Effect of Corporate Governance on Organizational Performance: A Case Study of Nigeria Breweries Plc, Enugu State.

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ABSTRACT
This work investigated the effect of corporate governance on organizational performance. The decline in performance of workers in Nigeria Brewery plc Enugu State made this study important. The specific objective of this research were to: determine the extent to which corporate governance increased organization commitment, find out how effective communication between top management and subordinates affect increase in productivity, find out the extent to which employees are involved in the board meeting of the organization. To achieve this objectives a survey research design was employed and complemented by secondary research design. The techniques adopted in analyzing the data were regression analysis. The result indicated that corporate governance has significant effect on organizational commitment ($R = 0.324$, $R^2 = 0.105$ and a $P$-value of 0.000) It was found that effective communication between top management and subordinates had no significant effect on increase in productivity of Nigeria brewery plc, Enugu state ($R = 0.040$, $R^2 = 0.002$ and a $p$-value of 0.505). It was also revealed that employee involvement in board meeting has significant relationship on increase in market share, to a large extent in board meeting of the organization ($R = 0.259$, $R^2 = 0.067$ and a $p$-value of 0.000). It was concluded that corporate governance has significance effect on organizational performance. It was recommended that management of Nigeria Brewery plc, Enugu State should look deep into their corporate governance practices and restructure how to implement it to ensure continuous improved organizational performance.

Keyword: corporate governance, organizational performance.

Background of the Study
Ogbeche (2006) posits that corporate governance simply put, is ensuring good business behavior. He further asserts that is about “doing the right things and doing the things right”. It is the way in which boards oversee the running of company/organization, its managers and how board members are in turn accountable to shareholders and the company/organization. This has implications for company/organizational behavior towards employees, shareholders, customers and other stakeholder.

Shleifer (1997) sees corporate governance as “an internal system encompassing policies, processes and people, which serve the needs of shareholders and other stakeholders, by directing and controlling management activities with good business survey, objectivity and integrity. Sound corporate governance is reliant on external market place commitment and legislation, plus a healthy board culture which safeguards policies and processes”.

The perceived quality of a company/organization corporate governance can influence its share price as well as the cost of raising capital. There is no single or simple definition of corporate governance and certainly no definition that all countries agree on (Myers, 1997).

Corporate governance is defined and practiced differently throughout the world, depending upon the relative power of owners, managers and providers of capital (Craig, 2005). Basically, different national systems of corporate governance reflect major differences in ownership structure of firms in different countries and particularly differences in ownership concentration (Shleifer and Vishny, 1997).
Corporate governance, as a concept, can be viewed from two perspectives (Oluyemi, 2007). A narrow one in which it is merely being concerned with the structures within which a corporate entity or enterprise receives its basic orientation and direction (Rwegasira, 2000), and a broad perspective in which it is regarded as being the heart of both a market economy and a democratic society (Sullivan, 2000). A narrow perspective views the subject as a mechanism which shareholders are assured that managers would act in their best interest. Whereas the broad view of corporate governance, refers to the process that seeks to direct and control the affairs of an organization so as to protect the interest of all stakeholders in a balanced manner. This process is underpinned by the principles of openness, integrity and accountability.

**Statement of the Problem**

Increase in productivity in different working places has been on decline of recent. The major reason behind this is the increase in isolation of corporate governance. This has led to low organizational performance.

The researcher’s interest is to investigate the effect of corporate governance on increase in productivity using Nigeria Breweries plc Enugu as a case study. The choice of this public institution is to determine the extent of its corporate governance and its effects on organizational performance.

Organizations both public and private are laying much emphasis on the decline of increase in productivity and solutions are being sought to improve organizational performance. The question now is whether organizational personnel are not given adequate training as to improve their performance.

**Objectives of the Study**

The broad objective of the study is to find out if corporate governance in Nigeria Brewery plc, Enugu state has significant effect on organizational performance. Other specific objectives are as follows:

1. To determine the extent to which corporate governance increases organizational commitment.
2. To find out how effective communication between top management and subordinates affect increase in productivity.
3. To ascertain if employees involvement in board meeting increase market share.

