the CBN. Due to the political connections, some of the managing directors have, policies of the CBN can be reversed. The management teams backed by connected political personalities with a vested interest in the banks will do anything to protect their investment and, in the process, get the government of the day to influence the regulatory authority, to act in their favour.

For the CBN to be positioned effectively, to enforce policies on regulated banks, the government of the day will need to provide the support and the necessary political will for the CBN, to take decisions binding on the bank, without the politicians or bank executives able to muster the power to go against the regulatory authority. This scenario played out during the events leading to the 2009 crisis, where the CBN was unable to have the banks comply with their codes and made them commit infractions unabated, without the CBN doing enough to stop the banks from none compliance (Sanusi, 2010).

Lack of political will was one of the factors that led the CBN to allow distressed banks perpetually borrow funds from the expanded discount window. They used the funds provided by the CBN to stay afloat and to remain liquid. The warning signs that there was something wrong with the banks were not looked at by the CBN, which indicated a clear indication of regulatory forbearance on the part of the CBN. The five banks that faced the CBN test had over N257 billion outstanding. This was supposed to act as an indicator to the supervisors that they were severe liquidity crisis in the banks that needed urgent attention. Unfortunately, the warning was not heeded until the change of guard of the helmsman of the CBN in 2009, revealed that the management of those banks had abused their positions, by perpetuating illicit activities that destroyed the banks and needed urgent intervention from the CBN.

Another factor that has contributed immensely to banks not complying with the code is the prevalence of insider credit abuse in the sector. The fallout of 2009 revealed that managements and boards had been involved in several cases of insider abuse, that led to the banks receiving lifelines from the CBN to survive. The study found out that compared to pre-2009, the CBN has managed to reduce the prevalence of insider abuse, with more stringent regulations and supervision designed to contain the infractions. Although it must be added that the events of Skye Bank, revealed that there still exist executives and boards who persist in flouting the CBN directives on insider abuse, that is an indication that the CBN needs to do more to reduce the occurrence of such incidents, from undermining the gains of the reforms carried out in the sector.

Another area of concern discovered in this study was the issue of the slow pace of the judiciary in prosecuting executives and boards who abuse their positions for their selfish gains. The slow pace of judiciary has conspired to act as a barrier in making the compliance of the code higher in the banks. Speedy dispensation of court cases will help ensure offending directors and managers are made to pay the price, for abusing the trust of stakeholders.

The study also discovered that other impediments hindering banks from complying with the CBN corporate governance code include ethics and professionalism, risk management, regulatory returns, implementation & enforcement, training & development, disclosure & transparency, active monitoring, credit bureau, disclosure and transparency, dominant managing directors & dominant chairman.

The study found out despite the challenges and impediments to banks complying with the code of corporate governance, the. CBN has been able to get the banks to comply better than what was obtainable in the sector prior to the crisis of 2009. The reforms undertaken by the CBN have helped in no small measure to sanitizing the sector, but there still exists a culture of non-compliance in the sector, due to the pursuit of short-termism as against a more sustainable long-term goal. It is imperative to add that compared to the previous era of soft sanctions for erring banks, banks are being sanctioned severely to help dissuade the culture of non-compliance in the sector. The period of the light-touch approach to supervision should be fully discharged, to avoid the crisis that enveloped the sector in 2009. A more hardline position by the regulators would have helped to question the models adopted by the erring banks and challenged the bank managements to be more transparent in their handling of the institutions under their stewardship. The Central Bank Of Nigeria appears to heed that call, with the use of relationship managers to ensure that the supervisory methodology is able to become more intrusive in the affairs of banks and be in a position to understand their business models better and challenge them to avoid risks that might lead the institution to meltdown.

6.3 Contributions

In a developing nation like Nigeria, noncompliance to regulation is common, where the legal system suffers from delayed judicial judgements. Banks are owned and managed by wealthy and powerful individuals. Bank owners are usually friends with politicians, and close to the corridors of power, compliance with the corporate governance code will often face some challenges due to the factors above. Also, due to the avalanche of powerful parties involved, there is a strong possibility of the banks resisting the rules made by the CBN or other related regulatory bodies. A situation like this connotes the CBN enforce their decisions without any form of bias on the banks. The powers possessed by the CBN on paper is enormous and if well utilized, will help ensure compliance by banks are not compromised. The light touch, laissez-faire approach of the past that provides banks with the freedom to avoid more scrutiny should be avoided. A change of supervisory culture is needed to ensure regulatory authority is devoid of any political or regulatory capture.

Consequently, a culture that allows the CBN to monitor the banks effectively and proactively is needed. Therefore, the understanding provided by the research is very crucial to understanding nations like Nigeria, where compliance decisions and culture is seen as greatly shaped by the performance of the regulatory authorities. Also, it will help to understand the basis behind the policy reactions of the regulators, in ensuring compliance in the sector and understand how the institutions function to ensure the banks do not compromise compliance. The rich insights provided by the respondents of the study have enabled the researcher to address the peculiar challenges faced by the CBN in ensuring banks adhere strictly to the code of corporate governance. The contributions of the study are addressed below.

6.3.1 Adoption of Multiple Theoretical Frameworks to Underpin the Study

This research was aimed at contributing to research by making use of three different theories to underpin the research study. Using three different theories, namely agency theory, stakeholder theory and institutional isomorphism, the researcher was able to elucidate corporate governance with deeper insight. It has been argued by several authors, that corporate governance study should incorporate other theories in addition to the dominant agency theory (Ahrens, Filatotchev, & Thomsen, 2011; Arun& Turner,2004; Christopher, 2011 and Huse et al.,2011). By underpinning this research with three different theories, the study was able to take cognizance of the institutional and environmental factors that affect Nigeria. For instance, the traditional agency theory appears best suited for the Anglo -American corporate governance system, where the primary aim is to ensure the protection of shareholders. It appears not to consider the institutional factors found in the developing countries of the world (Ahrens, Filatotchev & Thomsen, 2011). It also does not recognize that other stakeholders are also very paramount to the sustainability of the corporation. It, therefore, did not consider the interest and protection of the rights of stakeholders.

Due to the nature of the study and the institutional factors prevalent in the country been researched, the study needed to incorporate stakeholder and institutional isomorphism to the agency theory to understand the Nigerian corporate governance structure better. The use of stakeholder theory enabled the researcher, take account of the different stakeholders involved in the banking sector. The special nature of the banking sector required a more encompassing theory that takes account of the rights of all relevant stakeholders. A broader view of corporate governance theory was needed to explain the case for better protection for depositors and other stakeholders relevant in the banking sector (Arun & Turner,2004). A cursory look at the corporate governance code of the CBN (2014), also agreed with this argument. The CBN code made it a right for the board of banks to ensure the rights of stakeholders are protected from exploitation by management. The CBN also made it imperative for banks to have a minimum of two independent directors in their boards to ensure better protection for stakeholders. By making independent directors head the audit committees of banks, the CBN made it possible for inclusion of these independent directors in the boards, to help checkmate activities of banks inimical to the rights of stakeholders.

Finally, the use institutional isomorphism in the study enabled the researcher, take into account t the peculiarities prevalent in Nigeria, as a developing nation of the world, which are largely absent in the Anglo-American nations. The use of this theory enabled the researcher to account for institutional factors that can easily affect the effectiveness of the traditional agency theory in countries like Nigeria. Using only the traditional agency theory to underpin this study would have only enabled the researcher to present a restricted view of the world.

Combining the three theories in the study, enabled the researcher to contribute robust insights that have been largely ignored in many corporate governance studies. This will also enable practitioners and other interested policymakers to understand the principles and rules guiding the Nigerian context better, by understanding and appraising the prevailing structures available in the Nigerian banking sector.

From a theoretical viewpoint, this study has enhanced the scholarly debate on the stakeholder model, agency theory and institutional theory, as it relates to the banking sector in the existing corporate governance literature. It has certainly attempted to define theories that are relevant in the banking sector. It has also attempted to identify the importance of aligning the importance of stakeholders interest as against only adopting the agency theory and also looking at the institutional factors that affect corporate governance in Nigeria. The three theories adopted for this study are seen as relevant to answering the research questions of this study. Therefore, the adoption of the theories to underpin this study enabled the study to widen and combine the theories to develop new interpretations and a better knowledge of corporate governance codes and the use of regulation and supervision by regulatory authorities to effect compliance.

The use of an agency, stakeholders and institutional theories in the study enables the researcher to have a more in-depth knowledge of the role played by the CBN in ensuring banks comply with the code of corporate governance. The institutional theory helps to provide explanations behind the role of the institutional environment in shaping the compliance culture of the banks operating in Nigeria.

6.3.2 Use of Qualitative Study

Obeying the clarion call by several authors to carry more qualitative research in corporate governance (McNulty, Zattoni & Douglas,2013; Zattoni, Douglas & Judge, W., 2013.; Bluhm et al.,2011), who all have argued that there is a need for more qualitative studies in corporate governance. Their argument has been hinged on the small number of researches conducted qualitatively compared to research conducted quantitatively (McNulty, Zattoni & Douglas,2013).

The firsthand engagement with respondents provides a unique platform for researchers to contribute to knowledge by getting access to classified information that is usually not obtainable in public. By uncovering this vital information, researchers can provide richer insights to governance issues and not just providing the appearance of governance without backing it up richly with the needed substance (McNulty, Zattoni & Douglas,2013). This study contributes to knowledge by making use of access to respondents, to help unveil a deeper knowledge of corporate governance (Zattoni, Douglas &Judge,2013). The ability to speak to the actual governance actors enabled the researcher to verify perceptions and reasons behind the continued challenges affecting compliance of governance codes in the Nigerian banking sector. Although the study encountered some problems getting access to the governance actors involved initially, fortunately, access was obtained, which enabled the researcher to have a deeper understanding of the phenomena, which would have been impossible using the quantitative methodology. The use of qualitative study also enabled the researcher to consider the challenges faced in compliance due to institutional factors, affecting governance in Nigeria (McNulty, Zattoni &Douglas, 2013).

This study, therefore, has heeded the call for more qualitative studies, by helping to add a rich insight into the activities of the CBN, in ensuring banks comply with the corporate governance code. By using the qualitative approach, the research respondents were able to shed light into the phenomenon studied. Also, this study has added to the growing number of corporate governance literature, coming from developing nation of the world, specifically the African continent.

By conducting in-depth interviews and focus group sessions, this thesis helps to contribute to the literature by looking at the understanding and appreciation of the compliance culture of the key stakeholders in the Nigerian banking sector. The views of the various stakeholders helped to provide insight regarding the success or otherwise of the reforms, carried out by the CBN, after the 2009 banking tsunami. To the best of my knowledge, this research study is the first to collate the views of respondents from the diaspora, concerning the impact of the CBN, in ensuring the banks comply with the corporate governance codes. With the recent upsurge in banks in Nigeria, offering diaspora products, in a bid to capture the huge remittances inflow, coming into the country. It provides a very useful insight into the views of this group of respondents.

6.3.3 Coercive Isomorphism by CBN

This study contributes by advancing the case of the CBN, as the principal-agent needed to drive the Nigerian banking sector to the right path of sustainable growth. This is considered against the backdrop that a country like Nigeria, with its institutional structures, is not ripe for self-regulation or any form of soft-touch regulation. What is needed is a regulator, fully backed with legal and political apparatus that can attempt to force a change in the current culture of passive or lukewarm compliance in the banking sector. As the lead regulator of the Nigerian banking sector, the CBN has the mandate of the government, to ensure the banks operating in the country, conform to the laws guiding their operations and activities.

The reforms that have happened in the recent past underscores the importance of the CBN leading the quest for a sustainable banking system in the country. The powers bestowed on the CBN enables the regulatory body to exercise its powers, to take away the operating licenses of erring banks, issue fines to defaulting banks and also fire chief executives and their boards for actions considered detrimental to the safety and soundness of the Nigerian banking sector.

The ability of the CBN to live to its responsibilities is, however, hinged on its ability to steer clear of actions or activities that can lead to its capture by the powerful banks. This, it must be stated have happened severally in the past, with clear cases of regulatory inactions, that have led to banks suffering distress and led to the government, through the CBN doling billions of dollars out to the affected banks. The CBN will also need political independence from the government, to fully enforce its powers on banks, without any fear of political interference (Arun & Turner, 2004). The benefits of having the CBN backed with the mandate provided by the government, to regulate the banking sector will be severely dented by not having political independence.

The ability of the regulator in enforcing compliance in the banks by insisting on continuous good governance practices is also needed to ensure banks implement the right corporate governance codes or lose legitimacy in the face of the regulators and general public, by non-compliance (Ferramosa, D'Onza & Allegrini,2017). Therefore, the inability of banks in complying with the set codes will be seen as deviant actions which will be sanctionable by regulators and if these decoupled actions persist, the affected bank will be subjected to serious reputational damages, in the eyes of stakeholders (Jaja, Gabriel & Wobodo, 2019).

Finally, this paper contributes to a better understanding of the activities of the CBN 's financial systems stability directorate in its role as the driver of good corporate governance in the Nigeria banking sector. It attempts to understand regulatory compliance from the perspective of the lead regulatory body charged with ensuring banks comply with regulatory codes. It has also attempted to understand the role of government or its agencies in ensuring better compliance is achieved, considering the backdrop of several events in the past that has led to the cry for more government involvement, in the enforcement of corporate governance compliance. There is also a paucity of literature on the role of government or its agencies in enforcement of corporate governance compliance in developing nations of the world (Ordu, 2017). This study attempts to address that as well by looking at the role of the CBN in driving corporate governance compliance through its coercive powers.

6.3.4 Deeper Insights into the link between Corporate Governance and Regulation

This thesis provides empirical information on the causes and threats of non-compliance with corporate governance codes issued by the Central Bank of Nigeria. It helps to shed light on the relationship between rigorous supervision, prudential regulation and good corporate governance practice in Nigerian banks. This multifaceted approach system that was adopted for the study helped to illuminate the banking sector in the country. This also helped to provide a better understanding of the recent events that occurred in the banking sector, thereby providing a deeper understanding of the recent governance and supervisory failures by making use of qualitative methods. This study can be said to be a platform to elucidate the relationship between regulation rolled out by regulators and the response to the regulation by way of actual compliance or non-compliance. It also clearly shows the importance attached to the regulation of banks because of the importance attached to corporate governance in the banking sector.

6.3.5 2009 Banking Tsunami

This study contributes to the growing number of literature that has been carried out on the 2009 crisis that engulfed the Nigerian banking sphere. Following the 2009 crisis that saw the CBN taking drastic steps to address the corporate governance malfeasance, that was led to the Nigerian government giving out a pricey 620 billion Naira, to the affected banks. Many studies have now been undertaken by researchers to understand the reasons behind the governance failures and help mitigate against future occurrence. This study has attempted to find out the ways at which the CBN can address this governance failure, that led to the hefty bailout given to the affected banks by trying to understand the challenges facing the regulators from ensuring compliance is fully implemented across all the banks in the country. Against this backdrop, the study also attempts to contribute by trying to understand how regulation is interpreted and acted upon by the banks.

6.3.6 Contribution to Practice

Auditors

The findings of this study agree with the provisions of the CBN corporate governance code that made it mandatory for auditor's appointment to be limited to ten years, the rotation of external auditors will help preserve the independence of auditors from undue influence from management, which will affect the sanctity of their opinion. The study will enable auditors to understand the importance attached to their roles as drivers of good corporate governance in Nigerian banks, by always ensuring that their audited financial statements are a true reflection of the financial strength of the audited banks. This study also provides auditors with the outlet, to understand the dangers of collusion with the management of banks, by giving unqualified opinions to banks, which are is not a true reflection of their true financial state, auditors will be betraying the ethos of their noble profession, which is based on honesty and true professionalism. The independence of the audit committee was also discovered as key to ensuring the sanctity of the financial statements and the ability to ensure that the external auditors are free from any undue pressure from management. Finally, the study discovered that due to institutional challenges such as the legal and regulatory environment, it remains very key for accountancy professional bodies in Nigeria such as Chartered Accountants of Nigeria(ICAN) and Association of National Accountants of Nigeria (ANAN), ensure all members eschew unethical practices that will bring the profession to disrepute and ensure erring members are sanctioned heavily, to help ensure professionalism is maintained by auditors and auditing firms alike.

Risk Managers

The findings from this study emphasize the importance of having a functional risk management department headed by an independent chief risk officer. Chief risk officers are very important in ensuring banks comply with the directives of CBN, in ensuring banks are following the right risk management process. The implications of this study will help Chief risk officers understand the importance of having the right risk culture in the banks; they oversee. Having the right risk culture remains very key in ensuring banks are well-positioned to recognize and mitigate against risk. The weak institutional environment prevalent in Nigeria necessitates the importance of risk managers understanding the risks inherent in the sector and ensuring their institutions adhere to the regulatory stipulations guiding risk governance in the banking sector. The responsibility of risk managers necessitates working in tandem with management and the risk committee, to ensure that their oversight duties are not compromised, and they remain fully independent, in their quest to ensure the bank remains responsible in their risk assets creation. Finally, the result of this study provides risk managers with the importance of capacity development, to enable them to perform credibly in their role of risk custodians, of the institutions under their tutelage and also enable them to meet the competency requirement, expected of them by the CBN.

Regulators

The implication of this study for regulators (CBN &NDIC) are manifold; It helps to emphasize to regulators, the importance of using their powers (coercive isomorphism), to insist on the banks complying with the codes and directives, if the banks are not ready to comply with directives of the regulators. The era of laissez-faire supervisory approach, should be discarded, to enable regulators to use sanctions, when banks wilfully avoid complying with the corporate governance codes. Also, this study provides regulators, the opportunity of understanding, the challenges affecting banks compliance with the code, challenges such as lack of trained manpower, ethics and professionalism, that have helped in ensuing banks devise ways to hoodwink(decoupling) the regulators and avoid total compliance with the directives of the regulators. This study might also help provide the regulators, the opportunity of looking at areas to strengthen in their supervisory approach, which will help make them more proactive, in their supervision of banks. The study also served as a means of providing regulators on the dangers of regulatory capture by banks. The results of this study have highlighted the factors that help encourage the capture of regulatory authorities, which might help the relevant authorities, put in place policies that will help to provide buffers against the capture of the regulatory authorities. Finally, the findings of this study stress the importance of regulators in ensuring compliance of banks, with the corporate governance code, due to the underlying weak institutional environment in Nigeria, banks should not be left alone without stringent monitoring and regulation, to ensure the safety of funds of depositors and other stakeholders.

6.4 Limitation of the Study

Some limitations and constraints observed during the research study are addressed below. It must also be worth mentioning that these limitations and constraints did not diminish the findings of this research study but will rather be lessons to be noted for any future research.

6.4.1 Accessibility

Having access to the research respondents from the CBN was an arduous task, due to the sensitivity of their positions in the CBN, it took a lot of phone calls and assistance from the gatekeeper (access person to the CBN staffs). Without the invaluable help provided by the gatekeeper, to assure the targeted respondents, that the researcher meant no harm and their identities would be strictly kept anonymous, the respondents would have declined to participate in the research. The effort provided by the gatekeeper enabled the researcher to obtain access to the CBN executives, which was key to the success of this study.

6.4.2 Use of only Deposit Money Banks

Also, due to the research limited to Nigerian banks only, the research findings might be limited to the Nigerian context only. The Nigerian banking sector is regulated and supervised by the CBN and hence have no supervisory authority over banks in other nations of the world. Owing to that account, the results of the findings might not be applicable to other banks outside the shores of Nigeria. Also, there was a limitation, considering the fact that this study was fully focused on money deposit banks, largely due to the impact bank failures have in any economy of the world. It is important to add that other sectors of the economy can also be studied.

6.4.3 Research Design

There also exist some limitations regarding the qualitative research design of this study. First, the interviews sessions (CBN) were only conducted with retired executives of the CBN and present-day executives of the CBN. However, other important officials involved in the supervision banks in Nigeria were not interviewed, officials below the level of assistant director cadre of the CBN were not considered for this study. Another limitation was not interviewing officials of the Nigeria Deposit Insurance Corporation. This was due to not having access to the officials of the NDIC. Another important stakeholder not involved in the research design was shareholders of banks in Nigeria, which was largely also due to accessibility constraints.

The accessibility constraints and time constraints precluded the inclusion of more stakeholders, to obtain their perceptions about the phenomenon investigated.

6.4.4 Size of Respondents

There was limitation primarily due to research design which necessitated the use of purposeful sampling to recruit respondents for the study. Due to the use of a non-random sampling design, the ability to generalize the findings of this study might be restricted to the respondents selected for the study. The number of respondents used for this study was also considered small compared to what is usually obtainable in quantitative studies. The sample size for the qualitative study is usually small, which helps to provide the researcher with the opportunity of conducting in-depth research work, that provides the answers to the research questions of the study. This limitation affects the ability to generalize the results of the study due to the small sample size used.

6.4.5 Performance Indicators

This study solely focused on the impact of banking supervision and regulation on corporate governance in money deposit banks and how it affects risk management, disclosure and ultimately sustainable profit-making institutions without making use of performance indicators such as profitability, capital adequacy, total branch network and total assets were not utilized in this study. The findings of this study were obtained from the perceptions of respondents and documents.

6.4.6 Generalization

Qualitative research is not overly concerned with making a statistical generalization that can be applied generally, primarily due to its small sample size. Qualitative research study instead aims to provide a very detailed and thick description of the phenomenon being studied, thereby enhancing the ability of the study's finding to be transferred when applied to other backgrounds (Kalu&Bwalya, 2017). The understanding illuminated by the thick description provides the understanding needed to understand the context, at which the transferability can occur, to determine the situations or instances that support the transferability ((Shenton, 2004) This study was a qualitative study, which impacts on its ability of generalization, however, due to its thick description and comprehensive accounts of the phenomena studied. The findings of this study might be relevant and applicable to nations with similar institutional backgrounds, especially in the context of developing nations of the world. Bank regulatory authorities in these nations facing similar institutional challenges might be able to transfer the finding of this study to their settings, due to the vivid and detailed description of the regulatory agency, location and individuals used for this research study, this will also enable practitioners, policymakers and researchers decide the transferability of the study's findings to their location.