**Research Questions**

1. To what extent has corporate governance increased organizational commitment?
2. To what extent has effective communication between top management and subordinates affected increase in productivity?
3. How does employees involvement in board meeting increase market share?

**Hypotheses**

The following hypotheses stated in their null forms were tested in the course of this study.

- **H01**: Corporate governance has no significant effect on organizational commitment.
- **H02**: Effective communication between top management and subordinates has no significant effect on increase in productivity.
- **H03**: Employees involvement in board meeting has no significant relationship on increase in market share.

**Scope of the Study**

The scope of this study was limited to Nigeria Brewery plc Enugu state, for the purpose of maximizing the limited time and the available fund for this research. The period covered is from 2009 to 2014.
Significance of the Study
This study is expected to help shareholders, board of directors, stakeholders, managers of both public and private company/organization to understand the need for corporate governance and its effect on organizational performance. It will also be valuable to both management and employees of Nigeria Breweries plc, Enugu states, as a reference material. Shareholders, board members and managers who would read through this work would be enlightened more on the need for corporate governance and how to create a conducive and enabling environment that makes it impact significantly on organizational performance.

Brief History of Nigeria Breweries Plc
Nigerian brewery plc was incorporated in 1946, is the pioneer and largest brewery company in Nigeria. Its first bottle of beer is star lager, rolled off the bottling lines of its Lagos brewery in June 1949. Other breweries were subsequently commissioned by the company including Aba brewery in 1957, Kaduna brewery in 1963, and Ibadan brewery in 1982. In September 1993, accompany the Enugu State brewery and later in October 2003, its sixth brewery sited at Ameke in Enugu. Nigeria brewery is the largest Brewery in Nigeria and one of the most modern worldwide. Operations at Enugu Brewery were discontinued in 2004, while the company acquired a malting plant in Aba in 2008. In October 2011, Nigeria Breweries acquired majority equity interests in Sona systems Associates Business management limited and life Breweries from Heineken N.V. This followed Heineken’s acquisition of controlling interest in five Breweries in Nigeria from Sona Group in January 2011. Nigeria Breweries plc now has eight operational Breweries from which its product is distributed to all parts of Nigeria, in addition to its malting plants in Aba and Kaduna.

Theoretical Framework
This section talks about different author’s view/model of corporate governance.

Micro Theories of Governance: The Governance of the Firm and Its Managers
Most micro theories of governance come under the perspective of efficiency. The function of a governance system is to contribute to the efficiency of the firm. Thus, mechanism such as the board of directors or hostile takeover bids would, by ensuring a better discipline of the managers, contribute to the increase of efficiency of the firm that creates more value. However, if most of the theories retain this criterion, they attribute it differing contents.

The different micro theories also focus on a particular interpretation of economic Darwinism, leading to the creation of a relationship between selection through inter-firm competition and the efficiency of the governance systems. According to the principle of natural selection adapted to the field of governance, only efficient systems that ensure the regulation of firms leading to the creation of sustainable value, survive on the long term. Consequently, the systems observed would be considered efficient. This associations between survival and efficiency, contested by certain modern biological works (Acemoglu and Others, 2001).

Theories of Economics/ Sociology/ Strategic Management
This theory propose an explanation other than efficiency in the sense that the reasons put forth are connected to research and appropriation of rents produced by firms by coercion, creation of dependency or influence. Mechanisms such as the board of directors, the director’s network or the hostile takeover bids are therefore viewed as means of acquiring power in order to collect wealth and not as a disciplinary lever to achieve greater efficiency. These theories are sometimes based on an integrative logic in which the managers or the firm are
supposed to obey a collective rationality greater than them, for example, a social class or a network (Aoki, 1980).