6.5 Recommendations

6.5.1 Stringent Monitoring

The CBN and other relevant regulatory authorities should be more steadfast in the quest to install the best practice of corporate governance. The apex regulator has a massive role in ensuring the banks comply with the provisions of the code of corporate governance. Effective supervision by the CBN will ensure the interests of stakeholders are protected, which will go a long way in restoring the battered reputation of the sector. Revamping and igniting the interest of the populace will help to bring an influx of foreign remittances from Nigerians living in the diaspora and bring the needed investments to move the banks to a greater height. Without the CBN and other related regulatory bodies, it is instructive to add that the institutions will pursue their agenda, which would most likely be in variance to the expectations of stakeholders. Also, the need for the CBN to be at the frontline in entrenching the best practices of corporate governance is instilled in these institutions, is as a result of the amount of taxpayers funds expended on the affected institutions, during the last tsunami and the recent assistance to Skye Bank (Polaris Bank).

The enormous funds expended on these institutions demand that the CBN uses more stringent regulatory actions, in ensuring the banks remain committed to the right practice of corporate governance. A regime of light touch, laissez-faire regulatory approach has no place in today's world due to the number of stakeholders that can get hurt, in the event of bank failure or systemic crisis. The CBN should ensure that enforcement is devoid of any sentiment and any remedial action expected from any institution, is carried out without any delay. The era of poor adherence to circulars and laws prescribed by the CBN by financial institutions should be discouraged, and heavy sanctions should be applied, to defaulting institutions. The use of sanctions and penalties remains one of the significant keys to ensure compliance by banks. Still, for it to be a useful tool, sanctions applied should be more than the expected gains, institutions will make from noncompliance.

6.5.2 Risk management

This remains key to the sustainability of the financial institutions; it is, therefore, important the CBN pays a very key interest in how the banks manage the risks inherent in their institutions. The banks should always have a robust framework in managing the risks in their books. The board committee in charge of risk should be truly independent and provide with timely information on the risk appetite of the bank, to help ensure that the risks are well-identified, measured and controlled.

Also, it is critical banks adopt a risk culture that defines the bank's norm, attitude and value. This will help determine the institution's risk appetite and risk interpretation. A bank with an articulated and sound risk culture will help address the issues bordering risk management in Nigerian banks. These values should be transmitted from the top echelon to the other members of staff, to enable the culture to be adopted wholesale in the institution. Senior executives should also lead by example by ensuring that the risk culture adopted permeates all their decision-making concerning risk-taking. High-quality risk culture will help to avoid the mistakes of the past, where banks were taking too much risk that endangered the sustainability of the sector. It will establish an appropriate risk appetite that ensures that decisions are made without jeopardising the safety of the institutions.

The CBN should be at the forefront of ensuring the risk culture of banks are within acceptable standards, by scrutiny and insisting they are provided with timely information about the risk profile of the institutions. This will enable the CBN to deploy the right risk-based supervision for the industry. The bottom line remains that the CBN is key to ensuring the banks maintain the right risk appetite, by continually monitoring and ensuring that the banks follow the right practice and have competent and well-trained staffs leading the risk management teams in the financial institutions. In a related development, the surge in non-performing loans shows that more work is needed to be done by the Central Bank of Nigeria, in ensuring there is a reduction in non-performing loans in the sector. To this end, the CBN should put serious punitive measures to any bank found flouting the directives to only give loans to customers after accessing the credit risk management system.

Also, it is advisable banks reduce their exposure in specific sectors of the economy (oil and gas sector), this can be done via encouraging banks to practice loan syndication, thereby reducing their vulnerabilities and risks.

Finally, the CBN needs to put in place measures to reduce the spate of insider loans in the institutions, management, and directors found guilty should be dismissed and prosecuted immediately for abusing their positions. The wave of management and directors obtaining dubious loans, without following the correct channel or even providing the right collateral have in no small measure contributed to bank failures in the country. Lax supervision from the CBN, in the past, has enabled these infractions to continue unabated and it is imperative the CBN now adopt a zero-tolerance policy, to discourage such practices by making sure bank chiefs and directors that abuse their positions face the full wrath of the law. The use of the instrument of law to discipline culpable parties will go a long way in bringing sanity to the industry. The board of directors of institutions should also dismiss any bank executive found guilty of insider abuse, as these will help to ensure that the era of abuse is reduced.

6.5. 3 Accounting Disclosure

This must be given top priority by the banks and the CBN. The true position of the bank should always be found in the accounting submissions made to the apex bank and the general public. The disclosure should also provide market participants, all the relevant information to enable them to decipher the true state of the risk profile of the institution. Meaningful and accurate representation is relevant to the public and the CBN. Banks should be encouraged to always honest about their assets and liabilities, to enable the CBN always know the actual state of affairs of the bank. External auditors should be genuinely independent of the bank management to allow them to carry out a detailed verification of the disclosure, without any undue pressure from the management. This will enable the auditors to verify the true financial health of the bank and spot any irregularities in the financial position of the institution. This will help in a long way to spot infractions perpetrated by banks, such as a false declaration of profit, non-reporting of credit facilities, non-disclosure of directors' facilities and lending over the required threshold approved by the CBN.

Another related activity that should be given utmost importance by the CBN is the importance of returns made by the banks. The data received from the banks should always be transparent and devoid of any integrity issues. The rendition of false returns should be discouraged, to enable the CBN always to know the true state of the affairs of the bank. Late returns should be discouraged, to enable the regulators to take timely and proactive steps to resolve any threat to the bank.

6.5.4 Capacity Building

For regulators to perform their duties professionally, it is essential to bank supervisors are provided with the tools to reform admirably. One of the main tools needed is through adequate training. The need for training and capacity development is very crucial in the financial sector, due to the complexity of the products and services in the disposal of banks. To avoid any room for the supervision to be ineffective, regulators need to be kept abreast of the happenings in the bank they regulate. This can only be done through the use of training. With the introduction of risk-based supervision, it is very key regulators provided with the training needs needed to be abreast with the risks inherent in the banks they supervise, without that, they will be a gap of knowledge needed to protect the sector from any crisis that might develop due to their gap in knowledge.

Also, there is a need for operators to be fully equipped with the tools to ensure they can manage the institutions adequately. To carry out their functions competently, the CBN has positioned the banks to take advantage of the competency framework, by providing the training needs of their employees. It is expected that banks, in conjunction with the CIBN, give the opportunity, need for staffs to be equipped with the right knowledge needed to drive the banks to sustained growth. The training exercises will also help to provide operators with the current development in corporate governance and help decipher the challenges facing implementation.

It is also necessary the banks take advantage of the competency framework by ensuring all employees, are adequately trained, and the right workforce is employed and trained to manage the activities of the bank. If the competency framework is carried out correctly, the sector will be enriched with the well-trained human resources that will effectively run the institutions and also help to entrench good corporate governance practice in the banking sector. Competency framework will also go a long way to helping reduce skill gap in the banking sector, which has led to constant cases of staff poaching among the financial institutions in the country, thereby helping to promote stability and sustainability in the financial sector of the economy.

6.5.5 Culture Change

The change of culture in the financial institutions is highly needed, a culture where the main objective appears to be short term growth over good risk management practices and interests of external stakeholders should be discouraged and immediately addressed to avoid a repeat of 2009 banking tsunami. The chase by management to make short term profit at the expense of risk assets quality creates all sort of problems for the bank. To control the quest for management to engage in such short-term agenda, it is imperative the boards of financial institutions are made up of dedicated and knowledgeable individuals, who can perform their oversight duties, by effectively monitoring management, to ensure they always act ethically. A board made up of people of accountability and probity will go a long way, to ensure their duties are carried out assiduously. This will help to reduce the agency – principal problems. The board should also be made fully independent of management. This will also enable them to perform their oversight duties properly without undue pressure or coercion from management.

6.5.6 Ethics and Professionalism

It should be mandatory for all bankers irrespective of their cadre, to always follow the code of conduct without any aberration. Top management should always lead by example, by still exhibiting exemplary actions, which will help to emit the right values in their institutions. Managements that abhor unethical practices in all forms will find it easier to project the right practice of ethics and professionalism to members of staff of their institution. Also, the CBN with the aid of the Chartered Institute of Bankers in Nigeria should always organize regular seminars and workshops, to help sanitize the banking community of the dangers, of not adhering to the corporate governance codes and other ethical standards required for bankers to adhere to. Considering the peculiarity of the Nigerian environment, this step will go a long way in helping to stamp out the undesired institutional vices in the sector.

6.5.7 Special Courts

It appears there is a need to establish a special court to deal with financial malpractices committed by bankers, especially those connected to management and other related insiders. The growing spate of insider abuse and huge debt profile in banks have triggered the need for the use of special courts to combat this worrisome burden in the financial institutions. Another factor that necessitates the establishment of a special court is the worrying trend of delays in getting the courts to decide cases that involve fraudulent executives of banks and their cronies. Despite the regular courts having sufficient powers to decide the cases, it appears they have been overwhelmed with factors beyond their control, which necessitates the use of special courts to decide cases that involve banks. This recommendation has been made against the backdrop of hundreds of cases dragging in the courts, which should ideally have been decided earlier. The endless delays in the judicial process have not helped in any way in ensuring the CBN succeeds in bringing the accused parties to judgement. The use of special courts will help bring quicker judgements and help restore sanity & discipline in the financial sector. This will help ensure faster judgement is served to executives and their cronies who abuse the trust reposed in them, by taking actions that are inimical to the sustainability of the institutions under their watch. A special court with the sole role in deciding cases brought to them speedily and effectively will help provide the mechanism for corporate governance to thrive in the financial sector.

6.5.8 Independent Judiciary

Besides, the creation of special courts to deal with infractions committed by bankers and insiders, it is very vital, the judiciary is made truly independent. The bastion of true justice rests squarely in a genuinely independent judicial system, which dispenses justice, without any favours or bias. Any country desirous of economic stability must have a truly independent judiciary system, which will help uphold the rule of law and ensure the speedy dispensation of justice. The weak institutional environment in Nigeria necessitates reforms that will help empower the judiciary to perform its primary role of dispensing justice. Regulatory authorities such as the CBN and NDIC need the help of the judiciary, to ensure compliance of its laws are fully respected, and any act inimical to the governance of banks is brought to justice.

An independent judicial system is complementary to the efforts of the CBN and NDIC, in bringing sanity to the banking sector, by ensuring the banks are fully compliant with the corporate governance code. Reforms are urgently needed in the Nigerian judicial system, to ensure it performs reliably. Reforms such as ensuring the judiciary is well funded, to ensure the judges are well paid. This will enable the judges to avoid the intimidation of the rich and very powerful individuals, who will go all out to buy justice or attempt to influence the rulings of the court. The vestiges from the military rule in Nigeria, where the judiciary was underfunded and very dependent on the ruling class, made it commonplace for the rich and powerful to attempt to influence judgment or frustrate judgment through acts detrimental to an independent judiciary. Also, any judge or judicial officer found culpable in corrupt practices, should be dismissed from office, to help rid the system of individuals who have flagrantly abused the trust reposed on them, as custodians of justice and not a deterrent to an independent judicial system. Appointment of judicial officers should be strictly based on merit and not on ethnic, religious or favouritism grounds. Finally, it is important public prosecuting agents carry out proper investigation on suspected abuses in the financial sector, to ensure culpable individuals are brought to books, this will only be made possible if the regulators, banks and prosecutors work in tandem, to ensure the courts have enough evidence to pass sentences on offending individuals.

6.5.9 Regulatory Capture

This capture remains a significant threat to any financial system in the world, and the situation is not different in a developing country like a Nigeria. It has so far not received the deserved attention in the reforms carried out, apart from the CBN introducing laws that barred former senior executives from the CBN and NDIC from taking immediate appointments with the regulated banks, post-retirement. The law introduced a defined period, in which senior executives of the CBN and NDIC could take up appointments with the banks; unfortunately, similar laws have not been passed, to stop senior operators from been appointed by the government as governors or deputy governors of the CBN.

Respondents of this study observed that having former operators serve as governor or deputy governor position in the CBN creates an avenue for regulatory capture. They believe that the appointment of operators as the top helmsmen of the apex regulatory bank makes it more susceptible for the financial institutions to capture the CBN. The revolving door mechanism which has received a lot of attention in literature agrees with the postulations of this study in curbing the risk of regulatory capture by making it mandatory that governors and deputy governors of the CBN, henceforth are not appointed from the operators. This will help to reduce the influence of the sectors on the policy-making and enforcement of the CBN.

Also, this study recommends that regulators should be rotated from one bank to another, to help reduce the affinity with the banks they are responsible for. Having a regulator spend more than two years monitoring a bank, creates an opportunity for bias, which might affect objective supervision, on the part of the affected regulator. Effective monitoring and transparency are the keys to accurate monitoring, and hence bias would likely affect the outcome of the supervisory work carried out in the concerned institution. Rotating regulators will help to prevent the chances of banks avoiding regulatory discipline due to the relationship developed due to extended personal contact the supervisors have with the bank.

Another way to avoid capture is to ensure that supervisors are well trained and able to understand the businesses and risks of the institution fully. A deficient regulator creates a good room for bank capture, due to the disparity in skill level, the bank can enforce their argument on the deficient regulator, who in turn will likely accede, due to lack of understanding. Supervisors should be well trained to enable them to obtain the expertise needed to regulate the banks and thereby avoid capture from the institutions; they have been charged to monitor. Finally, to avoid capture the CBN should be well funded, members of staff paid handsomely, so that they do not find it more rewarding to collude with the banks, to help conceal infractions committed by the institutions or turn a blind eye to unethical practices happening In the institution under the supervision and also the CBN should be made fully independent from the government of the day, to enable the CBN to perform diligently, without the fear that their decisions would be scrutinized and penalized for actions considered detrimental to persons close to the corridors of power.

6.6 Areas for Further Research

1) Future study should be extended to the NDIC, to determine the impact of its coercive powers on banks compliance with the code of corporate governance code. This will help to define the impact of coercive isomorphism by regulators, especially against the backdrop of the findings of this study supporting the use of coercive powers on the regulated banks in Nigeria.

2) Corporate governance is closely related to other disciplines and can be illuminated by other theories. This study has used only three theories in shedding more light in investigating the relationship between corporate governance, banking supervision and regulation in ensuring sustainable banking. Therefore, future research studies can use alternative theories such as stewardship theory, resource dependence, among others, to develop a further theoretical framework in investigating the relationship between corporate governance, banking supervision and bank regulation in banks.

3) Further studies can offer more insight into the role of institutional theory in shaping good governance practices in the non-banking sector of the economy. This will help determine the challenges of corporate governance compliance in these firms, considering the institutional challenges affecting Nigeria. It will also help determine if the findings of this study can be supported in the non-banking sectors of the Nigerian economy.

4) Future studies can also examine the level of corporate governance compliance in microfinance banks in Nigeria. Future studies can also examine the level of corporate governance compliance in microfinance banks in Nigeria. The extensive drive by the CBN in financial inclusion, in a bid to capture the financially deprived populace, have led to the upsurge of these institutions in the financial landscape of Nigeria, over the years. It will be worthy to investigate the impact of the

CBN, in ensuring the right corporate governance is practised by the microfinance banks currently operating in Nigeria

5) Future studies can also examine the role of regulatory capture in the banking sector of developing nations of the world. It will be worthy of investigating the effect of revolving doors in the banking sector in developing countries of the world and the effect of capture on policymaking by regulators and the government, especially in developing countries of the world.

6) A future study could explore the role of the whistleblowers in ensuring corporate governance is better practised in Nigeria banks. Researchers can help unravel the institutional reforms needed to ensure that whistleblowing is an effective way to help prevent corporate governance abuses and also help ensure that there is an effective protection for whistleblowers.

7) New studies can look to investigate the influence of the Basel committee in the regulatory policies of regulators in developing nations of the world. This will help address the reluctance of most developing nations adopting full adherence to the basel codes. It will also address the impact of adherence of the code to improved corporate governance in developing nations of the world.

8) A study should be also be undertaken to find out the similarities and differences in the compliance culture of foreign and local banks in Nigeria. This will help to appraise the impact of corporate governance compliance culture and foreign ownership of banks. It will help reveal whether foreign-owned banks are more compliant with the corporate governance code than domestic banks operating in Nigeria.

6.7 Final Commentary on Ways to Achieve Sustainable Banks

The role of the CBN will remain vital in ensuring banks survive the challenges affecting its effectiveness. To enable the banks, operate optimally, the corporate governance codes are subject to constant revision, to allow the regulation to catch up with the prevailing trends and help avoid the crisis that can consume the sector (Maroun & Van Ziji, 2016). Consequently, the role of the CBN is made even more onerous, by trying to ensure that gaps are quickly identified and plugged, that can pose threats to the sustainability of banks operating in the country. The constant interaction with the banks via supervision enables the CBN to identify areas that require fixing, that will help mitigate against noncompliance. The reforms carried out by the CBN, after the 2009 crisis and the update of the corporate governance code, shows that the CBN has taken cognisance, with the current reality, in the quest to ensure banks are better governed by their management boards (CBN, 2014).

Strengthening corporate governance compliance remains the objective of the CBN, with the current supervisory structure (risk-based supervision), the CBN appears better prepared to fight the challenges of incessant noncompliance by banks. In an environment, fraught with weak institutional structures, the CBN must offer stakeholders of the sector protection from any form of exploitation by managers of banks. It is therefore in the best interest of the CBN, to ensure banks are better governed and corporate governance codes are followed without any exceptions because bank supervision will only function optimally if banks are practising the right corporate governance in their institutions (Babalola & Adedipe,2014). Without that, banking supervision will be fraught with challenges that will reduce its effectiveness and leave stakeholders exposed to abuses from self-serving executives of banks.

It is common knowledge that there exist, self-serving bank executives, who are lacking the zeal to comply effectively with the corporate governance codes, due to their self-aggrandisement agenda

(Jakada & Inusa., 2014). This and other unethical practices in banks have been the primary reasons for the continual crisis affecting the sustainability of banks in Nigeria (Gigolo, 2018). The onus lies with the leadership of the CBN and its supervisory apparatus, to find ways to mitigate against such practices and rid the sector of parties that are considered inimical to the health of the sector.

The CBN has the mandate to protect depositors' funds and help ensure financial sector stability (Igbinosa, Sunday & Babatunde,2017), for this to take place; the CBN will need to adequately supervise banks, to ensure infractions are quickly identified and dealt with and offending parties sanctioned for noncompliance. Against the backdrop of issues identified in this study, it was imperative a study of this nature was carried out, to identify the areas that can be worked on by the CBN to mitigate against non-compliance in the sector.

The arguments and opinions postulated in this study have helped to provide knowledge concerning compliance in the Nigerian banking sector and the importance of the CBN ensuring adherence to its codes are fully complied with by the operating banks. The gains of the right practice of corporate governance are enormous and will be beneficiary to all stakeholders. To this end, the CBN should be provided with all the necessary tools needed to function adequately, in a bid to ensure the sector is devoid of factors limiting the right practice of corporate governance in Nigerian banks, earlier identified in this thesis.

REFERENCES

- Aarons, J., 2011. Epistemology and knowledge management. In *Encyclopedia of Knowledge Management, Second Edition* (pp. 270-279). IGI Global.

- Abdalla,M, Oliveira ,LGL,Azevedo,C.E.F & Gonzalez,R.K ,2018 ,Quality in Qualitative Organizational Research : Types of Triangulation as a Methodological Alternative . *Administração: Ensino e Pesquisa,* 19(1), pp. 66-98.

- Abdulrahaman, S., 2013. An Evaluation of the Performances of Nigeria Capital Market before and after Banking Sector Consolidation Exercise 2001-2010. *Kuwait Chapter of Arabian Journal of Business and Management Review*, *2*(6), pp.8-16.

- Abels, P.B. and Martelli, J.T., 2013. CEO duality: how many hats are too many?. *Corporate Governance: The international journal of business in society*.

- Abid, G. and Ahmed, A., 2014. Failing in corporate governance and warning signs of a corporate collapse. Pakistan Journal of Commerce and Social Sciences, 8(3), pp.846-866.

- Abiola, J., 2012. Corporate Governance in Nigerian Banking Sector and Relevance of Internal Auditors". British Journal of Arts and Social Sciences, ©British Journal Publishing, Inc. Vol.5 No.1

- Abrams, L.S., 2010. Sampling 'hard to reach 'populations in qualitative research: The case of incarcerated youth. *Qualitative Social Work*, *9*(4), pp.536-550

- Abro, M. M. Q., Khurshid, M. A., & Aamir, A., 2015. The use of mixed methods in management research. Journal of Applied Finance and Banking, 5(2), 103-108

- Abu, S.O., Okpeh, A.J. and Okpe, U.J., 2016. Board characteristics and financial performance of deposit money banks in Nigeria. *International Journal of Business and Social Science*, *7*(9), pp.159-173.

- Adams, R.B., Hermalin, B.E. and Weisbach, M.S., 2010. The role of boards of directors in corporate governance: A conceptual framework and survey. Journal of economic literature, 48(1), pp.58-107.

- Adamu, A.M., Kabuga, N.A. and Suleiman, H.H., 2015. Remittance, Aid, Foreign Direct Investment, Financial Development and Economic Growth in Nigeria: A Time Series Analysis. In Proceedings of 1st International Conference and Doctoral Colloquium on the theme: "Development in Africa: Perspectives, Issues and Trends", Faculty of Social and Management Sciences, Bayero University Kano, Nigeria held between 17th–18th November (pp. 720-733).

- Adeagbo, O. & Ayansola, O. (2014). Impact of remittances on development in Nigeria: Challenges and prospects. Journal of Sociology, 5 (3), 311-318.

- Adegbite, E., 2012. Corporate governance regulation in Nigeria. Corporate Governance, 12(2), 257-276.

- Adegbite, E., 2015. Good corporate governance in Nigeria: Antecedents, propositions and peculiarities. International business review, 24(2), pp.319-330.

- Adegbite, E., Shrives, P., & Nichol, T. (2011). The Role of Government in Corporate Governance: Perspectives from the UK, 9(1), 283–293.

- Ademola, Oyejide T and Soyibo. 2001. Corporate Governance in Nigeria”. Development Policy Center Ibadan, Nigeria. Paper presented at the conference on corporate governance in Accra Ghana, 29-30 sited in Akinkoye, E. Y., & Olasanmi, O. O. 2014. Corporate governance practice and level of compliance among firms in Nigeria: Industry analysis. Journal of Business and Retail Management Research, 09(1)
- Adegboye, F.B., 2009. Insider Dealings and The Problems of Business Ethics in The Banking Industry in Nigeria. Nigerian Sociological Review, 4(1 & 2), pp.201-216.
- Adesina, K.S. and Mwamba, J.M., 2015. Effects of Basel III higher capital requirements via bank lending rates in Africa: a preliminary assessment. Banks and Bank Systems, 10(4), pp.51-6
- Adetunji Babatunde M. and Olawoye Olaniran .2009. “The effects of internal and External Mechanisms on Governance and Performance of Corporate Firm Nigeria” Corporate Ownership and Control/ Vo/ 7, issue 2 winter 2009 cited in Akinkoye, E. Y., & Olasanmi, O. O. (2014). Corporate governance practice and level of compliance among firms in Nigeria: Industry analysis. Journal of Business and Retail Management Research, 9(1).
- Adeyanju, O.D., 2014. Code of ethics and professionalism: Implication for bank failure in Nigeria. Research Journal of Finance and Accounting, 5(19), pp.75-86
- Adeyemi, B., 2011. Bank failure in Nigeria: A consequence of capital inadequacy, lack of transparency and non-performing loans. Banks and Bank systems, 6(1), pp.99-109.
- Admati, A.R., DeMarzo, P.M., Hellwig, M.F. and Pfleiderer, P.C., 2013. Fallacies, irrelevant facts, and myths in the discussion of capital regulation: Why bank equity is not socially expensive. Max Planck Institute for Research on Collective Goods, 23.

- Ado, A. B., Shafie, R. B., & Goni, K., 2017. Corporate governance as a mechanism for measuring the financial performance of banks in Nigeria. Journal of Finance, Accounting and Management, 8(1), 1-19.
- Afza, T. and Nazir, M.S., 2014. Theoretical perspective of corporate governance: A Review. *European Journal of Scientific Research*, *119*(2), pp.255-264.
- Agamah, M., 2013). To what extent do companies listed on the Nigerian stock exchange comply with corporate governance and risk management principles? International Journal of Business and Management, 8(14), 134-157.
- Agarwal, Sumit, David Lucca, Amit Seru, and Francesco Trebbi, 2014, Inconsistent Regulators: Evidence from Banking", Quarterly Journal of Economics
- Agbaeze, E.K. and Onwuka, I.O., 2014. Basel III and the abolition of universal banking model–Implication for Nigerian Banks. Journal of Economics and Finance, 2(5), pp.1-15.
- Agbonkpolor, T., 2010. Risk management and regulatory failures in banking: Reflections on the current banking crisis in Nigeria. Journal of Banking Regulation, 11(2), 146-155.
- Agwu, E. and Carter, A.L., 2014. Mobile phone banking in Nigeria: benefits, problems and prospects. International Journal of Business and Commerce, 3(6), pp.50-70.
- Agyemang, O.S. and Castellini, M., 2015. Corporate governance in an emergent economy: a case of Ghana. *Corporate Governance*, *15*(1), pp.52-84.
- Ahmed, J.U., 2010. Documentary research method: New dimensions. Indus Journal of Management & Social Sciences, 4(1), pp.1-14.

- Ahluwalia, S., Ferrell, O.C., Ferrell, L. and Rittenburg, T.L., 2018. Sarbanes–Oxley section 406 code of ethics for senior financial officers and firm behaviour. Journal of Business Ethics, 151(3), pp.693-705.
- Ahrens, T. and Khalifa, R., 2013. Researching the lived experience of corporate governance. *Qualitative Research in Accounting & Management*, *10*(1), pp.4-30.
- Ahrens, T., Filatotchev, I. and Thomsen, S., 2011. The research frontier in corporate governance. *Journal of Management & Governance*, *15*(3), pp.311-325.
- Ailemen, I. O, Ph D., & Ojeka, S., Ph D. 2013. Corporate governance as a tool for curbing bank distress in Nigeria deposit money bank: Empirical evidence. Manager, (17),
- Aina, K., 2013. Board of directors and corporate governance in Nigeria.
- Ajayi, T. and Sosan, M., 2013. The Evolution of the Nigerian banking system, supervision and current challenges. Supervision and Current Challenges (June 27, 2013).
- Ajibo, K.I., 2015. Risk-based regulation: The future of the Nigerian banking industry. International Journal of Law and Management, 57(3), pp.201-216.
- Akanle, O. and Adesina, J.O., 2017. International migrants' remittances and kinship networks in Nigeria: The flip-side consequences. Journal of Anthropological Research, 73(1), pp.66-91.
- Akhidime, A., 2013. Board structure, corporate characteristics and audit quality of Nigeria banks. *International Journal of Economics, Commerce and Management, 3 (6), 832*, *84*.

- Akinbami, F., & Ngwu, F. N. (2016). Overhauling the institutional structure of financial regulation in Nigeria: The unfinished reform. *Journal of Banking Regulation, 17*(4), 311-331. DOI: http://dx.doi.org/10.1057/jbr.2015.
- Akanmidu, O., 2018. Criminal Enforcement of Directors' Occupational Crimes in Nigeria: Issues and Challenges. *The Journal of Criminal Law*, *82*(6), pp.457-469.
- Akinkoye, E. Y., & Olasanmi, O. O., 2014. Corporate governance practice and level of compliance among firms in Nigeria: Industry analysis. Journal of Business and Retail Management Research, 09(1).
- Aktan, B., Masood, O. and Yilmaz, S., 2009. Financial shenanigans and the failure of ethics in banking: a review and synthesis of an unprecedented fraud. Banks & bank systems, (4, Iss. 1), pp.30-36.
- Alford, 2010, "Nigeria Banking Reform: Recent Actions and Future Prospects"
  Allen, F., Gale, D. (2003). "A comparative theory of corporate governance". Wharton

Financial Institutions Centre, Working Paper 03-27, University of Pennsylvania

- Alles, M., & Friedland, J., 2012. Reforming governance of 'too big to fail' banks: The prudent investor RULE and enhanced governance disclosures by bank boards of directors. Journal of Banking Regulation, 13(3), 189-210.
- Alleyne, P., Hudaib, M. and Pike, R., 2013. Towards a conceptual model of whistle-blowing intentions among external auditors. *The British Accounting Review*, *45*(1), pp.10-23.
- Alleyne, P. and Pierce, A., 2017. Whistleblowing as a corporate governance mechanism in the Caribbean. *Snapshots in Governance: The Caribbean Experience*, pp.176-198.

- Aliyu, A.A., Bello, M.U., Kasim, R. and Martin, D., 2014. Positivist and non-positivist paradigm in social science research: Conflicting paradigms or perfect partners. *J. Mgmt. & Sustainability*, *4*, p.79.
- Al Mamun, A., Yasser, Q. R., & Rahman, M. A. 2013. A discussion of the suitability of only one vs more than one theory for depicting corporate governance. Modern Economy, 4(1), 37-48.
- Al-Sabah, A, (2005), Corporate Governance and the Banking and Financial
- Institutions Opening speech delivered by the Governor of Central Bank of Kuwait in a Forum for Union of Kuwait Banks in Cooperation with the Central Bank of Kuwait, November15-16,2005.
- Alleyne, P. and Chandler, M., 2018. Examining the potential impact of whistleblowing on corruption in the Caribbean's financial sector. In *Corruption, Scandals and their Global Impacts* (pp. 34-56). Routledge.
- Alshenqeeti, H. (2014). Interviewing as a Data Collection Method: A Critical Review. English Linguistics Research, 3(1), 39. https://doi.org/10.5430/elr.v3n1p39
- Aminu, A.A. and Oladipo, O.O., 2016. Application of Financial Ethics in Annual Financial Reporting of Banks. Journal of Economic and Social Development, 3(1), p.66.
- Amran, A., Bin, A.M.R. and Hassan, B.C.H.M., 2009. Risk reporting. *Managerial auditing journal*.
- Andoni, A., 2013. Basel III challenges in the Albanian banking system. The Macro theme review.

- Andrés, P. de and E. Vallelado (2008): "Corporate Governance in Banking: The Role of the Board of Directors". Journal of Banking and Finance, 32(12), 2570-2580.
- Andreasson, S, (2006), Shareholder and Stakeholder Interest: The Policies of Corporate Governance Reform in South Africa" A Paper Prepared for 2006 British
- Ansari, S., Panhwar, A.H. and Mahesar, G.A., 2016. Mixed Methods Research: Ontological, Epistemological and Methodological underpinnings. ARIEL-An International Research Journal of English Language and Literature, 27.
- Antwi, S.K. and Hamza, K., 2015. Qualitative and quantitative research paradigms in business research: A philosophical reflection. *European Journal of Business and Management*, *7*(3), pp.217-225
- Amao, O., & Amaeshi, K. 2008. Galvanising shareholder activism: A prerequisite for effective corporate governance and accountability in Nigeria. Journal of Business Ethics, 82(1), 119-130. DOI: http://dx.doi.org/10.1007/s10551-007-9566-2
- Apollonio, D.E. and Glantz, S.A., 2019. Marketing with tobacco pack onserts: a qualitative analysis of tobacco industry documents. Tobacco Control, 28(3), pp.274-281.
- Arendt, S. W., Roberts, K. R., Strohbehn, C., Ellis, J., Paez, P., & Meyer, J., 2012. Use of qualitative research in foodservice organizations. International Journal of Contemporary Hospitality Management, 24(6), 820-837.
- Arun, T.G. and Turner, J.D., 2004. Corporate governance of banks in developing economies: Concepts and issues. *Corporate Governance: An International Review*, *12*(3), pp.371-377.

- Asher, C.C., Mahoney, J.M. and Mahoney, J.T., 2005. Towards a property rights foundation for a stakeholder theory of the firm. Journal of Management & Governance, 9(1), pp.5-32.

- Asika M. (2001), researcher methodology in behavioural sciences.Longman Nigeria Plc. Ibadan Nigeria. Bringham, E. F. and Gapenski, L. C. (1996), managerial finance.Dryden press Illinois.

- Asquith, J. A., L., 1997. The effects of group size on the outcome of focus group sessions. Management Research News, 20(12), 1-15

- Atkinson, R. and Flint, J., 2001. Accessing hidden and hard-to-reach populations: Snowball research strategies. Social research update, 33(1), pp.1-4.

- Aust, D. N., 2013. Enhancing Shareholder Value by Improving Sustainability Performance. Corporate Finance Review,17(6),11-

- Awdeh, A., 2012. Remittances to Lebanon: Economic Impact and the Role of the Banks. Beirut, Lebanon: United Nations Social and Economic Commission for Western Asia.

- Awotundun, D. A., Kehinde, J. S., & Somoye, R. O. C., 2011. Corporate governance and stakeholders' interest: A case of Nigerian banks. International Journal of Business and Management, 6(10), 102-112.

- Ayoun, M (2003), The Role of the Central Bank in Promoting Corporate Governance" Speech presented by the Governor of the Central Bank of Egypt, at a conference on February 5, 2003 hosted by the Egyptian Banking Institute and CIPE.

- Azulai, A., & Rankin, J. A., 2012. Triangulation in Canadian doctoral dissertations on ageing. *International Journal of Multiple Research Approaches, 6*(2), 125-140.

- International Studies Association Annual Conference University of Cork, Ireland,18-20 December 2006.
- Babalola, A & Adedipe, O. A 2014. Corporate Governance and Sustainable Banking Sector: Evidence from Nigeria. Research Journal of Finance and Accounting, 5(12).
- Bahago, K., Jelilov, G. and Celik, B., 2019. Impact of Banking Supervision on Liquidity Risk and Credit Risk: Evidence from Nigeria. International Journal of Economics and Financial Issues, 9(3), p.200.
- Bahari, F. (2010). Qualitative Versus Quantitative Research Strategies: Contrasting Epistemological and Ontological Assumptions. Jurnal Teknologi. 52. 10.11113/jt.v52.
- Baker, Andrew, 2010, Restraining Regulatory Capture? Anglo-America, Crisis Politics and Trajectories of Change in Global Financial Governance, International Affairs 86(3):647 – 663
- Baker, C., Cummings, C. and Jagtiani, J., 2017. The impacts of financial regulations: solvency and liquidity in the post-crisis period. Journal of Financial Regulation and Compliance.
- Baker, M.J., 2003. Data collection–questionnaire design. *The marketing review*, *3*(3), pp.343-370.
- Balasubramaniam, C.S., 2012. Basel III Norms and Indian Banking: Assessment and Emerging Challenges. ABHINAV: National Monthly Refereed Journal of Research in Commerce and Management, 1(8), pp.39-52.
- Barth, James R. and Caprio, Gerard and Levine, Ross, Misdiagnosis: Incomplete Cures of Financial Regulatory Failures July 28, 2014. Available at SSRN:

- Barth, J.R., Caprio, G. and Levine, R., 2006. Rethinking bank regulation. *Till angels govern*.
- Bascand, G., 2018. The effect of daylight: disclosure and market discipline. *A speech delivered to the NZ Bankers' Association*, *28*.
- Bebeji, A., Mohammed, A. and Tanko, M., 2015. The effect of board size and composition on the financial performance of banks in Nigeria. *African Journal of Business Management*, *9*(16), p.590.
- Becht, M., Bolton, P. and Röell, A., 2011. Why bank governance is different. Oxford review of economic policy, 27(3), pp.437-463
- Bech, M. and Keister, T., 2017. Liquidity Regulation and the implementation of monetary policy. Journal of Monetary Economics, 92, pp.64-77.
- Bejide, A.O., 2019. Compliance with Regulations: Path to Adequate Corporate Governance in the Nigerian Banking Industry for Business Sustainability and Enhanced Financial Performance. Journal of Business and Management Sciences, 7(1), pp.31-58.
- Belás, J., 2013. The impact of the financial crisis on business ethics in the banking sector: a case study from Slovakia. Review of Economic Perspectives, 13(3), pp.111-131.
- Bell, G., & David, J., 2015. What if corporate governance fostered executive dignity? The Journal of Applied Business and Economics, 17(4), 30-45
- Bello, A. (2013): Corporate Governance and Risk Exposure of Banks in Nigeria, British Arts and Social Science 12(1)
- Bello, S.M., 2012. Impact of ethical leadership on employee job performance. International Journal of Business and Social Science, 3(11).

- Belo-Osagie, H., 2012. Financial management digest: Emerging risk management challenges. Journal of Financial Management & Analysis, 25(1), p.91.
- Biobele, B. S., Igbo, I. E., & John, E. F. (2013). The significance of international corporate governance disclosure on financial reporting in Nigeria. International Journal of Business and Management, 8(8), 100-106.
- Berkowitz, J., 2015. Bank supervision after the financial crisis: Panel discussion from the 2015 applied finance conference. *Journal of Applied Finance, 25*(2), 5-15.
- Berry-Caban, CS & Portee, CL & Beaman, LA & Hoedebecke ,KL ,2014 .Readability Consent Forms in a Military Treatment Facility.Ethics & Medicine,30(2),pp 109-117
- BIS 2015. Basel Committee on Banking Supervision, Guidelines Corporate Governance Principles for Banks.
- Block, E.S. and Erskine, L., 2012. Interviewing by telephone: Specific considerations, opportunities, and challenges. International journal of qualitative methods, 11(4), pp.428-445.
- Bluhm, D.J., Harman, W., Lee, T.W. and Mitchell, T.R., 2011. Qualitative research in management: A decade of progress. Journal of Management Studies, 48(8), pp.1866-1891.
- Bogner, A., Littig, B. and Menz, W., 2009. Introduction: Expert interviews—An introduction to a new methodological debate. In Interviewing experts (pp. 1-13). Palgrave Macmillan, London.
- Bonner, Clemens, and Paul Hilbers. 2015. Global Liquidity Regulation—Why Did It Take So Long? DNB Working Paper, No. 455.

* Bordean, O.N., 2012. Business students' perceptions of corporate governance. International Journal of Arts and Commerce, 1(4), pp.173-184.
* Borlea, S. N., PhD., & Achim, M., PhD. 2013. THEORIES OF CORPORATE GOVERNANCE. Studia Universitatis "Vasile Goldis" Arad.Seria StiinteEconomice., 23(1), 117-128.
* Boudriga, A., Neila, B. T., & Jellouli, S. 2009. Banking supervision and nonperforming loans: A cross-country analysis. Journal of Financial Economic Policy, 1(4), 286-318.
* Bowers, D.K., 1995. Confidentiality challenges. Marketing Research, 7(3), p.34.
* Boyer, P. and Ponce, J., 2010. Central Banks, regulatory capture and banking supervision reforms. Paolo Baffi Centre Research Paper (2010-83).
* Braun, V. and Clarke, V., 2006. Using thematic analysis in psychology. Qualitative research in psychology, 3(2), pp.77-101.
* Brod, M., Tesler, L.E. and Christensen, T.L., 2009. Qualitative research and content validity: developing best practices based on science and experience. *Quality of Life Research*, *18*(9), p.1263.
* Bromwich, D & Rid, A, 2015. Can informed consent to research be adapted to risk? Journal of Medical Ethics,41(7), pp.521.
* Brownbridge, M. and Kirkpatrick, C., 2000. Financial regulation in developing countries. The Journal of Development Studies, 37(1), pp.1-24.
* Broyles LM, Rodriguez KL, Price PA, Bayliss NK, Sevick MA: Overcoming barriers to the recruitment of nurses as participants in health care research. Qual Health Res. 2011, 21: 1705-1718.

* Bryman, A. (2015). *Social Research Methods - 5th Edition*. Oxford: OXFORD UNIVERSITY PRESS.134.

* Brownbridge, M. and Kirkpatrick, C., 2000. Financial regulation in developing countries. *The Journal of Development Studies*, *37*(1), pp.1-24

* Broyles LM, Rodriguez KL, Price PA, Bayliss NK, Sevick MA: Overcoming barriers to the recruitment of nurses as participants in health care research. Qual Health Res. 2011, 21: 1705-1718.

* Brown, S., 2015. Using focus groups in naturally occurring settings. Qualitative Research Journal, 15(1), 86-97.

* Burdon, W.M. and Sorour, M.K., 2018. Institutional Theory and Evolution of 'A Legitimate 'Compliance Culture: The Case of the UK Financial Service Sector. Journal of Business Ethics, pp.1-34.

* Burra, P., De Jongh, P.J., Raubenheimer, H., Van Vuuren, G. and Wiid, H., 2015. Implementing the countercyclical capital buffer in South Africa: Practical considerations. *South African Journal of Economic and Management Sciences*, *18*(1), pp.105-127.

* Burton, P., 2000. Antecedents and consequences of corporate governance structures. Corporate Governance: An International Review, 8(3), pp.194-203.

* Burton, Bruce, 2007.Qualitative research in finance – pedigree and renaissance", Studies in Economics and Finance, Vol. 24 Iss: 1, pp.5 – 12.

t the, 3(2) 99-105 The Academy of Business and Retail Management (ABRM).

- Cachia, M., & Millward, L., 2011. The telephone medium and semi-structured interviews: A complementary fit. Qualitative Research in Organizations and Management, 6(3), 265-277.

- Cadbury Report. 1992 cited in Agamah, M. 2013. To what extent do companies listed on the Nigerian stock exchange comply with corporate governance and risk management principles? International Journal of Business and Management, 8(14), 134-157.

- Carli, V., Hadlaczky, G., Wasserman, C., Stingelin-Giles, N., Reiter-Theil, S., & Wasserman, D. (2012). Maintaining confidentiality in prospective studies: Anonymous repeated measurements via email (ARME) procedure. *Journal of Medical Ethics, 38*(2), 127.

- Carr, E.C. and Worth, A., 2001. The use of the telephone interview for research. NT research, 6(1), pp.511-524.

- Carrigan C, Coglianese C. Capturing Regulatory Reality: Stigler's The Theory of Economic Regulation.

- Cashen, L.H., 2009. Pressures for the creation of a more independent board of directors in the post-restructuring period. *Academy of Accounting and Financial Studies Journal*, *13*, p.57.

- Cecchetti, S.G., 2015. The road to financial stability: Capital regulation, liquidity regulation, and resolution. International Journal of Central Banking, 11(3), pp.127-139.