**Knowledge Based Theories**

This theory distinguishes between the concepts of information and knowledge, favoring the latter. If information refers to an objective closed set of data that all individuals can potentially acquire related to the consequences of possible events, then knowledge on the contrary, represents an open subjective set resulting from the individuals interpretation of the information, according to their cognitive models. Knowledge is a complex structure, based on experience and consisting of a system of action rules that determine the meaning and the utility of the information. If through a contractual perspective, the creation of value results only from the resolution of conflicts of interests based on asymmetry of information, and then knowledge-based theories would have other bases linked to knowledge acquisition and innovation: this enables the firm, as well identified entity, to acquire the faculty of learning and to create knowledge. The process of creating value does not always take the disciplinary path, but also a production path based on skills.

The Pareto (locative) efficiency or the simple productive efficiency in the static sense are abandoned in favor of a dynamic or adaptive approach, inspired by Schumpeter, who places great importance on innovation and flexibility and therefore the ability to creating sustainable value.

**The Shareholder Theory of Governance**

This theory originated in an analysis of Jensen and Meckling (1976) that focused on two main objectives. The first ambitious objective was to propose a contractual theory of the firm seen as a team of productive inputs (Alchian and Demsetz, 1972) Inspired by the theory of property rights, and focusing on the agency relationship concept. The second more limited objective was to illustrate the explanatory power of this theory with regard to the problem of the capital structure of the firm.

If in the beginning, Jensen and Meckling considered the firm as a nexus of contracts, associating the firm and the entire group of resource contributors (the team of productive inputs), their limited objective of explaining the capital structure led them to construct a more simplified model taking into consideration only two agency relationships. The first linked the manager to the shareholders and the second linked the firm (represented by the managers and shareholders) to the financial creditors. This initial modeling, that gave priority placement to the analysis of the relationship between the manager-entrepreneur opening his capital and the new shareholders playing the role of “Principal” and the manager that of the “agent” was to lead to the shareholder approach that still dominates normative research and reflections today.

Traditionally associated with the legal approach to ownership, presumed (Amable and Petit, 1999) to recognize only the shareholders as the owners or the only “residual” (Aoki, 1980) claimants. It attributes the unique role of “security” of the financial investment to the government. However, the shareholder model is most often based on the normative branch of the agency-theory-referred to as “principal-agent” claiming through hypotheses, in its dominant model, that the shareholders are the only principals and the managers are the only agents.

Moreover, it is possible to justify the shareholder conform to the positive branch of the agency theory resulting from the analysis of Jensen and Meckling. In accordance with the natural selection principle, we need only maintain that organizational practices have emerged in endogenous fashion reinforcing the probability of
The survival of the firms that adopted them. However, the question is now to justify this argument by attempting to identify the sources of the advantage granted.

**The Disciplinary Stakeholder Theory**

The disciplinary stakeholder theory also finds its origin in the representation of the firm as a team of productive inputs of which the synergies are the basis for the organizational rent. Modifications to the model for value creation, as compared to the shareholder model, are related to distribution by calling into question the shareholders’ status of exclusive residual claimants. The abandonment of this hypothesis led to a questioning of the sharing of the rent that, due to the fact that the investment/financing is not separable, also has an influence on value creation. The contributors of production factors, other than the shareholders, would be encouraged to contribute to value creation only if they were to receive a share of the rent, therefore attaining status of residual claimant. Governance only has an impact on the creation of the rent through distribution: “the governance system is simply a set of constraints governing the negotiations ex post for the sharing of the rent between the different stakeholders.”

Ownership is defined as much by the residual control rights as by the allocation of residual gains. The ownership status can be extended to all the parties to the nexus of contracts. A salaried employee, who is assigned the power of decision in order to better utilize his knowledge, becomes part owner. He therefore has a greater incentive to contribute more effort when he would collect a share of the organizational rent, in the form of over-remuneration, regardless of its form (monetary or not), in comparison to his reservation salary. This extension of the analysis puts special emphasis on human resources.