- Cetina, J. and Gleason, K.I., 2015. The difficult business of measuring banks' liquidity: Understanding the liquidity coverage ratio. Office of Financial Research Working Paper, (15-20).
- Chan, A.W. and Cheung, H.Y., 2008. Common cultural relationships in corporate governance across developed and emerging financial markets. Applied Psychology, 57(2), pp.225-245.
- Christopher, J., 2011. The multi-theoretical approach to governance: Authenticating the concept and establishing its control framework. *Corporate Ownership and Control*, *8*(3), p.18.
- Chow-White, P., Macaulay, M., Charters, A. and Chow, P., 2015. From the bench to the bedside in the big data age: ethics and practices of consent and privacy for clinical genomics and personalized medicine. *Ethics and Information Technology,* 17(3), pp. 189-200.
- Chowdhury, Muhammad Faisal,2014. Interpretivism in aiding our understanding of the contemporary social world. *Open Journal of Philosophy* 4, no. 03): 432.
- Chun, S.E., Kim, H. and Ko, W., 2012. The impact of strengthened Basel III Banking regulation on lending spreads Comparisons across countries and business models (No. 2012-15).
- Chude, N.P. and Chude I.D., 2014. The relationship between regulatory inconsistencies and the Nigerian banking industry. Global Journal of Management and Business Research.

- Carla Gabriela, A. N., 2007. Dominican Banking Crisis. The First Banking Corporate Governance Crisis.? Law and Business Review of the Americas, 13(2),)
- Cavelaars, P., & Passenier, J., 2012. Follow the money. Journal of Financial Regulation and Compliance, 20(4), 402-416
- CBN Code of 2006.Central Bank of Nigeria Code of Corporate Governance for Bank Post Consolidation.
- CBNCompetencFramework(2012).https://www.cbn.gov.ng/out/2012/ccd/competency%20framework.pdf
- CBN BSD Circular. https://www.cbn.gov.ng/OUT/CIRCULARS/BSD/2004/BSD-04-2004.PDF
- CBN BSD.https://www.cbn.gov.ng/OUT/PUBLICATIONS/BSD/2009/2008%20BANKING%20SUPERVISION%20ANNUAL%20REPORT.PDF
- CBNCircularhttps://www.cbn.gov.ng/out/2015/bsd/circular%20of%20dud%20cheques%20dated%20march%2031,%202015.pdf
- CBN Circular. https://www.cbn.gov.ng/Out/2019/CCD/Lending%20to%20Real%20Sector.pdf
- CBNBSDhttps://www.cbn.gov.ng/OUT/2011/PUBLICATIONS/BSD/CBN%20SUPERVISORY%20INTERVENTION%20GUIDELINE%202011%20FINAL%20TO%20PUBLISH%20V%202.PDF
- CBN 2010. Brief on guidelines for the tenure of Managing Directors of Deposit Money Banks and Related Matters.

- Cepeda, G. & Martin, D., 2005. A Review of Case Studies Publishing in Management Decision 2003-2004: Guides and Criteria for Achieving Quality In Qualitative Research. Management Decision, 43(5), 851-876
- Chakrabarty, K.C., 2013. Strengthening the banking supervision through risk-based approach–laying the stepping stones. Mumbai, India.
- Charles, O. and Ezike, J.E., 2017. Household Inward Remittances And Banking Sector Development: The Nigerian Experience (1977–2014). Archives of Business Research (ABR), 5(7).
- CIBN – List of accredited bank academies https://www.cibng.org/accredited-bank-academies
- Ciurlău, L. and Lăpăduși, L.M., 2016. Theoretical Considerations on the Organisation of Banking Supervision and Internal Banking Control
- Cleary, M., Horsfall, J. and Hayter, M., 2014. Data collection and sampling in qualitative research: does size matter? *Journal of advanced nursing*, *70*(3), pp.473-475.
- Cocris, V. and Ungureanu, M.C., 2007. Why are banks special? An approach from the corporate governance perspective. An Approach from the Corporate Governance Perspective. Scientific Annals-Al. I. Cuza University of Iasi, Economics Series, pp.55-66.
- Coenen, M., Stamm, T. A., Stucki, G., & Cieza, A. (2012). Individual interviews and focus groups in patients with rheumatoid arthritis: A comparison of two qualitative methods. *Quality of Life Research, 21*(2), 359-70.
- Coffey, A., 2014. Analysing documents. The SAGE handbook of qualitative data analysis, pp.367-380.

- Corbetta, P 2003, Social research: theory, methods and techniques, SAGE Publications
- Corten, M., Steijvers, T. and Lybaert, N., 2018. Auditor choice in private firms: a stakeholders perspective. *Managerial Auditing Journal*.
- Cooper, D. J., & Morgan, W., 2008. Case study research in accounting. Accounting Horizons, 22(2), 159-178.
- Cochran, P.L. and Wartick, S.L. (1998) 'Corporate governance: A review of the literature' in Maaseen, G., (2000) An International Comparison of Corporate Governance Models, SpencerStuart: The Netherlands.
- Cosimano, T.F. and Hakura, D., 2011. Bank behaviour in response to Basel III: A cross-country analysis.
- Cortese, C., 2011. Standardising oil and gas accounting in the US in the 1970s: insights from the perspective of regulatory capture. Accounting History, 16 (4), 403-421
- Crane, B., 2020. Revisiting who, when, and why stakeholders matter: Trust and stakeholder connectedness. Business & Society, 59(2), pp.263-286.
- Creswell, J.W. (2007). Qualitative inquiry and research design: Choosing among! ve approaches (2nd ed.). Thousand Oaks, CA: Sage.
- Cuganesan, S., & Khan, H., 2008. Assessing the reporting of stakeholder reciprocity in the Australian banking industry. Journal of HRCA: Human Resource Costing & Accounting, 12(2), 85-101.
- Curry, T. J. (2015). Remarks by Thomas J. Curry, Comptroller of the Currency. The Institute of International Bankers, (p. 8). Washington, D.C.

- Darlaston-Jones, D., 2007. Making connections: The relationship between epistemology and research methods. University of Notre Dame, Australia.
- Dasgupta, M., 2015. Exploring the relevance of case study research. Vision, 19(2), 147-160. D
- Davis, G, F. (2005). "New Directions in Corporate Governance". *University of Michigan Business School, Ann Arbor, Michigan.* 1234 (31), P143–62.
- Davis, J.H., Schoorman, F.D. and Donaldson, L. 1997, Toward a stewardship theory of management", Academy of Management Review, Vol. 22 No. 1, pp. 20-47.
- De Andres, P. and Vallelado, E., 2008. Corporate governance in banking: The role of the board of directors. *Journal of banking & finance*, *32*(12), pp.2570-2580.
- DE Melo-Martin, I. and Ho, A., 2008. Beyond informed consent: the therapeutic misconception and trust. *Journal of medical ethics,* 34(3), pp. 202.

- DeHaan, Ed and Kedia, Simi and Koh, Kevin and Rajgopal, Shivaram, TheRevolving Door and the SEC's Enforcement Outcomes: Initial Evidence from Civil Litigation July 20, 2015. Journal of Accounting & Economics
- DeHaan, E., Kedia, S., Koh, K. and Rajgopal, S., 2014. Does the Revolving Door Affect the SEC's Enforcement Outcomes? Initial Evidence from Civil Litigation. Univ., Rock Center for Corporate Governance.
- De Haan, J. and Vlahu, R., 2016. Corporate governance of banks: A survey. Journal of Economic Surveys, 30(2), pp.228-277.

- De Haas, H., 2006. International migration and national development: Viewpoints and policy initiatives in countries of origin–The case of Nigeria. International Migration Institute, University of Oxford, Oxford.
- De Krivoy, R., 2000, June. Reforming bank supervision in developing countries. In CONFERENCE SERIES-FEDERAL RESERVE BANK OF BOSTON (Vol. 44, pp. 113-133). Federal Reserve Bank of Boston; 1998.
- Delimatsis, P., 2012. Financial innovation and prudential regulation: The new Basel III rules. Journal of World Trade, 46(6), pp.1309-1342
- De Ruyter, K. and Scholl, N., 1998. Positioning qualitative market research: reflections from theory and practice. *Qualitative market research: An international journal*, *1*(1), pp.7-14.
- Dogarawa, A.B., 2004. An examination of ethical dilemma in the Nigerian banking industry. Business Administration, 1(2), pp.78-86.
- Dogarawa, A.B., 2011. Chronology of banking reforms in Nigeria. Journal of Financial Regulation and Compliance.
- Dogarawa, L.B., 2012. Banking under the Banks and Other Financial Institutions Act: A Survey of Compliance. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, *2*(3), pp.183-191.
- Donaldson, L. and J. Davis, (1991), "Stewardship theory or agency theory: CEO governance and shareholder returns", Australian Journal of Management 16 (1), 49-64.
- De Haan, J. and Vlahu, R., 2016. Corporate governance of banks: A survey. Journal of Economic Surveys, 30(2), pp.228-277.

- De Tejada, A.M., 2015. Professionalism in banking: the best route to recovery. Aestimatio: The IEB International Journal of Finance, (10), pp.134-145.

- Drehmann, M., Borio, C., Gambacorta, L., Jiménez, G. & Trucharte, C. (2010). Countercyclical capital buffers: exploring options. BIS Working Papers No. 317, July.

- DiMaggio, P.J. and Powell, W.W., 1983. The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American sociological review*, pp.147-160.

- Dusek, G.A., Yurova, Y.V. and Ruppel, C.P., 2015. Using social media and targeted snowball sampling to survey a hard-to-reach population: A case study. International Journal of Doctoral Studies, 10, p

- Dube, B., Roberts-Lombard, M., & Tonder, E. v. 2015. Management guidelines for universal quality challenges across the focus group research process. Journal of Applied Business Research, 31(1), 23.

- Dugguh, S.I. And Diggi, J., 2015. Risk management strategies in financial institutions in Nigeria: The experience of commercial banks. International Journal of Research, 66.

- Duijm, P. and Wierts, P., 2016. The effects of liquidity regulation on bank assets and liabilities. International Journal of Central Banking (IJCB).

- Echekoba, F.N., 2017.A review of the Central Bank of Nigeria's role as a prudential regulator in Nigeria: An Analysis of a separate supervisory agency

- Edirisingha, P., 2012. Interpretivism and positivism (ontological and epistemological perspectives). Research Paradigms and Approaches.
- Eisenbach, T.M., Lucca, D.O. and Townsend, R.M., 2016. *The economics of bank supervision* (No. w22201). National Bureau of Economic Research.
- Elfeky, M., 2017. The impact of corporate governance on voluntary disclosure in emerging markets: The case of Egypt. *Aust. J. Basic Appl. Sci*, *11*, pp.25-41.

- Empson, L., 2018. Elite interviewing in professional organizations. Journal of Professions and Organization, 5(1), pp.58-69.
- Enofe, A., Ekpulu, G. and Ajala, T., 2015. Ethical challenges and financial performance in the Nigerian banking sector. Available at SSRN 2594439.
- Erin, O., Asiriuwa, O., Olojede, P., Ajetunmobi, O. and Usman, T., 2018. Does risk governance impact bank performance? Evidence from the Nigerian banking sector. Academy of Accounting and Financial Studies Journal.
- Etikan, I., Alkassim, R. and Abubakar, S., 2016. Comparison of Snowball Sampling and Sequential Sampling Technique. Biometrics and Biostatistics International Journal, 3(1), p.00055.

- Elegbeleye, O.S., 2005. Prevalent Use of Global System of Mobile Phone (GSM) for Communication in Nigeria: A Breakthrough in Interactional. Nordic Journal of African Studies, 14(2), pp.193-207.
- Elfeky, M.I., 2017. The extent of voluntary disclosure and its determinants in emerging markets: Evidence from Egypt. *The journal of finance and data science*, *3*(1-4), pp.45-59.
- Elliott, D.J., 2014. Bank liquidity requirements: An introduction and overview. The Brookings Institution.
- Elsayed, K., 2007. Does CEO duality really affect corporate performance?. *Corporate Governance: an international review*, *15*(6), pp.1203-1214.
- Elshafie, M., 2013. Research Paradigms: The Novice Researcher's Nightmare. *Arab World English Journal*, *4*(2
- Eyal, N., 2014. Using informed consent to save trust. *Journal of medical ethics,* 40(7), pp. 437.
- Ezeoha, A., 2007. Structural effects of banking industry consolidation in Nigeria: A review. Journal of banking regulation, 8(2), pp.159-176.
- Ezeoha, A.E., 2011. Banking consolidation, credit crisis and asset quality in a fragile banking system. Journal of financial regulation and compliance.
- Fadare, S.O., 2011. Banking sector liquidity and financial crisis in Nigeria. International Journal of Economics and Finance, 3(5), pp.3-11.

- Fapohunda, F.M. and Eragbhe, E., 2017. Regulation, Financial Development, Financial Soundness and Banks Performance in Nigeria. Journal of Finance, 5(3), pp.88-92.
- Fama, E.F. and Jensen, M.C., 1983. Separation of ownership and control. The journal of law and Economics, 26(2), pp.301-325.
- Farooq, M.B., 2015. Qualitative telephone interviews: Strategies for success.
- Farooq, M.B. and Maroun, W., 2017. Why organizations voluntarily report–institutional theory and institutional work. In Sustainability Accounting and Integrated Reporting (pp. 36-48). Routledge.
- Farooq, M. B. and de Villiers, C. (2017), "Telephonic Qualitative Research Interviews: When to consider them and how to do them", Meditari Accountancy Research, Vol. 25 No. 2, pp. 291-316.
- Ferramosca, S., D'Onza, G. and Allegrini, M., 2017. The internal auditing of corporate governance, risk management and ethics: comparing banks with other industries. *International Journal of Business Governance and Ethics*, *12*(3), pp.218-240.
- Ferguson, B., 2013. Sanctions, Incentives and Better-Behaved Banks. *Integrity, Risk and Accountability in Capital Markets: Regulating Culture*, pp.66-85.
- Ferri, G. and Leogrande, A., 2015. Was the crisis due to a shift from stakeholder to shareholder finance? Surveying the debate.
- Fetiniuc, V. and Luchian, I., 2014. Banking ethics: main conceptions and problems. Annals of the University of Petr ni. Economics, 14, pp.91-102.

- Filler, R.H. and Markham, J.W., 2018. Whistle-blowers-A case study in the regulatory cycle for Financial Services. *Brooklyn Journal of Corporate, Financial & Commercial Law*, *12*(2), p.3.
- Financial Reporting Council., 2010. UK corporate governance code 2010. Financial Reporting Council.
- FT 2009 FT interview transcript: Lamido Sanusihttps://www.ft.com/content/406e8650-ea69-11de-a9f5-00144feab49a
- Finch, Emily. (2001). *Issues of confidentiality in research into criminal activity: the legal and ethical dilemma.*Mountbatten Journal of Legal Studies, December 2001, 5 (1 & 2), pp. 3
- Fjellström, D., & Guttormsen, D. S. A. (2016). A critical exploration of "access" in qualitative international business field research. *Qualitative Research in Organizations and Management, 11*(2), 110-126
- Freeman, R. E., 1984. Strategic Management: A Stakeholder Approach. Boston, MA: Pitman. Cited in Agamah, M. 2013. To what extent do companies listed on the Nigerian stock exchange comply with corporate governance and risk management principles? International Journal of Business and Management, 8(14), 134-157.
- Friedman, M., 1970. The Social Responsibility of firms is to increase profits, The New York Times Magazine, 30 Sept
- Fullenkamp, C., & Rochon, C. (2015). Rethinking the direction of bank capital regulation. Banking & Financial Services Policy Report, 34(2), 5-20.

- Fung, B., 2014. The demand and need for transparency and disclosure in corporate governance. *Universal Journal of Management*, *2*(2), pp.72-80.
- Fusch PI, Ness LR (2015) Are we there yet? Data saturation in qualitative research. The Qualitative Report 20(9): 1408.
- Gaborone, B., 2006. The use of documentary research methods in social research. African sociological review, 10(1), pp.221-230
- Gail M. Sullivan, Joan Sargeant, (2011) Qualities of Qualitative Research: Part I. Journal of Graduate Medical Education: December 2011, Vol. 3, No. 4, pp. 449-452.
- Galpin, T., Whitttington, J. L., & Bell, G. (2015). Is your sustainability strategy sustainable? Creating a culture of sustainability. Corporate Governance, 15(1).
- Garcia, D., & Gluesing, J. C. (2013). Qualitative research methods in international organizational change research. Journal of Organizational Change Management, 26(2), 423-444.
- Gaskell G (2000) Individual and group interviewing. In: Bauer M and Gaskell G (eds) Qualitative Researching with Text, Image and Sound. London: Sage, 38–56
- Gaus, N., 2017. Selecting research approaches and research designs: a reflective essay. *Qualitative Research Journal,* 17(2), pp. 99-112.
- Gebba, T. R. 2015. Corporate governance mechanisms adopted by UAE national commercial banks. *Journal of Applied Finance and Banking, 5*(5), 23-61
- Getter, D.E., 2012, November. US implementation of the Basel capital regulatory framework. Congressional Research Service, Library of Congress.

- Gideon, F., Petersen, M. A., Mukuddem-Petersen, J., & Hlatshwayo, L. (2013). Basel III and the net stable funding ratio
- Giordana, G.A. and Schumacher, I., 2013. Bank liquidity risk and monetary policy. Empirical evidence on the impact of Basel III liquidity standards. International Review of Applied Economics, 27(5), pp.633-655.
- Giustiniani, A., & Thornton, J. (2011). Post-crisis financial reform: Where do we stand? *Journal of Financial Regulation and Compliance, 19*(4), 323-336
- Gläser, J. and Laudel, G., 2009. On interviewing "good" and "bad" experts. In Interviewing experts (pp. 117-137). Palgrave Macmillan, London.
- Gligoric, M. and Jankovic, I., 2016. The Impact of Remittances on Economic Growth and Access to Finance. Economic and Social Development. Economic and Social Development: Book of Proceedings, p.81.
- Glogowska, M., Young, P. and Lockyer, L., 2011. Propriety, process and purpose: Considerations of the use of the telephone interview method in an educational research study. Higher Education, 62(1), pp.17-26.
- Granot, E., Brashear, T. G., & Motta, P. C. (2012). A structural guide to in-depth interviewing in business and industrial marketing research. *The Journal of Business & Industrial Marketing, 27*(7), 547-553.
- Grinyer, A. (2002). The anonymity of research participants: Assumptions, ethics and practicalities. Social Research Update, 36, 1-4.
- Gobat, J., Yanase, M. and Maloney, J., 2014. The net stable funding ratio: Impact and issues for consideration (No. 14-106). International Monetary Fund.

* Godwin, O. O. (2013). Implications of corporate governance on the performance of deposit money banks in Nigeria (2005 - 2010). Arabian Journal of Business and Management Review
* Gottschalk, R., 2014. *Institutional Challenges for Effective Banking Regulation and Supervision in Sub-Saharan Africa*. ODI Working Paper 406.apter), 2(10), 107-119.
* Golafshani, N., 2003. Understanding reliability and validity in qualitative research. The qualitative report, 8(4), pp.597-607.
* Goldman, E.F. and Swayze, S., 2012. In-depth interviewing with healthcare corporate elites: Strategies for entry and engagement. International Journal of Qualitative Methods, 11(3), pp.230-243.
* Goldsmith-Pinkham, P., Hirtle, B. and Lucca, D.O., 2016. Parsing the content of bank supervision.
* Gomes, T. and Khan, N., 2011. Strengthening bank management of liquidity risk: The Basel III liquidity standards. Bank of Canada Financial System Review, 5, pp.35-42.
* Goyfman, E., 2013. Let's Be Frank: Are the Proposed US Rules Based on Basel III an Adequate Response to the Financial Debacle. Fordham Int'l LJ, 36, p.1062.
* Grove, H., Patelli, L., Victoravich, L.M. and Xu, P., 2011. Corporate governance and performance in the wake of the financial crisis: Evidence from US commercial banks. *Corporate Governance: An International Review*, *19*(5), pp.418-436.
* Guest, G., Bunce, A. and Johnson, L., 2006. How many interviews are enough? An experiment with Hennink, M.M., Kaiser, B.N. and Marconi, V.C., 2017. Code saturation

versus meaning saturation: How many interviews are enough? Qualitative health research, 27(4), pp.591-608data saturation and variability. Field methods, 18(1), pp.59-82

- Guercini, S., 2014. New qualitative research methodologies in management. *Management Decision*, *52*(4), pp.662-674.
- Gullick, J. and West, S., 2012. Uncovering the common ground in qualitative inquiry. International journal of health care quality assurance.
- Gumede, W., Monyae, D. and Motshidi, K., 2012. An African Diaspora Bond for Infrastructure Development: Lessons Learnt from India, Israel and Islamic Bonds. Development Bank of Southern Africa Policy Brief, (6).
- Gummesson, E. (2007). Case study research and network theory: Birds of a feather.Qualitative Research in Organizations and Management, 2(3), 226.
- Gummi, U.M., Financial Regulations and Nigeria's Banking Sector. Journal of Research in Business and Management Volume 3 ~ Issue 11(2015) pp: 05-13
- Gupta, R. and Bhat, A.K., 2014. How Successful Is the Indian Banking System in Upgrading to Basel III? -Some Exploratory Evidence. IUP Journal of Bank Management, 13(4).
- Haggerty, K.D., 2004. Ethics creep: Governing social science research in the name of ethics: qualitative Sociology, 27(4), pp.391-414.
- Hakenes, H. and Schnabel, I., 2014. Regulatory capture by sophistication.
- Köster, H. and Pelster, M., 2017. Financial penalties and bank performance. *Journal of Banking & Finance*, *79*, pp.57-73.