The attention given to managers of great importance with regard to the question of governance, to question their role in the production of the organizational rent, that is, the importance of managerial rent due to their specific skills. Even if the model does not provide direct reference to the concept of extended ownership, it supposes that the more rent the managers are able to appropriate the more incentive they will have to produce the rent.

**Conceptual Framework**

The concept of corporate governance has attracted a good deal of public interest in recent years, because of its apparent importance on the economic health of corporations and society in general. Basically, corporate governance in the organization/company requires judicious and the preservation of resources of the organization; ensuring ethical and professional standards and the pursuit of corporate objectives, it seeks to ensure customer satisfaction, high employee morale and the maintenance of market discipline, which strengthens and stabilizes the organization/company.

Corporate governance refers to the mechanism through which private or state owned corporations and their management are governed and that it provides a structure which the objectives and the performance of a corporation are determined and monitored (Lemo, 2007). However, governance is broad in concept touching on human issues, political, Judicial and corporate issues. Getting good governance calls for improvement that touch virtually all aspects of the public sectors from institutions that set the rules of the game for economic and political interactions, to organizations that manage administrative system terms and deliver goods and services to citizens to human resources that staff government bureaucracies, to the interface of officials and citizens in political and bureaucratic areas.

It is also imperative to note that corporate governance requires the co-operation of various parties such as the board of directors, the chief executive officers, management and shareholders. These stakeholders are called the
regulatory body. Others are suppliers, employees, creditors, customers and the community at large. The corporate governance structure specifies the rule and procedures for making decisions on corporate affairs. It also provides the structure through which the company/organizational objectives are set as well as the means of attaining and monitoring the performance of those objectives. Corporate governance is used to monitor whether outcomes are in accordance with plans and to motivate the organization to be more fully informed in order to maintain or to alter organizational activity. It is the mechanism by which individual are Motivated to align their actual behavior with the overall participants.

Generally, the concept of corporate governance relate to the relationship between a company’s management board shareholders and other stakeholders. From the perspective above, good corporate governance entails efficient management of resources and provision of responsible leadership; it requires the provision of timely and quality information and the enforcement of sanction for breaches in ethical standard, regulations and code of conduct (Ogbeche, 2006).

Suffice it to say that the whole essence of corporate governance is to ensure transparency, investor protection, full disclosure of executive action and corporate activities to stakeholders, assurance of performance related executive compensation and full disclosure of executive compensation (Myers, 1997). Corporate governance as a multi-faceted subject has an important theme which deals with issues of accountability and judiciary duty, essentially advocating the implementation of policies and mechanisms to ensure good behavior and protect shareholders.

Internal Corporate Governance Control
Internal corporate governance controls monitor activities and then take corrective action to accomplish organizational goals. Examples include:

a. monitoring by the board of directors
b. Internal control procedures and internal auditors
c. Balance of power
d. Remuneration

External Corporate Governance Controls
Similarly, external corporate governance controls encompass the control that external stakeholders exercise over the organization; they include;

a. Competition
b. Debt covenants
c. demand for and assessment of performance information (financial statements).
d. Government regulations managerial labor market media pressure.
e. takeovers.

Empirical Review

Henry, Lydia, Shadrack and Paul Mbiti (2014) carried out a study on effect of corporate governance on performance of sugar manufacturing firms in western Kenya. A case of sugar manufacturing firms in western Kenya. What led them to this study is increasing importance of corporate governance in organizations in recent years and some studies have argued for a positive relationship while others argued that there is a negative relationship between corporate governance and organizational performance.

This study sought to determine the effect of corporate governance on increase in productivity of sugar manufacturing firms in western Kenya. The population of the study consisted of eleven sugar manufacturing
firms in western Kenya. A convenience sample of sugar manufacturing firms in western Kenya was used for the study. Primary data were collected using structured questionnaires. Descriptive statistics was used to summarize the data and Pearson’s correlation coefficient was used to determine the relationship between corporate governance and organization performance of sugar manufacturing firms, multiple regression analysis was used to determine the effect of corporate governance on organizational performance.

The findings of their study revealed that the corporate governance practices were positively related to the performance of sugar manufacturing firms in western Kenya, although not very strongly ($r = 0.587, P < 0.05$). this means that the corporate governance practices which involved board characteristics and shareholders communication policy and continuous disclosure had an impact on the performance of sugar firms in western Kenya.

Tek (2013) Review empirical evidence on the link between compliance with governance of best practice and firms operating results. This study provides robust evidence in support of the agency theory argument that corporate governance matters for a firm’s operating performance using the corporate governance ratings as the governance proxy from Horwath 2006 corporate governance report.

The researcher examine 60 sample firms to reveal that a firms governance is positively and significantly related to firm performance as measured by return on equity, earning yield and return on assets. This study extends the findings of these two reports which found a disturbing trend in the corporate governance practice of Australian mid-cap companies both a decrease in companies with excellent corporate governance and an increase in companies with significant corporate governance deficiencies to qualify the relationship between corporate governance and the performance of firms in Vietnam. In this study, corporate governance is considered to consist of the following elements: (i) The size of the board, (ii) the presence of female board members (iii) the duality of the CEO (iv) The education level of the board (viii) the ownership of the board (v) the presence of independent (outside) directors (vii) the compensation of the board.

The researchers used flexible generalized least square (EGLS) technique on 77 listed firms trading over the period from 2006 to 2011. The findings of their study indicated that elements of corporate governance such as the presence of female board members, the duality of the (CEO, the working experience of board members and the compensation of board members have positive effects on the performance of firms, as measured by the return on asset (ROA). The study also revealed that ownership of board members has a non-linear relationship with a firm’s performance.

Ming-cheng, Hsin-chiang, I-cheng in and Chun-fenglai (2004) researched on the effects of corporate governance on firm performance. The main purpose of their study is to examine the impact of the corporate governance mechanism on firm performance. The variables, employed in this study to measure firm performance, include return on assets, stock return and Tobin’s Q. Regression analysis was used to resolve the data collected for this study and the results indicate that firm performance is in negative and significant relation to board size, CEO duality, stock pledge ratio and deviation between voting right and cash flow right, on the other hand, firm performance is in positive and significance relation to board independence and insider ownership.

Ozuomba (2012) carried out a study on the impact of corporate governance on firm performance: Empirical study in Vietnam. This research is conducted to examine the relationship between corporate governance and firm performance. Corporate governance is proxied by a set of variable. i.e. dual role of the CEO, board independence and ownership concentration while firm performance is measured by return on asset (ROA), return on equity (ROE). They used the feasible generalized least squares (FGLS) on the dataset of 177 listed
companies in Vietnam for the period of 5 years, from 2008 to 2012, the findings of this study indicate multiple effects of corporate governance on firm performance first, duality role of the CEO is positively correlated with firm performance. Secondly there is a structural change in relation between managerial ownership and firm performance. Thirdly, board independence has opposite impacts on firm performance. Finally, there is no significant effect between corporate governance and increase in productivity.

METHODOLOGY
Survey design was used in this study. The researcher used mainly interview and questionnaire as measuring instruments. Primary and secondary data were employed. The researcher elicits information for the study via wide range of research instruments. As noted by Obodoeze (1996). Thus, the researcher used questionnaire, and physical observation to generate such information.

Design and Administration of Questionnaire
The questionnaire was divided into two parts; the first part (section A) was used to obtained information on the personal profile of the respondents such as sex, age, marital status and educational qualification. While the second part (section B) were used to elicit answers to the questions understudy. It is worthy to note that a copy of the questionnaire were included in this work as Appendix B.