- Helm, M., 2000. The spectrum of qualitative research: the use of documentary evidence.
- Hill, C.E., Knox, S., Thompson, B.J., Williams, E.N., Hess, S.A. and Ladany, N., 2005. Consensual qualitative research: An update. Journal of counselling psychology, 52(2), p.196.
- Hochschild, J.L., 2009. Conducting intensive interviews and elite interviews. In Workshop on interdisciplinary standards for systematic qualitative research. National Science Foundation.
- Hofbauer, G., Klimontowicz, M. and Nocoń, A., 2016. Basel III equity requirements and a contemporary rating approach. Copernican Journal of Finance & Accounting, 5(1), pp.91-105
- Hofer, B.K. and Pintrich, P.R., 1997. The development of epistemological theories: Beliefs about knowledge and knowing and their relation to learning. *Review of educational research*, *67*(1), pp.88-140.
- Houston, R. and Ferris, S., 2015. Does the revolving door swing both ways? The value of political connections to US firms. Managerial Finance, 41(10), pp. 1002-1031.
- Hudson, L., and Ozanne, J. (1988). Alternative Ways of Seeking Knowledge in Consumer Research. *Journal of Consumer Research*, 14(4), 508–521
- Huse, M., Hoskisson, R., Zattoni, A. and Viganò, R., 2011. New perspectives on board research: Changing the research agenda. *Journal of Management & Governance*, *15*(1), pp.5-28.
- Hussain, M.A., Elyas, T. and Nasseef, O.A., 2013. Research paradigms: A slippery slope for fresh researchers. *Life Science Journal*, *10*(4), pp.237

- Idolor, E.J. and Braimah, A., 2015. CORPORATE GOVERNANCE AND AGENCY BEHAVIOUR: METHODOLOGICAL ANALYSIS OF THE'ANNOUNCEMENT EFFECT OF CORPORATE GOVERNANCE FAILURES'ON NIGERIAN STOCK MARKET PRICES. Journal of Financial Management & Analysis, 28(2).
- Iftikhar, M., 2016. Impact of credit risk management on the financial performance of commercial banks of Pakistan. University of Haripur Journal of Management (UOHJM), 1(2), pp.110-124.
- Igan, D.O. and Lambert, T., 2019. Bank lobbying: regulatory capture and beyond (No. 19/171). International Monetary Fund.
- Igbinosa, S., Sunday, O. and Babatunde, A., 2017. Empirical Assessment on Financial Regulations and Banking Sector Performance. *Journal of Central Banking Theory and Practice*, *6*(3), pp.143-155.
- Ikpefan, O.A., 2012. Bank capitalization and performance in the Nigerian banking industry (1986-2006): empirical evidence. European Journal of Accounting Auditing and Finance Research, 1(4), pp.12-32.
- Ikpefan, O.A. and Ojeka, S., 2013. Corporate governance as a tool for curbing bank distress in Nigeria deposit money bank: Empirical evidence. Change and Leadership, (17), pp.22-38.
- Irvine, H. and Gaffikin, M., 2006. Getting in, getting on and getting out: reflections on a qualitative research project. *Accounting, Auditing & Accountability Journal*, *19*(1), pp.115-145.4-2381.

- Imran, M. and Tanveer, A., 2015. Impact of training & development on employees' performance in banks of Pakistan. *European journal of training and development studies*, *3*(1), pp.22-44.

- Ingves, S., 2014, May. Global liquidity regulation, supervision and risk management. In Keynote address to the DNB seminar "Liquidity risk management–the LCR and beyond", Amsterdam (Vol. 15).

- Itsede, C.C., 2008. The challenges of good corporate governance for effective risk-based banking supervision.

- Jack, E.P. and Raturi, A.S., 2006. Lessons learned from methodological triangulation in management research. *Management research news*.

- Jakada, B.A. and Inusa, A., 2014. Corporate governance: A strategic tool for survival in the Nigerian banking sector. *Journal of Economic Development, Management, IT, Finance, and Marketing*, *6*(2),

- Jaja, S.A., Gabriel, J.M.O. And Wobodo, C.C., 2019. Organizational isomorphism: The quest for survival. Noble International Journal of Business and Management Research, 3(5), pp.86-94.

- Jones, E. and Zeitz, A.O., 2017. The limits of globalizing Basel banking standards. Journal of financial regulation, 3(1), pp.89-124.

- Jonsen, K., & Jehn, K. A. (2009). Using triangulation to validate themes in qualitative studies. Qualitative Research in Organizations and Management, 4(2), 123-150

- Julca, A., 2012. Can remittances support development finance in developing countries? World Economic and Social Survey.
- Haggerty, K.D., 2004. Ethics creep: Governing social science research in the name of ethics: q*ualitative Sociology*, *27*(4), pp.391-414.
- Hakenes, Hendrik & Schnabel, Isabel, 2014. "Regulatory Capture by Sophistication CEPR Discussion Papers 10100," 10100, C.E.P.R.
- Halamka, R. and Teplý, P., 2017. The effect of ethics on banks' financial performance. Prague Economic Papers, 3, pp.330-344.
- Handorf, W.C., 2014. The cost of bank liquidity. Journal of Banking Regulation, 15(1), pp.1-13.
- Haniffa, R. and Hudaib, M (2006) "Corporate Governance Structure and Performance Malaysian Listed Companies. Journal of Business Finance and Accounting 33 (7-8) pp. 1034-1062 cited in Akinkoye, E. Y., & Olasanmi, O. O. (2014). Corporate governance practice and level of compliance among firms in Nigeria: Industry analysis. Journal of Business and Retail Management Research, 09(1).
- Hannabuss, S. (1996). Research interviews. New Library World, 97(1129), 22.
- Harvey, W.S., 2010. Methodological approaches for interviewing elites. Geography Compass, 4(3), pp.193-205.
- Harvey WS. Methodological approaches for interviewing elites. Geography Compass. 2010 Mar;4(3):193-205.
- Harvey, W.S., 2011. Strategies for conducting elite interviews. Qualitative research, 11(4), pp.431-441.

- Haslinda, A and Benedict, V. (2009). Fundamental and Ethics Theories of Corporate Governance. Middle Eastern Finance and Economics.
- Henk, t. B., & Jan, v. H. (2012). The practical relevance of management accounting research and the role of qualitative methods therein. Qualitative Research in Accounting and Management, 9(3), 265-273.
- Hennink, M.M., Kaiser, B.N. and Marconi, V.C., 2017. Code saturation versus meaning saturation: How many interviews are enough? *Qualitative health research*, *27*(4), pp.591-608
- Hiebl, M.R., 2015. Agency and stewardship attitudes of chief financial officers in private companies. Qualitative Research in Financial Markets.
- Hlatshwayo, L.N., Petersen, M., Petersen, J.M. and Gideon, F., 2013. Basel III, liquidity and bank failure. Banks & bank systems, (8, Iss. 2), pp.8-24.
- Hong, S. and Kim, T.K., 2017. Regulatory capture in agency performance evaluation: industry expertise versus revolving-door lobbying. Public Choice, 171(1-2), pp.167-186.
- Howard, C (2014). Basel 111's Corporate Governance Impact: How Increased Banking Regulations Pose Challenges to Corporate Compliance While Simultaneously Furthering Stakeholder Objectives. Journal of Business Systems, Governance & Ethics 9(1), 39-49
- Hung, H., 2011. Directors' roles in corporate social responsibility: A stakeholder perspective. *Journal of Business Ethics*, *103*(3), pp.385-402.
- Hurley, R., Gong, X., & Waqar, A. (2014). Understanding the loss of trust in large banks. *The International Journal of Bank Marketing, 32*(5), 348-366.

- Ifeanyi, O. E., Oge, M. G., & Gozie, A. C. (2016). EFFECTIVE STAKEHOLDERS MANAGEMENT IN BANKING INDUSTRIES. *International Journal of Information, Business and Management, 8*(3), 112-120.
- Imeokparia, L. (2013). Corporate governance and financial reporting in the Nigerian banking sector: An empirical study. Asian Economic and Financial Review, 3(8), 1083
- RICES. Journal of Financial Management & Analysis, 28(2), 21-34).
- Imran, M., Maqbool, N. and Shafique, H., 2014. Impact of technological advancement on employee performance in the banking sector. International Journal of Human Resource Studies, 4(1), p.57.
- Inyang, B. J. (2009). Nurturing Corporate Governance System: The Emerging Trends in Nigeria. Journal of Business Systems, Governance and Ethics, 4(2), 1-13.
- Iyoha, F.O. and Owolabi, A., 2012. Linking Accounting/Auditing Environment and the Remittances of Africans in Diaspora. Journal of Modern Accounting and Auditing, 8(6), pp.764-773.
- Jack, E. P., & Raturi, A. S. (2006). Lessons learned from methodological triangulation in management research. Management Research News, 29(6), 345.
- Jacob, N.A., 2018. Competency Mapping of Employees in the Banking Sector. *De Paul Journal of Scientific Research*, *5*(1), pp.43-52.
- Jakada, B. A., & Inusa, A. (2014). Corporate governance: A strategic tool for survival in the Nigerian banking sector. Journal of Economic Development, Management, IT, Finance, and Marketing, 6(2), 48-56.

- Jayadev, M. (2013). Basel 111 implementation: issues and challenges for Indian banks. IIMB management review, 25,115-130
- Jonsen, K., & Jehn, K. A. (2009). Using triangulation to validate themes in qualitative studies. Qualitative Research in Organizations and Management, 4(2), 123-1ekende, L.A., 2015. The Relevance of Global Reform of Bank Regulation: A Perspective from Africa. Journal of African Development, 17(2), pp.1-18.
- Kaiser, K., 2009. Protecting respondent confidentiality in qualitative research. *Qualitative health research*, *19*(11), pp.1632-1641.
- Kalu, F.A. and Bwalya, J.C., 2017. What makes qualitative research good research? An exploratory analysis of critical elements. *International Journal of Social Science Research*, *5*(2), pp.43-56.
- Kasekende, L., Bagyenda, J. and Brownbridge, M., 2012. Basel III and the global reform of financial regulation: how should Africa respond? A bank regulator's perspective. Bank of Uganda mimeo.
- Kapoor, S. and Kaur, M., 2017. Basel III norms: a SWOT and TOWS approach. Vision, 21(3), pp.250-258.
- Kama, U. and Chuku, I., (2009), The corporate governance of banks in Nigeria: how effective are the Boards of Directors. African Economic Research Consortium.
- Keefe, B. and Pfleiderer, A., 2012. Basel III: what it means for the global banking system. Banking & Finance Law Review, 27(3), p.407.

- Kemegue, F., Owusu-Sekyere, E. and van Eyden, R., 2011. What drives remittance inflows to Sub-Saharan Africa? A dynamic panel approaches. Unpublished manuscript.
- Kern,A, 2006. Corporate governance and banks: The role of regulation in reducing the principal-agent problem. Journal of Banking Regulation, 7(1-2), pp.17-40.
- Kerr, C. (2010). Assessing and demonstrating data saturation in qualitative inquiry supporting patient-reported outcomes research. *Expert Review of Pharmacoeconomics & Outcomes Research, 10*(3), 269-81.
- Ketkar, S.L. and Ratha, D., 2010. Diaspora bonds: Tapping the diaspora during difficult times. Journal of International Commerce, Economics and Policy, 1(02), pp.251-263.
- Khurshid, M.A., Aldakhil, A.M., Abro, M.M.Q., Aamir, A. and Malik, O.M., 2015. The rise of corporate social responsibility: A tool for sustainable development for the SMEs in Saudi Arabia. *International Journal of Business and Management*, *11*(1), p.54.
- King, P. and Tarbert, H., 2011. Basel III: an overview. Banking & Financial Services Policy Report, 30(5), pp.1-18.
- Kivunja, C. and Kuyini, A.B., 2017. Understanding and Applying Research Paradigms in Educational Contexts. *International Journal of Higher Education*, *6*(5), pp.26-41.
- Klepczarek, E., 2017. The importance of the board of directors. Lessons from Lehman's failure. Ekonomia i Prawo. Economics and Law, 16(1), pp.59-73.
- Klomp, J. and de Haan, J., 2014. Bank regulation, the quality of institutions, and banking risk in emerging and developing countries: an empirical analysis. *Emerging Markets Finance and Trade*, *50*(6), pp.19-40

- Kowalik, M., 2011. Countercyclical capital regulation: should bank regulators use rules or discretion? Federal Reserve Bank of Kansas City Economic Review, 2, pp.59-80.
- Krueger, R.A. and Casey, M.A., 2002. Designing and conducting focus group interviews. Social analysis, selected tools and techniques, 4(23), pp.4-2
- Krause, R., Semadeni, M. and Cannella Jr, A.A., 2014. CEO duality: A review and research agenda. *Journal of Management*, *40*(1), pp.256-286.
- Kultys, J. (2016). Controversies about agency theory as a theoretical basis for corporate governance. Oeconomia Copernicana, 7(4), 613-634.)
- Kupiec, P., Lee, Y. and Rosenfeld, C., 2017. Does bank supervision impact bank loan growth? *Journal of Financial Stability*, *28*, pp.29-48.
- Kuvalekar, S.V., 2016. Basel Accords and their Implications on Banking Business. Vinimaya, 37(3), p.15.
- Kwanbo, M.L. and Abdul-Qadir, A.B., 2013. Board composition, executive duality and performance of banks in the post-consolidation era in Nigeria. International Journal of Academic Research in Economics and Management Sciences, 2(1), p.109.
- Laeven, L., 2013. Corporate governance: what's special about banks? *Annu. Rev. Financ. Econ.*, *5*(1), pp.63-92.
- Lancaster, K., 2017. Confidentiality, anonymity and power relations in elite interviewing: conducting qualitative policy research in a politicised domain. International Journal of Social Research Methodology, 20(1), pp.93-103.

- Landiyanto, E.A., 2018. Research in Development Studies: Philosophy, Methods and Rigor.

- Lazarides, T., & Drimpetas, E. (2010). Corporate governance regulatory convergence: A remedy for the wrong problem.International Journal of Law and Management, 52(3), 182-192.

- Leach, L.F., Kalinowski, K.E., Onwuegbuzie, A.J., Leach, J.L. and Benedict, L.P., 2015. Implementing electronic informed consent in educational research: benefits and barriers. *International Journal of Multiple Research Approaches*, *9*(1), pp.87-99.

- Lee, B., Collier, P.M. and Cullen, J., 2007. Reflections on the use of case studies in the accounting, management and organizational disciplines. *Qualitative Research in Organizations and Management: An International Journal*, *2*(3), pp.169-178.

- Lee, E., 2014. The Soft Law Nature of Basel III and International Financial Regulations. Journal of International Banking Law and Regulation, 29(10), pp.603-612.

- Lee, G. and Fargher, N., 2013. Companies' use of whistle-blowing to detect fraud: An examination of corporate whistle-blowing policies. *Journal of business ethics*, *114*(2), pp.283-295.

- Lenssen, J., Dentchev, N., A., & Roger, L. (2014). Sustainability, risk management and governance: Towards an integrative approach. Corporate Governance, 14(5), 670.

- Leuffen, D., 2006. Bienvenue or access denied? Recruiting French political elites for in-depth interviews. French Politics, 4(3), pp.342-347.

- Li, B., Xiong, W., Chen, L. and Wang, Y., 2017. The impact of the liquidity coverage ratio on money creation: A stock-flow based dynamic approach. Economic Modelling, 67, pp.193-202
- Lin-Hi, N. and Blumberg, I., 2011. The relationship between corporate governance, global governance, and sustainable profits: Lessons learned from BP. *Corporate Governance: The international journal of business in society*, *11*(5), pp.571-584.
- Littig, B., 2009. Interviewing the elite—interviewing experts: is there a difference? In Interviewing experts (pp. 98-113). Palgrave Macmillan, London.
- Lipunga, A. M. (2014). Corporate governance practices in the commercial banking sector of Malawi: Evidence from annual reports. Journal of Applied Finance and Banking, 4(5), 115-133.
- Liu, X., 2018. Interviewing elites: Methodological issues confronting a novice. International Journal of Qualitative Methods, 17(1), p.1609406918770323.
- Lord, R., Bolton, N., Fleming, S. and Anderson, M., 2016. Researching a segmented market: Reflections on telephone interviewing. Management Research Review.
- Lucca, D., Seru, A. and Trebbi, F., 2014. The revolving door and worker flows in banking regulation—Journal of Monetary Economics, 65, pp.17-32.
- Lyngen, N., 2012. Basel III: dynamics of state implementation. Harv. Int'l LJ, 53, p.519.
- Madhani, P.M., 2017. Diverse roles of corporate board: Review of various corporate governance theories. *The IUP Journal of Corporate Governance*, *16*(2), pp.7-28.
- Madzova, V., 2012. Can Basel III Prevent Future Financial Crisis?

- Maguire, M. and Delahunt, B., 2017. Doing a thematic analysis: A practical, step-by-step guide for learning and teaching scholars. AISHE-J: The All Ireland Journal of Teaching and Learning in Higher Education, 9(3).
- Maroun, W. and Van Zijl, W., 2016. Isomorphism and resistance in implementing IFRS 10 and IFRS 12. *The British Accounting Review*, *48*(2), pp.220-239.
- Malterud, K., Siersma, V.D. and Guassora, A.D., 2016. Sample size in qualitative interview studies: guided by information power. Qualitative health research, 26(13), pp.1753-1760
- Malthus, S. and Fowler, C., 2009. Perceptions of accounting: a qualitative New Zealand study. *Pacific Accounting Review*, *21*(1), pp.26-47
- Mande, B., Ishak, Z. and Idris, K., 2014. Enforcement Structure Enhance Board Performance in a Developing Economy. *Journal of Marketing & Management*, *5*(1).
- Manini, M.M. and Abdillahi, U.A., 2015. Corporate Governance Mechanisms and Financial Performance of Commercial Banks in Kenya. *OSR Journal of Business and Management*, *17*(3), pp.25-40
- Maramwidze-Merrison, E., 2016. Innovative Methodologies in Qualitative Research: Social Media Window for Accessing Organisational Elites for interviews. Electronic Journal of Business Research Methods, 14(2)..
- Mason, M., 2010, August. Sample size and saturation in PhD studies using qualitative interviews. In *Forum Qualitative Sozialforschung/Forum: qualitative social research* (Vol. 11, No. 3).

- Marie L'Huillier, B. (2014). What does "corporate governance" actually mean? Corporate Governance, 14(3), 300.
- Marshall, B., Cardon, P., Poddar, A. and Fontenot, R., 2013. Does sample size matter in qualitative research? A review of qualitative interviews in IS research. *Journal of computer information systems*, *54*(1), pp.11-22.
- Marshall J, B (2015). Corporate Governance Practices: An Overview of The Evolution of The Corporate Governance Codes in Nigeria. International Journal of Business & Law Research 3(3)
- Maruf, CH., 2011. Ethical issues as a competitive advantage for bank management. Humanomics.
- Mashamba, T., 2018. THE EFFECTS OF BASEL III LIQUIDITY REGULATIONS ON BANKS'PROFITABILITY.
- Matherne, Curtis F., III. (2015). Stewardship governance: Fostering ethical work climates and covenantal relationships. Journal of Leadership, Accountability and Ethics, 12(1), 52-62.
- McDonnell, B.H., 2013. Designing countercyclical capital buffers. NC Banking Inst., 18, p.123.
- McNulty, T., Zattoni, A., & Douglas, T. (2013). Developing corporate governance research through qualitative methods: A review of previous studies. Corporate Governance: An International Review, 21(2), 183-198.
- McManus, P., Mulhall, S., Ragab, M. and Arisha, A., 2017, June. An Investigation in the Methodological Approaches used in Doctoral Business Research in Ireland. In *ECRM*

2017 16th European Conference on Research Methods in Business and Management (p. 233). Academic Conferences and publishing limited.4

- Mehran, H., Morrison, A.D. and Shapiro, J.D., 2011. Corporate governance and banks: What have we learned from the financial crisis? FRB of New York Staff Report, (502).
- Mellinger, M. and Chau, M., 2010. Conducting focus groups with library staff: best practices and participant perceptions. *Library Management*, *31*(4/5), pp.267-278.
- Mittal, P., 2011. The Role of Independent Directors in Corporate Governance. NUJS L. Rev., 4, p.285.
- Miller, T. and Boulton, M., 2007. Changing constructions of informed consent: Qualitative research and complex social worlds. *Social science & medicine*, *65*(11), pp.2199-2211
- Miller, D. and Dinan, W., 2009. Revolving doors, accountability and transparency-emerging regulatory concerns and policy solutions in the financial crisis.
- Millstein, I.M., 1998. Corporate governance: improving competitiveness and access to capital in global markets: a report to the OECD. OECD Publishing.
- Minassian, G. (2013). Bulgarian banking: Looking for sustainability. Contemporary Economics, 7(3).
- Mishkin, F.S., 2001. Financial policies and the prevention of financial crises in emerging market economies. The World Bank.

- Mitnick, B M,(2008),” Assurance and Reassurances: The Role of the Board “, Paper Prepared for the Conference on Corporate Boards: Managers of Risks, Sources of Risk, Centre for Integrated Risk Management and Corporate Governance, Loyola University, Chicago, April 16-17,2008
- Modupe, A.F., 2018. Nigeria Diaspora’s Contributions to National Development: A Political Economy Approach.
- Mogalakwe, M., 2006. The use of documentary research methods in social research.
- Mohajan, H.K., 2018. Qualitative research methodology in social sciences and related subjects. *Journal of Economic Development, Environment and People*, *7*(1), pp.23-48.
- Moon, K. and Blackman, D., 2014. A guide to understanding social science research for natural scientists. *Conservation Biology*, *28*(5), pp.1167-1177.
- Moosa, I. (2010). The Myth of Too Big to Fail. Journal of Banking Regulation Vol .11(4) 319-333
- Morse, J.M., Barrett, M., Mayan, M., Olson, K. and Spiers, J., 2002. Verification strategies for establishing reliability and validity in qualitative research. International journal of qualitative methods, 1(2), pp.13-22.
- Morse, Y.L., 2019. Elite interviews in the developing world: finding anchors in weak institutional environments. Qualitative Research, 19(3), pp.277-291.
- Mpinganjira, M., Roberts-Lombard, M., Wood, G. and Svensson, G., 2016. Embedding the ethos of codes of ethics into corporate South Africa: current status. European Business Review.

- Muhamad, H., Salleh, A. and Kasim, N.A.A., 2019. The Influence of Ontological and Epistemological Stance on Educators' View towards Human Governance. Journal of Academic Research in Progressive Education and Development, 8(4), pp.278-300.
- Mülbert, P.O., 2009. Corporate governance of banks. *European Business Organization Law Review (EBOR)*, *10*(3), pp.411-436.
- Mustilli, M., Campanella, F. and D'Angelo, E., 2017. Basel III and Credit Crunch: An empirical test with a focus on Europe. Journal of Applied Finance and Banking, 7(3), p.47.
- Mynhardt, R.H. and Marx, J., 2018. Internal capital adequacy process: A framework for participating banks from east and west African countries. Journal of Economic and Financial Sciences, 11(1), pp.1-10.
- Nabi, M.S. and Souissi, S.B., 2013. Information misreporting in the credit market: Analysis of a credit bureau's disciplinary role. *Comparative Economic Studies*, *55*(1), pp.145-166.
- Nahar, S., Jubb, C. and Azim, M.I., 2016. Risk governance and performance: a developing country perspective. *Managerial Auditing Journal*.
- Nakpodia, F., Adegbite, E., Amaeshi, K. and Owolabi, A., 2018. Neither principles nor rules: Making corporate governance work in Sub-Saharan Africa. Journal of Business Ethics, 151(2), pp.391-408.
- NDIC, https://ndic.gov.ng/management-directors-of-failed-skye-bank-under-investigation-ndic/

- Ng, J. and Rusticus, T.O., 2011. Banks' Survival during the Financial Crisis: The Role of Financial Reporting Transparency. *SSRN eLibrary*.
- Nilsson, V., Nordstrom, J. and Bredmar, K., 2014. The Need for Liquidity and the Capital Structure of Swedish Banks Following the Financial Crisis. International Journal of Finance & Banking Studies (2147-4486), 3(2), pp.10-27.
- Ntim, CG (2018). Defining Corporate Governance: Shareholder versus Stakeholder Models', in "Global Encyclopedia of Public Administration, Public Policy and Governance", Springer, USA.
- Nordberg, D. (2008) "The ethics of corporate governance," Journal of General Management, 33(4), pp. 35-52
- Novick, G., 2008. Is there a bias against telephone interviews in qualitative research? Research in nursing & health, 31(4), pp.391-398
- Nowell, L.S., Norris, J.M., White, D.E. and Moules, N.J., 2017. Thematic analysis: Striving to meet the trustworthiness criteria. International Journal of Qualitative Methods, 16(1), p.1609406917733847.
- Nnanna, U.J., 2014. An Analysis of Corporate Governance in the Nigerian Banking Industry: The Role of Ethics. Journal of Social Economics, 1(3), pp.115-123.
- Nordberg, D., 2008. The ethics of corporate governance. *Journal of General Management*, *33*(4), pp.35-52.
- Novick, G., 2008. Is there a bias against telephone interviews in qualitative research? *Research in nursing & health*, *31*(4), pp.391-398.

- Nowell, L.S., Norris, J.M., White, D.E. and Moules, N.J., 2017. Thematic analysis: Striving to meet the trustworthiness criteria. *International Journal of Qualitative Methods*, *16*(1), p.1609406917733847.
- Ntim, C.G., 2018. Defining Corporate Governance: Shareholder Versus Stakeholder Models. *Ntim, CG (2018). Defining Corporate Governance: Shareholder versus Stakeholder Models', in "Global Encyclopedia of Public Administration, Public Policy and Governance", Springer, USA*.
- Ntim, C.G., Lindop, S. and Thomas, D.A., 2013. Corporate governance and risk reporting in South Africa: A study of corporate risk disclosures in the pre-and post-2007/2008 global financial crisis periods. *International Review of Financial Analysis*, *30*, pp.363-383.
- Ntounis, N.F., Lloveras, J. and Parker, C., 2017. A Review Of Epistemological Issues And Philosophical Positions For The Development Of Theory In Place Marketing.
- Nwadinobi, E.C. and Peart, A., 2018. E-government Development in Nigeria, Bank Verification No (BVN) an Anti-Corruption Tool (No. 29). EasyChair.
- Nwoke, U., 2019. Whistleblowing as a corporate governance mechanism: South Africa and Nigeria in perspective. *Journal of Corporate Law Studies*, *19*(2), pp.421-450.
- Nworji,I . Adebayo, O.&Olanrewaju.A (2011) "Corporate Governance and Bank Failure in Nigeria: Issues, Challenges and Opportunities.". Research Journal of Finance and Accounting

  Vol 2, No 2,

- Nudzor, H.P., 2013. Interviewing Ghanaian educational elites: Strategies for access, commitment, and engagement. International Journal of Qualitative Methods, 12(1), pp.606-623.
- Oates, G. and Dias, R., 2016. Including ethics in banking and finance programs: teaching "we shouldn't win at any cost"—education + Training.
- Obasan, K(2014), Impact of Corporate Governance on Organizational Profitability Fountain Journal of Management and Social Sciences: 3(2) 11-22.
- Obilade, O. and Akpomuje, P., 2017. The Need for Lifelong Learning In Nigeria's Banking Industry. *Teaching in Lifelong Learning*, *8*(1).
- Ochieng, J., 2012. Value and importance of informed consent to researchers at Makerere University.
- O'Day, B., & Killeen, M. (2002). Research on the lives of persons with disabilities: The emerging importance of qualitative research methodologies. Journal of Disability Policy Studies, 13(1), 9-15.
- Odeleye, A.T., 2014. Pre-consolidation and post-consolidation of Nigerian banking sector: A dynamic comparison. International journal of economics and financial issues, 4(1), pp.27-34.
- Odusola, A., 2008. Monetary policy, risk-based supervision and financial sector developments: international experience.
- OECD, O., 2004. The OECD principles of corporate governance. Contaduría y Administración, (216).

- Ogbechie, C and Koufopoulos, D. N. (2010) “Board Effectiveness in the Nigerian Banking Industry”, January 28, 2010Lagos Business School Working Paper Series, January 28, 2010.

- Ogbo, A.I., Okechukwu, I. and Ukpere, W.I., 2013. Business ethics as a tool for competitive advantage in the banking industry in Nigeria. Journal of Social Sciences, 35(1), pp.23-32.

- Ogechukwu, A.D., 2013. The current ethical challenges in the Nigerian commercial banking sector. Global Journal of Management and Business Research.

- Ogege, S (2014,).” Corporate Governance and Financial Performance of Banks: Evidence from Nigeria”. Hyperion Economic Journal 11, No2(2)

- Ojeka, S., Fakile, A.S., Iyoha, F.O., Adegboye, F.B. and Olokoyo, F.O., 2019. Does CEOs Power Moderate the Effect of Audit Committee Objectivity on Financial Reporting Quality in the Nigerian Banking Sector? Academy of Strategic Management Journal, 18(2).

  Ojeka, S., Iyoha, F. &Ikpefan, A.(2014) .” CEOs Removal and Bailed Out Banks in Nigeria: Does the Absence of Good Corporate Governance Practices Responsible? Euro-Asian Journal of Economics and Finance,2(4),418-430

- Ojo, M., 2010. Basel III and responding to the recent Financial Crisis: progress made by the Basel Committee in relation to the need for increased bank capital and increased quality of loss-absorbing capital.

- Okafor, E.E., 2013. Reforms in the Nigerian banking sector and strategies for managing human resource challenges. European Journal of Business and Management, 5(18), pp.127-137.

- Okeahalam, C. C., and Akinboade, O. A. (2003, June). A review of corporate governance in Africa: Literature, issues and challenges. In global corporate governance forum (Vol. 15, pp. 1-34).
- O'Keefe, J.P. and Yom, C., 2017. Offsite Detection of Insider Abuse and Bank Fraud among US Failed Banks 1989-2015. *Available at SSRN 3013174*.
- Okike, E.N.M (2007) Corporate Governance in Nigeria; The status quo, Corporate Governance, An International Review, 15(2). pp .163-193
- Okike, E. and Adegbite, E., 2012. The code of corporate governance in Nigeria: Efficiency gains or social legitimation. Corporate Ownership and Control, 95(3), pp.262-275.
- Okoye, N., 2016. The Central Bank of Nigeria competency framework for the Nigerian banking industry: a case of" near" adequacy. *Journal of International Banking Law and Regulation*, *31*(1), pp.44-51.
- Okpara, G.C., 2009. A synthesis of the critical factors affecting the performance of the Nigerian banking system. European Journal of Economics, Finance and Administrative Sciences, 17, pp.34-44.
- Okpara, J. O. (2011). Corporate governance in a developing economy: Barriers, issues, and implications for firms. Corporate Governance, 11(2), 184-199. DOI: http://dx.doi.org/10.1108/14720701111121056ha.
- Okpara, J. O., & Kabongo, J. D. (2010). Corporate governance in a developing economy: A study of barriers and issues in Nigeria. S.A.M.Advanced Management Journal, 75(3), 41-51,3.

- Olagunju, A., & Oluwa, T. M. (2012). Corporate governance and performance of money deposit banks in Nigeria. Paper presented at the, 3(1) 333-342 London: The Academy of Business and Retail Management (ABRM).
- Olamide, O., Uwalomwa, U. and Ranti, U.O., 2015. The Effect of Risk Management on Bank's Financial Performance in Nigeria. Journal of Accounting and Auditing, 2015, p.1.
- Olawoyin, B.S., 2014. Corporate governance in Nigeria: the ethical and behavioural imperatives. In International Conference on Arts, Economics and Management (ICAEM'14) March (pp. 22-23).
- O'Leary, Z. (2004). The essential guide to doing research. London: Sage.
- Oltmann, S., 2016, May. Qualitative interviews: A methodological discussion of the interviewer and respondent contexts. In Forum Qualitative Sozialforschung/Forum: Qualitative Social Research (Vol. 17, No. 2).
- Olokoyo, F.O., 2013. Bank reforms and performance of banks in Nigeria. International Journal of Education and Research, 1(9).
- Olowa, O.W. and Awoyemi, T.T., 2012. Determinants of migration and remittances in rural Nigeria. Journal of development and agricultural economics, 4(7), pp.191-198
- Olowe, R.A., 2011. The impact of the 2004 bank capital announcement on the Nigerian stock market. African Journal of Economic and Management Studies.
- Olubiyi, E.A. and Kehinde, K.O., 2015. Does Exchange Rate Affect Remittances in Nigeria? The Review of Finance and Banking, 7(1).
- Oluduro, O.F., 2015. History and evolution of banking in Nigeria. ACADEM ARENA, pp.9-14.

- Olujobi, O.J., Adeniji, A.A., Oyewunmi, O.A. and Oyewunmi, A.E., 2018. Commercial Dispute Resolution: Has Arbitration Transformed Nigeria's Legal Landscape? *Journal of Advanced Research in Law and Economics*, *9*(1 (31)), pp.204-209.
- Olusanya, O & Oluwasanya, A. (2014) Effect of Corporate Governance on the Survival and Sustainability of Banks in Nigeria, American Journal of Engineering Research: 3(2) 73-83.
- Omoregie, K. and Kelikume, I., 2019. Executive Compensation and Insurance Sector Performance: Evidence from Nigeria. International Journal of Economics and Financial Issues, 9(2), pp.277-283
- Oni, S.A., 2012. Regulation and Supervision of Financial Institutions-The Nigerian Experience.
- Onwuegbuzie, A.J., Dickinson, W.B., Leech, N.L. and Zoran, A.G., 2009. A qualitative framework for collecting and analyzing data in focus group research. *International journal of qualitative methods*, *8*(3), pp.1-21.
- Onwuegbuzie, A. J., & Leech, N. L. (2007). A call for qualitative power analyses.*Quality and Quantity, 41*(1), 105-121.
- Onyekwelu, U.L. and Onyeka, V.N., 2014. Financial risk management: A review of the role of the central bank of Nigeria. Research Journal of Finance and Accounting, 5(5), pp.40-52.
- Ooghe, H., & De Langhe, T. (2002). The Anglo-American versus the continental European corporate governance model: Empirical evidence of board composition in Belgium. European Business Review, 14(6), 437-449.

- Opdenakker, R., 2006, September. Advantages and disadvantages of four interview techniques in qualitative research. In Forum qualitative Sozialforschung/forum: Qualitative social research (Vol. 7, No. 4).
- Oppong, S.H., 2013. The problem of sampling in qualitative research. *Asian journal of management sciences and education*, *2*(2), pp.202-210.
- Oppong, S., 2014. A critique of the philosophical underpinnings of mainstream social science research. Academicus International Scientific Journal, (10), pp.242-254.
- Ordu, L.2017. Government Involvement in the Enforcement of Corporate Governance in the Nigerian Banking Sector
- Osazuwa, N.P., Ahmad, A. and Che-Adam, N. (2016), Financial performance in Nigerian quoted companies: the influence of political connection and governance mechanisms, International Journal of Economics and Financial Issues, Vol. 6, pp. 137-142.
- Osemeke, L., & Adegbite, E. (2016). Regulatory multiplicity and conflict: Towards a combined code on corporate governance in Nigeria. Journal of Business Ethics, 133(3), 431-451. DOI: http://dx.doi.org/10.1007/s10551-014-2405-3
- Oshota, S.O. and Badejo, A.A., 2014. The Impact of Remittances on Economic Growth in Nigeria: An Error Correction Modeling Approach. Zagreb International Review of Economics & Business, 17(2), p.21.
- Osinubi, O. and Nnamdi, D., 2015. The Role of the Judiciary in Resolving Banking Disputes in Nigeria. Available at SSRN 2682682.
- Osuji, O., 2012. Asset management companies, non-performing loans and systemic crisis: A developing country perspective. *Journal of Banking Regulation, 13*(2), 147-170.

- Owolabi, S.A. and Ogunlalu, A.E., 2013. Banking industry consolidation and financial performance of selected quoted banks in Nigeria. Journal of applied finance and banking, 3(3), p.219.
- Ouma, C.A., 2017. Ethical leadership and organizational culture: Literature perspective
- Oyewunmi, O.A., Olusanmi, O., Olujobi, O.J. and Adegboye, F., 2017. Corporate Regulation of Unethical Practices: Assessment of Nigeria's Commercial Banking Industry. *International Journal of Economics and Financial Issues*, *7*(2), pp.551-555
- Oyerinde, A. A. (2014). Corporate governance and bank performance in nigeria: Further evidence from Nigeria. International Journal of Business and Management, 9(8), 133-139. Oyewole, T.G. and Adegoke, J.A., 2018. Prevention of Bank Failure in Nigeria through Strategic Internal Reforms. World Journal of Finance and Investment Research, 3(1), pp.41-47
- Oyewunmi, O.A., Olusanmi, O., Olujobi, O.J. and Adegboye, F., 2017. Corporate Regulation of Unethical Practices: Assessment of Nigeria's Commercial Banking Industry. International Journal of Economics and Financial Issues, 7(2), pp.551-555.
- Pacho, T., 2015. Exploring participants' experiences using the case study. *International Journal of Humanities and Social Science*, *5*(4), pp.44-53.
- Pagliari, S., 2012. How can we mitigate capture in financial regulation?
- Pai, K. and Tolleson, T.D., 2012. The capture of government regulators by the big 4 accounting firms: Some evidence—Journal of Applied Business and Economics, 13(1), pp.84-94.

- Pal, A. and Ojha, A.K., 2017, June. Institutional Isomorphism due to the Influence of Information Systems and Its Strategic Position. In Proceedings of the 2017 ACM SIGMIS Conference on Computers and People Research (pp. 147-154).
- Pan, Z., 2016. An Empirical Analysis of the Impact of Commercial Banks' Corporate Governance to Risk Control. *Management & Engineering*, (22), p.72.
- Pande, S., & Ansari, V. A. (2014). A theoretical framework for corporate governance. Indian Journal of Corporate Governance, 7(1), 56-72.)
- Pannucci, C. J., & Wilkins, E. G. (2010). Identifying and Avoiding Bias in Research. *Plastic and Reconstructive Surgery*, *126*(2), 619–625.
- Parker, L., 2014. Qualitative perspectives: Through a methodological lens. *Qualitative Research in Accounting & Management*, *11*(1), pp.13-28.
- Paseda, O., 2012. Banking regulation in Nigeria: A review article. Available at SSRN 2900252
- Pathan, S., 2009. Strong boards, CEO power and bank risk-taking. *Journal of Banking & Finance*, *33*(7), pp.1340-1350.
- Patton, E., & Appelbaum, S. H. (2003). The case for case studies in management research. Management Research News, 26(5), 60-71.
- Pellerin, H. and Mullings, B., 2013. The 'Diaspora option', migration and the changing political economy of development. Review of International Political Economy, 20(1), pp.89-120.
- Pérezts, M., & Picard, S. (2015). Compliance or comfort zone? the work of embedded ethics in performing regulation. Journal of Business Ethics, 131(4), 833-852.

- Petitjean, M. (2013). Bank failures and regulation: A critical review. Journal of Financial Regulation and Compliance, 21(1), 16-38.
- Petkov, M.P. and Kaoullas, L.G., 2016. Overcoming respondent resistance at elite interviews using an intermediary. Qualitative Research, 16(4), pp.411-429.
- Polkinghorne, D.E., 2005. Language and meaning: Data collection in qualitative research. *Journal of counselling psychology*, *52*(2), p.137.
- Ponterotto, J.G., 2005. Qualitative research in counselling psychology: A primer on research paradigms and philosophy of science. Journal of counselling psychology, 52(2), p.126.
- Prorokowski, L. 2011. Recovery from the current banking crisis. Insights into costs and effectiveness of response regulations. Qualitative Research in Financial Markets,3(3) pp193-223
- Quartey, P., 2006. The impact of migrant remittances on household welfare in Ghana.
- Rabiee, F., 2004. Focus-group interview and data analysis. Proceedings of the nutrition society, 63(4), pp.655-660
- Rahman, R., 2015. Comparison of telephone and in-person interviews for data collection in qualitative human research. Interdisciplinary Undergraduate Research Journal, 1(1), pp.10-13.
- Rajshekhar (Raj) G. Javalgi, Elad Granot, and Thomas G. Brashear Alejandro “Qualitative Methods in International Sales Research: Cross-Cultural Considerations” Journal of Personal Selling & Sales Management Spring 2011

- Raimi, L. and Ogunjirin, O.D., 2012. Fast-tracking sustainable economic growth and development in Nigeria through international migration and remittances. Humanomics.
- Rao, K. &Desta, K (2015) “Corporate Governance and Financial Performance: A study with reference to Commercial Banks in Ethiopia”. IOSR Journal of Business and Management (IOSR-JBM), Volume 17, Issue 3.Ver. II, PP 25-40
- Raz, A. F., Irawan, C., Indra, T. P., & Darisman, R. (2014). Financial supervision and bank profitability: Evidence from East Asia. Journal of Reviews on Global Economics, 3, 241-253
- Retolaza, J. L., Ruiz-Roqueñi, M., & San-Jose, L. (2015). An innovative approach to stakeholder’s theory: Application in Spanish transnational corporations. Revista Brasileira De Gestão De Negócios, 17(55), 1007-1020)
- Ross, A., & Crossan, K. (2012). A review of the influence of corporate governance on the banking crises in the United Kingdom and Germany. Corporate Governance, 12(2), 215-225.
- Rowley, J. (2002). Using case studies in research. Management Research News, 25(1), 16-27.
- Rowley, J. (2012). Conducting Research Interview. Management Research Review, 35(3), 260-271.
- Ruiz, I. and Vargas-Silva, C., 2009. To Send, or Not to Send: That Is the Question-a Review of the Literature on Workers' Remittances. Journal of Business Strategies, Forthcoming.
- Rustomjee, C., 2018. Issues and Challenges in Mobilizing African Diaspora Investment.

- Sahay, M., & Kumar, S. S. (2012). Corporate governance in the public sector banks-tapping the beehive. Paper presented at the, 2(2) 21-24.
- Sani, A.B., Aliyu, A.A. and Bakare, T.O., 2019. Effect of Corporate Governance on Financial Performance of Deposit Money Banks in Nigeria. Asian Journal of Economics, Business and Accounting, pp.1-11.
- Sanusi, L. (2010): "The Nigerian Banking Industry: What Went Wrong and The Way Forward" http://www. cenbank.org/out/speeches.
- Sanusi, L. 2011. Keynote address by Mr Sanusi Lamido Sanusi, Governor of the Central Bank of Nigeria, at the seminar on "Becoming an economic driver while applying banking regulations", organised by the Canadian High Commission in collaboration with the Chartered Institute of Bankers of Nigeria (CIBN) and the Royal Bank of Canada (RBC), Lagos, 7 March 2011
- Sargeant, J., 2012. Qualitative research part II: Participants, analysis, and quality assurance.
- Sarma, S. K. (2015). Qualitative research: Examining the misconceptions. South Asian Journal of Management, 22(3), 176-191.
- Sarra, J., 2009. Dancing the Derivative Deux Pas, The financial crisis and lessons for corporate governance. UNSWLJ, 32, p.447.
- Saunders, B., Kitzinger, J. and Kitzinger, C., 2015. Anonymising interview data: Challenges and compromise in practice: qualitative Research, 15(5), pp.616-632.
- Saunders, M., Lewis, P. and Thornhill, A. (2009). *Research methods for business students*. Harlow: Financial Times Prentice Hall, p.Page 144.

- Scotland, J., 2012. Exploring the philosophical underpinnings of research: Relating ontology and epistemology to the methodology and methods of the scientific, interpretive, and critical research paradigms. *English Language Teaching*, *5*(9), p.9.
- Schwartz, M.S., Dunfee, T.W. and Kline, M.J., 2005. Tone at the top: An ethics code for directors? Journal of Business Ethics, 58(1-3), p.79.
- Schmitz, S.W., 2012. 3.3 The liquidity coverage ratio under siege. Post-Crisis Banking Regulation, p.93.
- Schmitz, S.W. and Hesse, H., 2014. Recent studies reinforce the case for the Liquidity Coverage Ratio. Vox: Research-based policy analysis and commentary from leading economists.
- Securities and Exchange Commission (SEC) of Nigeria (2003) Code of corporate governance in Nigeria. http://www.sec.gov.ng/pdf/Corporate%Governance%2Ditd.pdf. Shabi, R., &Bakare, A. &Edun, C.(2014). HR - Corporate Governance Nexus: Implications for the Development of Nigeria's Banking Sector Services. IOSR Journal of Economics and Finance (IOSR-JEF), Volume 3, Issue 4. (May-Jun. 2014), PP 68-80.
- Shah, S.R. and Al-Bargi, A., 2013. Research Paradigms: Researchers' Worldviews, Theoretical Frameworks and Study Designs. *Arab World English Journal*, *4*(
- Shanthi, S.K., Sircar, S., Reddy, K.S. and Tarus, D.K., 2015. Do diaspora remittances affect banking sector development in Sub Saharan Africa? International Journal of Commerce and Management.

- Sheedy, E. and Griffin, B., 2014. Empirical analysis of risk culture in financial institutions: Interim report. Sydney, Australia: Macquarie University.
- Shenton, A.K., 2004. Strategies for ensuring trustworthiness in qualitative research projects. *Education for information*, *22*(2), pp.63-75.
- Shleifer, A., & Vishny, R. W. (1997). A Survey of Corporate Governance. The Journal of Finance, 52(2), 737-783 cited in Agamah, M. (2013). To what extent do companies listed on the Nigerian stock exchange comply with corporate governance and risk management principles? International Journal of Business and Management, 8(14), 134-157.
- Slevitch, L., 2011. Qualitative and quantitative methodologies compared: Ontological and epistemological perspectives. *Journal of Quality Assurance in Hospitality & Tourism*, *12*(1), pp.73-81
- Soludo, C.C., 2004, July. Consolidating the Nigerian banking industry to meet the development challenges of the 21st century. In *Being an address delivered to the Special Meeting of the Bankers' Committee, held on July* (Vol. 6, p. 2004).
- Soyemi, K.A., Ogunleye, J.O. and Ashogbon, F.O., 2014. Risk management practices and financial performance: evidence from the Nigerian deposit money banks (DMBs). The Business & Management Review, 4(4), pp.345-354.
- Stokes, D., & Bergin, R. (2006). Methodology or "methodology"? An evaluation of focus groups and depth interviews. Qualitative Market Research, 9(1), 26-37.
- Strach, P., & André, M. E. (2008). Transforming research case studies into teaching cases. Qualitative Research in Organizations and Management, 3(3), 199-214.

- Stuckey, H.L., 2014. The first step in data analysis: Transcribing and managing qualitative research data. Journal of Social Health and Diabetes, 2(01), pp.006-008.
- Sudarsanam, S., & Broadhurst, T. (2012). Corporate governance convergence in Germany through shareholder activism: Impact of the Deutsche Boerse bid for London stock exchange. Journal of Management & Governance, 16(2), 235-268.
- Sutton, J. and Austin, Z., 2015. Qualitative research: data collection, analysis, and management. *The Canadian journal of hospital pharmacy*, *68*(3), p.226.
- Suri, H. (2011). Purposeful sampling in qualitative research synthesis. *Qualitative Research Journal, 11*(2),
- Surmiak, A.D., 2018, September. Confidentiality in qualitative research involving vulnerable participants: Researchers' perspectives. In Forum Qualitative Sozialforschung/Forum: Qualitative Social Research (Vol. 19, No. 3).
- Sullivan, G.M. and Sargeant, J., 2011. Qualities of qualitative research: part I.
- Tawiah, V. K. (2015). Convergence of corporate governance in India: A fallacy or reality. International Journal of Global Business, 8(1), 46-61.
- Terrazas, A., 2010. Diaspora investment in developing and emerging country capital markets: Patterns and prospects. Migration Policy Institutions
- Thanh, N.C. and Thanh, T.T., 2015. The interconnection between interpretivist paradigm and qualitative methods in Education. *American Journal of Educational Science*, *1*(2), pp.24-27.
- Thomas, D.R., 2017. Feedback from research participants are member checks useful in qualitative research. *Qualitative Research in Psychology*, *14*(1), pp.23-41

- Thompson, R.M., Alleyne, P. and Charles-Soverall, W., 2019. Exploring governance issues among boards of directors within state-owned enterprises in Barbados. *International Journal of Public Sector Management*.

- Todorovic, V., 2013. Alternative Regulatory Approaches to Managing Banking Crises. Ekonomski horizonti, 15(3), p.217.

- Torraco R.J. (2002). Research Methods for Theory Building in Applied Disciplines: A Comparative Analysis Advances in Developing Human Resources 4, 355-376

- Tse, T. (2011). Shareholder and stakeholder theory: After the financial crisis.*Qualitative Research in Financial Markets, 3*(1), 51-63.

- Tracy, S.J., 2010. Qualitative quality: Eight "big-tent" criteria for excellent qualitative research. *Qualitative inquiry*, *16*(10), pp.837-851.

- Tuli, F., 2010. The basis of distinction between qualitative and quantitative research in social science: Reflection on ontological, epistemological and methodological perspectives. *Ethiopian Journal of Education and Sciences*, *6*(1).

- Turner, J., Hughes, G. and Maher, M., 2016. An international comparison of regulatory capture and regulatory outcomes. Journal of Financial Regulation and Compliance.

- Uche, C.U., 1997. Bank of England vs the IBRD: did the Nigerian colony deserve a central bank? Explorations in Economic History, 34(2), pp.220-241.

- Uche, C.U., 2001. Nigeria: Bank Fraud. Journal of Financial crime.

- Uche, C.U., 2005. Ethics in Nigerian banking. Journal of money laundering control, 8(1), pp.66-74.

- Uche, C.U., 2009. Banks and the West African Currency Board. Money in Africa, 17
- Uche, C.U., 2010. Uche, C., 2010. Indigenous banks in colonial Nigeria. The International Journal of African Historical Studies, 43(3), pp.467-487.
- Uchenna, E., Evans, O.S. and Stephen, O., 2015. One dollar, one bank account: remittance and bank breadth in Nigeria. Journal of International Migration and Integration, 16(3), pp.761-781
- Ugoani, J., 1998. Minimizing Distress in the Nigerian Banking System. The Journal of the National Association of Polytechnic Accountancy Students, 2, pp.7-8.
- Ugoani, J., 2015, July. Political will and anticorruption crusade management in Nigeria. In University of Sri Jayewardenepura, Sri Lanka, 12th International Conference on Business Management (ICBM).
- Ugoani, J., 2016. Nonperforming loans portfolio and its effect on bank profitability in Nigeria. Independent Journal of Management & Production, 7(2).
- Uwuigbe, O.R. and Fakile, A.S., 2012. The effects of board size on financial performance of banks: A study of listed banks in Nigeria. International Journal of Economics and Finance, 4(2), pp.260-267.
- Van den End, J.W., 2012. Liquidity Stress-Tester: Do Basel III and unconventional monetary policy work? Applied Financial Economics, 22(15), pp.1233-1257.
- Vanguard, https://www.vanguardngr.com/2018/05/diaspora-nigerians-risk-dormant-accounts/
- Vaivio, J., 2008. Qualitative management accounting research: rationale, pitfalls and potential. *Qualitative Research in Accounting & Management*, *5*(1), pp.64-86.

- Van den End, J.W., 2012. Liquidity stress-tester: do Basel III and unconventional monetary policy work? *Applied Financial Economics*, *22*(15), pp.1233-1257.
- Veltrop, D. and de Haan, J., 2014. I just cannot get you out of my head: Regulatory capture of financial sector supervisors.
- Verner, M. E., & Gilbert, J. A. (2006). Focus groups: Before writing a grant, know your constituents' needs and desires. Journal of Physical Education, Recreation & Dance, 77(9), 46-
- Vesco, D.G. and Beuren, I.M., 2016. Do the board of directors composition and the board interlocking influence on performance?. *BAR-Brazilian Administration Review*, *13*(2).
- Vezzoli, S. and Lacroix, T., 2010. Building bonds for migration and development. Diaspora engagement policies of Ghana, India and Serbia.
- Vidal, N. G., Berman, S., & Van Buren, H. (2015). Stakeholder theory and value creation models in brazilian firms. *Revista Brasileira De Gestão De Negócios, 17*(55), 911-931
- Vinals, Jose and Feichter, Jonathan (2010): "The Making of Good Supervision: Learning to say 'No'", IMF Staff Position Note, SPN/10/08.
- Virgill-Rolle, N, (2004), "Central Bank Expectations and Corporate Governance", Address to the Bahamas Director's Forum in Corporate Governance, February 24, 2004.
- Vo, T.N.T., 2010. To be or not to be both CEO and Board Chair. *Brook. L. Rev.*, *76*, p.65.

- Vousinas, G.L., 2015. Supervision of financial institutions: The transition from Basel I to Basel III. A critical appraisal of the newly established regulatory framework. Journal of Financial Regulation and Compliance, 23(4), pp.383-402.
- Wada, K. and Nisker, J., 2015. Implications of the concept of minimal risk in research on informed choice in clinical practice. *Journal of medical ethics,* 41(10), pp. 804
- Wagner Mainardes, E., Alves, H. and Raposo, M., 2011. Stakeholder theory: issues to resolve. *Management decision*, *49*(2), pp.226-252.
- Walaa, W and Hassan, M.K., 2015. Corporate governance disclosure and share price accuracy. *Journal of Applied Accounting Research*.
- Walker, D., 2009. A review of corporate governance in UK banks and other financial industry entities.
- Walker-2019https://www.wsj.com/articles/bank-regulator-fines-citigroups-u-k-operations-56-6-million-for-regulatory-failings-11574791510
- Wei, W., Tang, R.W. and Yang, J.Y., 2018. Independent directors in Asian firms: An integrative review and future directions. *Asia Pacific Journal of Management*, *35*(3), pp.671-696.
- Wen, S. and Zhao, J., 2010. Corporate governance and the financial crisis: did the theories stand the test?. *Butterworths Journal of International Banking & Financial Law*, *25*(10).
- Wenner, M.D., 2015. Can Diaspora Bonds be Used in the Caribbean? Inter-American Development Bank.

- Wilson, I (2006) – Regulatory and institutional challenges of Corporate Governance in Nigeria Post banking consolidation. Nigeria Economic Summit Group (NESG) Economic Indicators, April- June,12(2) 1-10
- Wolgast, M. (2001). "Too Big to Fail": Effects on Competition and Implications for Banking Supervision. Journal of Financial Regulation and Compliance, Nov 9(4)
- World Bank (2017): Overview of the Nigerian Economy http://www.worldbank.org/en/country/nigeria/overview.
- Wu, X., 2005. Corporate governance and corruption: A cross-country analysis. Governance, 18(2), pp.151-170.
- Yaacob, H., & Basiuni, J. (2014). The corporate governance model of a state-owned enterprise: Evidence from an Asian emerging market. Corporate Governance, 14(4Vc
- Yang,Y ,Pankow,J,Swan,H Willett,J,Shannon ,G.M, Rudes ,D.S and Knight,K,2018.,. Preparing for analysis: a practical guide for a critical step for procedural rigour in large-scale multisite qualitative research studies. *Quality and Quantity,* 52(2), pp. 815-828.
- Yap, B. (2017). DEAL: Nigeria's $300 million diaspora bond first. International Financial Law Review, Retrieved from https://search.proquest.com/docview/1926399240?accountid=17234
- Yauri, N.M., Musa, J. and Kaoje, N.A., 2012. Bank Recapitalization in Nigeria: Resuscitating Liquidity or Forestalling Distress? International journal of business and social Science, 3(10), pp.298-305.

- Yilmaz, K., 2013. Comparison of quantitative and qualitative research traditions: Epistemological, theoretical, and methodological differences. European journal of education, 48(2), pp.311-325.Vancouver

- Yomere, G.O. and Agbonifoh, B.A., 1999. Research methodology in the management and social sciences.

- Yusuf, I. and Ekundayo, D., 2018. Regulatory non-compliance and performance of deposit money banks in Nigeria. Journal of Financial Regulation and Compliance.

- Yusuf, I. and Abubakar, S., 2014. Chief executive officer's pay in Nigerian banks: Are corporate governance, firm size, and performance predictors. In 4TH International Conference on a Century of Public Sector and Corporate Governance in Nigeria, 1914–2014.

- Zattoni, A., Douglas, T. and Judge, W., 2013. Developing corporate governance theory through qualitative research.

- Zeidan, M.J., 2013. Effects of illegal behaviour on the financial performance of US banking institutions. Journal of business ethics, 112(2), pp.313-324.

- Zarezadeh, Y., 2018. Constructionism a compatible epistemology for research in medical education. Journal of Advances in Medical Education, 1(3), pp.24-25.

- Žukauskas, P., Vveinhardt, J. and Andriukaitienė, R., 2018. Philosophy and paradigm of scientific research. Management Culture and Corporate Social Responsibility, p.121.

Appendix one CBN Corporate Gov 2014

CENTRAL BANK OF NIGERIA
Financial Policy and Regulation Department
Central Business District
P.M.B. 0187
Garki, Abuja.

09-46237401
Tel: ....
E-mail: fprd@cbn.gov.ng

FPR/DIR/CIR/GEN/01/004

May 16, 2014

Circular to all Banks and Discount Houses

<u>CODE OF CORPORATE GOVERNANCE FOR BANKS AND DISCOUNT HOUSES IN NIGERIA AND GUIDELINES FOR WHISTLE BLOWING IN THE NIGERIAN BANKING INDUSTRY</u>

Further to the receipt of stakeholders comments on the exposure draft on the revised Code of Corporate Governance for Banks and Discount Houses In Nigeria and Guidelines for Whistle Blowing in the Nigerian Banking Industry, the CBN has concluded review of the Code and forward it herewith for compliance.

Kindly note that the revised Code of Corporate Governance aims to align the code with current realities and global best practice, eliminate perceived ambiguities and strengthen governance practices.

To monitor its full implementation, banks and discount houses are required to submit quarterly returns on their compliance with the provisions of the Code. The returns should reach the Director, Financial Policy & Regulation Department not later than 7 days after the end of each quarter.

As specified in Sections 3.3 and 3.4 of the Whistle Blowing Guidelines, we provide herewith the email address: anticorruptionunit@cbn.gov.ng for

CENTRAL BANK OF NIGERIA

CODE OF CORPORATE GOVERNANCE FOR BANKS AND DISCOUNT HOUSES IN NIGERIA

MAY 2014

CENTRAL BANK OF NIGERIA

CODE OF CORPORATE GOVERNANCE FOR BANKS IN NIGERIA POST CONSOLIDATION

JANUARY 5, 2006

Appendix 3 CBN Guidelines for MD tenure

BRIEF ON GUIDELINES FOR TENURE OF MANAGING DIRECTORS OF DEPOSIT MONEY BANKS AND RELATED MATTERS In furtherance of the on-going banking reforms, the Central Bank of Nigeria pursuant to the powers conferred on it by Banks and Other Financial Institutions Act (BOFIA), Laws of the Federation of Nigeria, (LFN), 2004 has issued the following guidelines to address some corporate governance issues in the deposit money banks: 1. Chief Executive Officers, CEO of banks shall serve a maximum tenure of ten years. 2. All CEOs who would have served for ten years by July 31, 2010, shall cease to function in that capacity and shall hand over to their successors. 3. Where a bank is a product of a merger, acquisition, take-over or any other form of combination, the ten–year period shall include the pre and post combination service years of a CEO provided that the bank in which he previously served as CEO was part of the new bank that emerged after the combination. 4. Any person who has served as CEO for the maximum tenure in a bank shall not qualify for appointment in his former bank or subsidiaries in any capacity until after a period of three years after the expiration of his tenure as CEO. 5. The Governor/Deputy Governors of the CBN and the Managing Director/CEO and Executive Directors of the Nigeria Deposit Insurance Corporation, NDIC shall not be eligible for appointment in any capacity in banks until after the expiration of five years from the date of their exit from the CBN or NDIC as the case may be. 6. The Departmental Directors of the CBN and the NDIC shall not be eligible for appointment in any capacity in banks and their subsidiaries under the supervision of the CBN and NDIC until after the expiration of three years from the date of their exit from the CBN or NDIC as the case may be. 7. Henceforth, all banks shall reflect the provisions of these guidelines in the terms of engagement of their CEOs. These guidelines shall apply notwithstanding the terms of any contract of an engagement or the provisions of the Memorandum and Articles of Association of any bank. Signed Management

Appendix 4 CBN letter to SIB

09-462-36425

BSD/DIR/CON/LAB/07/026 September 5, 2014 LETTER TO THE DOMESTIC SYSTEMICALLY IMPORTANT BANKS IN NIGERIA

FRAMEWORK FOR THE REGULATION AND SUPERVISION OF DOMESTIC SYSTEMICALLY IMPORTANT BANKS (SIBs) IN NIGERIA

In line with global trends, and as part of reform efforts to foster financial stability, the Central Bank of Nigeria (CBN) and the Nigeria Deposit Insurance Corporation (NDIC) have developed the attached Framework for the Regulation and Supervision of Domestic Systemically Important Banks in Nigeria. The Framework specifies among others, the assessment methodology for identifying the SIBs, higher loss absorbency and additional regulatory requirements such as liquidity, stress testing, disclosure and reporting requirements.

The Framework takes effect from March 1, 2015. Yours faithfully,

TOKUNBO MARTINS (MRS.)

DIRECTOR, BANKING SUPERVISION DEPARTMENT

Appendix 5 BOFLA act

BANKS AND OTHER FINANCIAL INSTITUTIONS ACT 1991 (AS AMENDED IN 1997, 1998, 1999 AND 2002)

PREAMBLE

Noting that Section 2 of the Revised Edition (Laws of the Federation of Nigeria) Act, 2007 preserves the validity and applicability of any existing statute notwithstanding any inadvertent omissions, alterations and amendments of such a statute in the Laws of the Federation of Nigeria (LFN), 2004 and LFN 2010;

Having observed the existence of certain inadvertent omissions, alterations and amendments in the Banks and Other Financial Institutions (BOFI) Act, Cap B3, LFN, 2004 especially as a result of the erroneous consideration of the repealed BOFI (Amendment) Act No. 4, 1997 as an extant law during the compilation of the LFN, 2004 and LFN 2010;

Recognising the need to render the BOFI Act in an accurate and readable text shorn of any inadvertent omissions, alterations and amendments contained in the LFN, 2004 and LFN 2010;

The BOFI Act is hereby reproduced.

Attached as appendixes to this compilation is a compendium of errors and omissions corrected in the Banks and Other Financial Institutions (BOFI) Act, LFN, 2004, CAP. B3.

Appendix 6 First Bank Governance statement 2018

LEADERSHIP AND GOVERNANCE First Bank 2018 copies from the annual report of First Bank 2018

At FBNHoldings, we recognise that good corporate governance practices are best initiated in the Boardroom. Consequently, there is a conscious effort by the Board to promote good governance by setting the right ‘tone at the top’ and actions reflect this commitment through policy directions.

A high level of responsibility is demanded and expected of our Directors, given the systemic importance of our financial institution to the national economy and our impact on the societies in which we operate. A review of our Board structure reveals that it is strategically composed to drive good governance.

The Group's oversight functions are discharged through the Boards of respective operating entities; this ensures compliance with statutory and regulatory requirements of their respective industries. At the Holding Company and in all operating entities, the Boards operate through various Committees, and the Group's robust governance framework ensures that there is a good blend of Board autonomy and Group coordination at the operating company level.

Governance Framework

The governance framework is in alignment with global best practices and in compliance with the requirements of the Central Bank of Nigeria, National Insurance Commission, Securities and Exchange Commission as well as the Nigerian Stock Exchange.

The Group's governance practice provides a solid foundation for the realisation of the benefits inherent in our extensive footprint, rich heritage, extended product and service offerings, and excellent management.

Quality of Disclosure

The Board and Management are aligned in the quest to provide the investing community with timely information. Transparency and disclosure are demonstrated in the Group's financial reports, through detailed and comprehensive reporting, providing shareholders with sufficient context and a clear picture of the dealings of the institution.

Diversity

The Group recognises the value of diversity in the employee base and the Board. Diversity originates from a broad and representative mix of background and experience, as different perspectives allow for the development of new and varied opportunities. Internal initiatives to support diversity and inclusion within the Group are consciously promoted, with the conviction

Appendix 7 Access Bank CG statement 2018

Access Bank CG Statement copied from their annual report for 2018

At Access Bank, the Board has recognized that effective governance is a key to superior corporate performance and the sustainable prosperity of the firm.

The Group's corporate governance framework is designed to deliver alignment of management's actions with the interest of shareholders while ensuring the appropriate balance with the interest of other stakeholders. Our corporate governance systems ensure on-going compliance with the Bank's governance charter and relevant codes of corporate governance as well as the post-listing requirements of the stock exchanges where our securities are listed. Our governance is founded on key pillars of accountability, responsibility, transparency, independence, fairness and discipline. The Bank's governance policies and structures are regularly reviewed to reflect changes in the operating environment, regulation and best practices.

The Bank and its subsidiaries, (the Group) are governed under a framework that enables the Board to discharge its oversight functions, provide strategic direction to the Bank, take decisions and ensure regulatory compliance. The subsidiaries comply with the statutory and regulatory requirements of their host countries and align their governance framework with that of the Bank to the extent permitted by their local regulations.

114 2018 ANNUAL REPORT & ACCOUNTS ACCESS BANK PLC

Performance Monitoring and Evaluation

The Board in the discharge of its oversight function continues to engage management in the planning, definition and execution of the Bank's strategy, Management's report on the execution of defined strategic objectives is a regular feature of the Board's agenda, thus providing the Board with the opportunity to evaluate and constructively challenge management in the execution of strategy.

The Board usually holds an annual Board retreat, where the strategy for the coming year is rigorously debated and agreed between Management and the Board. The Board held its 10th Annual Retreat at the Marriott Hotel, Kiga- li, Rwanda on February 1-2, 2018. Management provides the Board with quarterly updates on implementation of the strategy allowing the Board to critique Management's performance and access significant risk issues as well as mitigating controls implemented.

Management's report on the Group's actual financial performance is presented relative to the budget to enable the Board to assess performance.

Appendix 8 Zenith Bank CG statement 2018

Zenith Bank Plc Annual Report December 31, 2018, copied from SKYE ‘s annual report

Corporate Governance Report for the Year Ended December 31, 2018

1. Introduction

Zenith Bank Plc maintains the highest standards of Corporate Governance and best practice both within the bank and the Group. This is reviewed from time to time to ensure we keep pace with global standards.

2 The Directors and other key personnel

During the period under review, the Directors and other key personnel of the Bank complied with the following Codes of Corporate Governance, which it subscribes to:

a. The Central Bank of Nigeria (CBN) issued the Code of Corporate

Governance for Banks and Discount Houses in Nigeria

2014.

b. The Securities and Exchange Commission (SEC) issued

Code of Corporate Governance for public companies.

In addition to the above Codes, the Bank complies with relevant disclosure requirements in other jurisdictions where it

operates.

3. Shareholding

The Bank has a diverse shareholding structure with no single ultimate individual shareholder holding more than 20% of the Bank's total shares.

4. Board of directors

The Board has the overall responsibility for setting the strategic direction of the Bank and also oversight of senior management. It also ensures that good Corporate Governance processes and best practices are implemented across the Bank and the Group.

The Board of the Bank consists of persons of diverse discipline and skills, chosen on the basis of professional background and expertise, business experience and integrity as well as knowledge of the Bank's business.

Directors are fully abreast of their responsibilities and knowledgeable in the business and are therefore able to exercise good judgment on issues relating to the bank's business. They

have on the basis of this acted in good faith with due diligence and skill and in the overall best interest of the Bank and relevant stakeholders during the period of review.

The Board has a Charter which regulates its operations. The Charter has been forwarded to the Central Bank of Nigeria in line with the CBN Code of Corporate Governance.

5. Board structure

The Board is made up of a Non-Executive Chairman, five (5) Non- Executive Directors and Six (6) Executive Directors including

the GMD/CEO. Three (3) of the Non-Executive Directors are independent directors, appointed in compliance with the Central Bank of Nigeria (CBN) circular on Appointment of Independent Directors by Banks.

The Group Managing Director/Chief Executive is responsible for the day to day running of the bank and oversees the group structure, assisted by the Executive Committee (EXCO). EXCO comprises the Executive Directors, Deputy Managing Directors as well as the Group Managing Director/Chief Executive as its Chairman.

6. Responsibilities of the Board

The Board is responsible for the following amongst others:

a. reviewing and approving the Bank's strategic plans for

implementation by management;

b. review and approve the Bank's financial statements;

c. reviewing and approving the Bank’s financial objectives, business plans and budgets, including capital allocations and expenditures;

d. monitoring corporate performance against the strategic plans and business, operating and capital budgets;

e. implementing the Bank’s succession planning;

f. approving acquisitions and divestitures of business operations, strategic investments and alliances and major business development initiatives;

g. approving delegation of authority for any unbudgeted expenditure;

Appendix 9 UBA CG statement 2018

CORPORATE GOVERNANCE copied from UBA's annual report 2018

United Bank for Africa Plc (UBA Plc) holds good governance as one of its core values and confirms its commitment to the implementation of effective corporate governance principles in its business operations. The Directors endorse the principles of best practice Corporate Governance as stated in the "Code of Corporate Governance for Banks and Discount Houses in Nigeria 2014" issued by the Central Bank of Nigeria (CBN) and the Securities and Exchange Commission's (SEC) "Code of Corporate Governance".

The Bank complied with the requirements of the CBN code, the SEC code, and its governance charters, during the 2018 financial year.

The Board of Directors of UBA Plc has the overall responsibility for ensuring that the highest standards of corporate governance are maintained and adhered to by the Bank. In order to promote effective governance of the UBA Group, the following structures have been put in place for the execution of UBA Plc's Corporate Governance strategy:

1. Board of Directors

2. Board Committees

3. Executive Management Committees

As at December 31, 2018, the Board comprised a Non-Executive Chairman, a Non-Executive Vice Chairman, eight (8) other Non-Executive Directors, which includes, two (2) Independent Non-Executive Directors and nine (9) Executive Directors (which include the GMD/CEO and the Deputy Managing Director), all of whom bring a wide range of skills and experience to the Board.

The Board of Directors carries out its responsibility through its standing Committees. These are the Board Audit and Governance Committee, the Board Risk Management Committee, the Finance and General-Purpose Committee, the Board Credit Committee and the Statutory Audit Committee. Through the workings of these committees, the Board sets broad policy guidelines and ensures the proper management and direction of the Bank.

In addition to the Board Committees, there are several Management Committees which ensure effective and good corporate governance at the managerial level.

(a) The Board

Responsibility:

Executive Management is accountable to the Board for the development and implementation of strategy and policies. The Board regularly reviews group performance, matters of strategic concern and any other matters it regards as material.

The Board meets quarterly and additional meetings are convened as the need arises. In 2018, the Board met five (5) times. The Board is also responsible for the Bank's structure and areas of operation, financial reporting, ensuring there is an effective system of internal control and risk management and appointments to the Board. The Board has the authority to delegate matters to Directors, Board Committees and the Executive Management Committee.

Subsequently, the following four (4) Non-Executive Directors were appointed; 1. Erelu Angela Adebayo

2. Ms Angela Aneke

3. Mr Kayode Fasola

The Board presently consists of nineteen members, nine of whom (inclusive of the GMD/CEO), are Executive Directors and 10 Non-Executive Directors. The Non-Executive Directors have the requisite integrity, skills and experience to bring independent judgment to bear on Board deliberations and discussions.

The roles of Chairman and Chief Executive Officer are separated and clearly defined. The Chairman is primarily responsible for the working of the Board whilst the Chief Executive Officer is responsible for the running of the business and implementation of Board strategy and policy. The Chief Executive Officer is assisted in managing the business of the Bank on a day-to-day basis by the Executive Management Committee, which he chairs and comprises all Executive Directors and other critical functional heads. The Board's primary responsibility is to increase shareholder wealth. The Board is accountable to shareholders and is responsible for the management of the relationships with its various stakeholders.

Appointments & Retirements:

During the 2018 financial year, the following four (4) Non-Executive Directors retired; 1. Mr. Adekunle Olumide, OON

2. Mrs Rose Okwechime

3. Mr Yahaya Zekeri

4. Alhaji Ja'afaru Zekeri

4. Mr Abdulqadir Bello

Professional Independent Advice:

All Directors are aware that they may take independent professional advice at the expense of the Bank, in the furtherance of their duties. They all have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that all governance matters are complied with and assists with professional development as required.

12 of 158

Corporate Governance - Continued the Board - continued

(b) Accountability and audit

Financial Reporting

The Board has presented a balanced assessment of the Company's position and prospects. The Board is mindful of its responsibilities and is satisfied that in the preparation of its Financial Report, it has met its obligation under the Group's Code of Corporate Governance.

The Directors make themselves accountable to the shareholders through regular publication of the Group's financial performance and Annual Reports. The Board has ensured that the Group's reporting procedure is conveyed on the most recent infrastructure to ensure accuracy. This procedure involves the monitoring of performance throughout the financial year, in addition to monthly reporting of key performance indicators.

PricewaterhouseCoopers acted as external auditors to the Group during the 2018 financial year. Their report is contained on page 22 of this Annual Report.

Internal Controls

The Group has consistently improved its internal control system to ensure effective management of risks. The Directors review the effectiveness of the system of internal control through regular reports and reviews at Board and Risk Management Committee meetings.

(c) Control environment

The Board has continued to emphasize risk management as an essential tool for achieving the Group's objectives. Towards this end, it has ensured that the Group has in place, robust risk management policies and mechanisms to ensure identification of risk and effective control.

The Board approves the annual budget for the Group and ensures that a robust budgetary process is operated with adequate authorization levels put in place to regulate capital and operating expenses.

(d) Shareholder rights

The Board of UBA Plc has always placed considerable emphasis on effective communication with its shareholders. It ensures that the rights of shareholders are always protected. Notice of meetings and all other statutory notices and information are communicated to the shareholders regularly. The Bank ensures the protection of statutory and general rights of shareholders at all times, particularly their right to vote at General Meetings. All shareholders are treated equally regardless of their equity interest or social status.

The General Meeting of Shareholders is the highest decision-making body of the Bank and meetings are conducted in a fair and transparent manner that gives shareholders the opportunity to express their opinion. The Group publishes quarterly, half-yearly and annual reports on its website as well as national newspapers. The Group also provides investor presentations and other relevant communications that provide requisite information to shareholders and the general public, especially as regards the performance, strategy and developments in the Group.

Besides, the Group maintains an investor relations unit which routinely attends to shareholders' enquiries and ensures that shareholders' views are appropriately escalated to the Management and Board on a continuous basis.

Appendix 10 Ethical Approval for change of title

Ethical Approval

Dear Nathaniel

Application ID: ETH1920-0129

Original application ID: UREC 1718 61

Project title: Central Bank of Nigeria, Corporate Governance and The Quest for Sustainable Banking System in Nigeria: An Exploratory Analysis.

Lead researcher: Mr Nathaniel OKODUGHA

Your application to the Business and Law School Research Ethics Committee was considered on the 12th of February 2020.

The decision is: Approved

Change of title:

From: Central Bank of Nigeria, Corporate Governance & Sustainability in the Nigerian Banking Climate

To: Central Bank of Nigeria, Corporate Governance and The Quest for Sustainable Banking System in Nigeria: An Exploratory Analysis.

The Committee's response is based on the protocol described in the application form and supporting documentation.

Your project has received ethical approval for 2 years from the approval date.

If you have any questions regarding this application, please contact your supervisor or the secretary for the Business and Law School Research Ethics Committee.

Approval has been given for the submitted application only and the research must be conducted accordingly.

Should you wish to make any changes in connection with this research project you must complete 'An application for approval of an amendment to an existing application'.

Approval is given on the understanding that the UEL Code of Practice for Research and the Code of Practice for Research Ethics is adhered to.

Any adverse events or reactions that occur in connection with this research project should be reported using the University's form for Reporting an Adverse/Serious Adverse Event/Reaction.

The University will periodically audit a random sample of approved applications for ethical approval, to ensure that the research projects are conducted in compliance with the consent given by the Research Ethics Committee and to the highest standards of rigour and integrity.

Please note, it is your responsibility to retain this letter for your records.

With the Committee's best wishes for the success of the project

Yours sincerely

Fernanda Silva

Administrative Officer for Research Governance

Appendix 11 Ethical Approval for research amendment

1st November 2018

Dear Nathaniel,

Project Title:	**Central Bank of Nigeria, Corporate Governance & Sustainability in the Nigerian Banking Climate**
Researcher:	**Nathaniel Ojefoh Okodugha**
Principal Investigator:	**Dr Ayantunji Gbadamosi**
Amendment reference number:	**AMD 1819 11**
UREC reference no of original approved application:	**UREC 1718 61**

I am writing to confirm that the application for an amendment to the aforementioned research study has now received ethical approval on behalf of the University Research Ethics Committee (UREC).

Should you wish to make any further changes in connection with your research project, this must be reported immediately to UREC. A Notification of Amendment form should be submitted for approval, accompanied by any additional or amended documents: http://www.uel.ac.uk/wwwmedia/schools/graduate/documents/Notification-of-Amendment-to-Approved-Ethics-App-150115.doc

Approved Research Site

I am pleased to confirm that the approval of the proposed research applies to the following research site:

Research Site	Principal Investigator / Local Collaborator
Telephone and Skype interviews	Dr Ayantunji Gbadamosi

Summary of Amendments
Telephone and Skype methods will be used for the interviews. Focus group will comprise of selected diaspora account holders of Nigeria banks residents in the United Kingdom.

Ethical approval for the original study was granted on 23rd October 2018.

Approval is given on the understanding that the UEL Code of Good Practice in Research is adhered to.

With the Committee's best wishes for the success of this project.

Please ensure you retain this letter, as in the future you may be asked to provide evidence of ethical approval for the changes made to your study.

Yours sincerely

Fernanda Silva

Fernanda Silva

Administrative Officer for Research Governance University Research Ethics Committee (UREC) Email: **researchethics@uel.ac.uk**

Appendix 12 Original Ethical Approval for the study

University of East London

UEL University of East London

Appendix 12 Original Ethical Approval for the study

23rd October 2018

Dear Nathaniel,

Project Title:	**Central Bank of Nigeria, Corporate Governance & Sustainability in the Nigerian Banking Climate**
Principal Investigator:	**Dr Ayantunji Gbadamosi**
Researcher:	**Nathaniel Ojefoh Okodugha**
Reference Number:	**UREC 1718 61**

I am writing to confirm the outcome of your application to the University Research Ethics Committee (UREC), which was considered by UREC on **Wednesday 18 April 2018.**

The decision made by members of the Committee is **Approved**. The Committee's response is based on the protocol described in the application form and supporting documentation. Your study has received ethical approval from the date of this letter.

Should you wish to make any changes in connection with your research project, this must be reported immediately to UREC. A Notification of Amendment form should be submitted for approval, accompanied by any additional or amended documents:

http://www.uel.ac.uk/wwwmedia/schools/graduate/documents/Notification-of-Amendment-to-Approved-Ethics-App-150115.doc

Any adverse events that occur in connection with this research project must be reported immediately to UREC.

Approved Research Site

I am pleased to confirm that the approval of the proposed research applies to the following research site.

Research Site	Principal Investigator / Local Collaborator
Lagos and Abuja - Nigeria	Dr Ayantunji Gbadamosi

Approved Documents

The final list of documents reviewed and approved by the Committee is as follows:

Document	*Version*	*Date*
UREC application form	3.0	9 October 2018
Participant Information sheet – Bank staff	2.0	22 October 2018
Consent form – Bank staff	2.0	22 October 2018
Participant Information sheet – bank customers focus group	2.0	22 October 2018
Consent form - bank customers focus group	2.0	22 October 2018

Participant Information sheet – past and present	2.0	22 October 2018
Consent form	2.0	22 October 2018
UEL Risk Assessment form	1.0	5 April 2018
Research questions	1.0	5 April 2018
Invitation letter - Executives	1.0	8 June 2018
Invitation letter – Bank staff	1.0	22 October 2018
Invitation letter – Focus group	1.0	8 June 2018
Interview questions	2.0	9 October 2018
Gatekeeper email from Sterling Bank	1.0	12 October 2018
Gatekeeper email from Ecobank	1.0	12 October 2018
Gatekeeper email from CBN	1.0	12 October 2018

Approval is given on the understanding that the UEL Code of Practice in Research is adhered to.

The University will periodically audit a random sample of applications for ethical approval, to ensure that the research study is conducted in compliance with the consent given by the Ethics Committee and to the highest standards of rigour and integrity.

Please note, it is your responsibility to retain this letter for your records.

With the Committee's best wishes for the success of this project.

Yours sincerely,

Fernanda Silva

Fernanda Silva

Administrative Officer for Research Governance University Research Ethics Committee (UREC)

Email: **researchethics@uel.ac.uk**

Appendix 13 Research questions

RESEARCH QUESTIONS

I. To what extent is the CBN capable of regulating the banking industry considering the underlying supervisory structures in place in CBN?

II. What was the extent of compliance with the corporate governance code by banks in Nigeria prior 2009 crisis and what is obtainable presently?

III. To what extent did the regulations rolled out during the banking crisis in Nigeria by the CBN in response to the crisis influence the Nigerian banks to adhere to the best practice of corporate governance?

Questions for Central Bank / Regulatory Authorities

I. To what extent is the CBN capable of regulating the banking industry considering the underlying supervisory structures in place in CBN?

A. Can you tell me how the CBN affects the governance, the ethics and the code of conduct of banks operating in the country?

B What is the optimal form of banking supervision in terms of selecting supervisory tools and methods, organizing the institutional structure and supervisory issues?

C. What are the barriers and facilitators of the supervisory tools and methods selected?

D. In your opinion, has the activities of banking supervision and other related departments in the CBN improved the protection of stakeholders in the banking sector?

E. What is your view about the vulnerability of regulatory capture of the regulators to megabanks operating in the country?

F What is your view about the impact of the Financial Service Regulation Coordinating Committee in ensuring the coordination of the supervision of financial institutions especially conglomerates?

2. What was the extent of compliance with the corporate governance code by banks in Nigeria prior 2009 crisis and what is obtainable presently?

A. To what extent have bank executives complied with the governance codes?

B. What do you think are the main problems confronting corporate governance code compliance across the industry?

C. In your view, have offsite and onsite supervision of banks increased or decreased compared to 2009?

D. To what extent do you think the Financial Service Regulation Coordinating Committee can eliminate the information gap amongst the regulatory authorities in the financial sector?

3. To what extent did the regulations rolled out during the banking crisis in Nigeria by the CBN in response to the crisis influence the Nigerian banks to adhere to the best practice of corporate governance?

A. In your opinion what was the impact on the industry after the removal of erring Managing directors of banks and the recent removal of the board of Skye Bank?

B. How would you access the contributions of AMCON (Asset Management Corporation of Nigeria) in restoring stakeholders' confidence in the banking sector?

C. In your view, did the bridge banks created by the CBN and NDIC help in preventing distress in the banking sector?

D. In your opinion how effective is the tenure system for managing directors of banks operating in Nigeria?

E. Can you tell me about your views about the too big to fail banks operating in the country and the use of bailout funds in rescuing distressed banks?

Focus group questions customers (bank depositors)

1. Do you think the CBN is capable of regulating the banking industry considering the underlying supervisory structures in place in CBN?

A. How vital is effective corporate governance systems in the banking sector?

B To what extent has the Code of good governance enacted by the CBN helped to ensure safety and confidence in the Nigerian banking system?

C. How would you rate the effort of CBN in preventing bank distress?

D. What are your views about banks receiving bailouts from the CBN?

2. What was the extent of compliance with the corporate governance code by banks in Nigeria prior 2009 crisis and what is obtainable presently?

A. How would you rate the level of compliance with the corporate governance code by banks in Nigeria prior 2009 crisis and what is obtainable presently?

B. In what ways have services improved since the codes were introduced by the CBN?

C. Do you think risk-taking by banks affects the confidence of depositors?

D. Do you think banks should be mandated by the CBN to publish fines paid out to the CBN for contravening CBN codes?

3 To what extent did the regulations rolled out during the banking crisis in Nigeria by the CBN in response to the crisis influence the Nigerian banks to adhere to the best practice of corporate governance?

A.Do you think at this moment, the major stakeholders like bank depositors are knowledgeable, capable and interested enough to participate in the decision-making process to ensure good governance?

B1 How would you rate the KYC (know your customer) directives on banks by the CBN to ensure customer protection.

B.2 How would you rate the performance of the Customer Protection Department of the CBN instilling confidence on bank depositors.

C. Do you think the N500, 000.00 maximum coverage provided by NDIC is adequate enough to protect bank depositors from bank failure?

D. What is your view about the creation of the bridge banks and other recapitalized banks in the country in preventing bank run or bank distress in the country?

Interview Questions Bank Staffs

I. To what extent is the CBN capable of regulating the banking industry considering the underlying supervisory structures in place in CBN?

A. How would you rate the success of the CBN ‘s code of best practice of corporate governance?

B. What do you think are the issues behind the avalanche of bad debts in the Nigerian banking system?

C. What can be done by banks to instil the right risk management culture in place?

D. What are your views about megabanks designed by the CBN as systemically important banks due to their deposits and should they be bailed out by the regulators when in distress?

2. What was the extent of compliance with the corporate governance code by banks in Nigeria prior 2009 crisis and what is obtainable presently?

A. Do you know what you are expected to know and be able to do, to successfully implement the guidelines of the code?

B. In what ways have the codes made banks provide better services to stakeholders?

C In your opinion, do you think a wholly rules-driven regulation or that based on principles is what is needed to improve governance among Nigerian banks

D. What do you think is the goal of your organization, it is to maximize the interest of shareholders only or maximize the interest of wider stakeholders (e.g. Bank depositors, regulatory authorities, shareholders, staffs and the general public?

3. To what extent did the regulations rolled out during the banking crisis in Nigeria by the CBN in response to the crisis influence the Nigerian banks to adhere to the best practice of corporate governance?

A. What are the changes made by your board of directors in a bid to improve the governance practice in your bank since the introduction of code of corporate governance for banks in Nigeria?

B. In what way is your organization's governance structure linked to the expectations of the code of best practice of governance?

C. In what way are bank products and services designed to implement the right culture of corporate governance and sustainability?

D.In your view, will the KYC (Know your customer) directive help prevent bad loans in banks

K What are your views about the creation of AMCON (Asset Management Corporation of Nigeria) and the subsequent creation of bridge banks?