Population of the Study and sample size
In view of Ogum (2002), population comprises of the totality of units having certain defined characteristics in common. the population of the study is therefore, made up of all employees of Nigeria Breweries plc Enugu State, which is three thousand one hundred and ninety five (3,195) as indicated by the company website. Onyenankaya (2001), pin that, sample is the number of people drawn from a population large and good enough to represent the entire population. Thus, the sample size formula proffered by Taro Yamane was used.

\[ n = \frac{N}{1+N(e)^2} \]

Where:
- \( n \) = sample size
- \( N \) = Population size
- \( e \) = Allowable errors

Therefore:

\[ N = 3195 \]
\[ \frac{1+3195(0.05)^2}{1+3195(0.0025)} \]
\[ n = 355 \]
\[ \frac{1+3195(0.0025)}{8.9875} \]
\[ n = 355 \]

Based on above calculation, the sample size is 355. This implies that the study was based on the three hundred and fifty five (355) derived as the research sample size.

Reliability and Validity of Research Instruments
The researcher used a pilot test approach to determine if there consistency in the responses. The same designed questionnaires for the study were distributed to 32 respondents in Nigeria Brewery plc, Aba Abia state, it was filled and returned back to the researcher and data gotten were computed for a test of reliability using cronbach alpha technique.
The result reports a cronbach alph of 0.889, indicating that the instrument is reliable. In view of Anyanwa (2000) validity is the degree to which a measuring instrument measures what it is designed to measure. To ensure validity of the instrument, the instrument was vetted and authenticated by the researcher’s supervisor and other research experts.

**Data Analysis Technique**

To derive useful meaning from the data, and to examine the propositions of this study, data from the survey was analyzed using SPSS version 19 as well as descriptive and inferential statistics. Descriptive statistics such as mean, percentages and frequencies was employed in the study to measure demographic characteristics of respondents.

The regression analysis in SPSS package was used to test the four hypotheses.

**Decision Rule**

The rejection of the null hypothesis shall be based on the p-value as the null hypothesis is rejected if p-value<0.05.

**PRESENTATION AND ANALYSIS OF DATA**
Questionnaires that relate to the hypothesis were tabulated and analysed. The rejection of the null hypothesis shall be based on the p-value as the null hypothesis is rejected if p-value<0.05.

**Distribution and Collection of Questionnaire**

Table 1: Questionnaire Distribution

<table>
<thead>
<tr>
<th>ITEM</th>
<th>N</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Questionnaire Properly filled</td>
<td>283</td>
<td>79.7183</td>
</tr>
<tr>
<td>No. of Questionnaire not returned or properly filled</td>
<td>72</td>
<td>20.28169</td>
</tr>
<tr>
<td>No. of Questionnaire Distributed</td>
<td>355</td>
<td>100</td>
</tr>
</tbody>
</table>

**Source: Field Survey Data, 2015**

From table 1, it could be seen that three hundred and fifty five (355) questionnaires were distributed but only two hundred and eighty three (283) being about 80% of the questionnaire distributed were properly filled and returned to the researcher. The study further had to use the two hundred and eighty three (283) questionnaire properly filled and returned for study. This serves to give the data substance and credibility.

**Presentation and Analysis of Questions in Section A**

Table 2: Gender Distribution

<table>
<thead>
<tr>
<th>QUESTION 1</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>Male</td>
<td>165</td>
<td>58.3</td>
<td>58.3</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>118</td>
<td>41.7</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>283</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source: Field Survey Data, 2015**

Table 2 shows the gender distribution of the study. The result has shown that about 58.3% of the respondents were male while 41.7% of the respondents were female. This implies that there were more of the male respondents than the female.

Table 3: Age Distribution

<table>
<thead>
<tr>
<th>QUESTION 2</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>20-30</td>
<td>42</td>
<td>14.8</td>
<td>14.8</td>
</tr>
<tr>
<td></td>
<td>31-40</td>
<td>87</td>
<td>30.7</td>
<td>45.6</td>
</tr>
<tr>
<td></td>
<td>41-50</td>
<td>129</td>
<td>45.6</td>
<td>91.2</td>
</tr>
<tr>
<td></td>
<td>&gt;51</td>
<td>25</td>
<td>8.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>283</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source: Field Survey Data, 2015**

Table 3 has shown the age distribution of the respondents indicating that there were more respondents from the age bracket of 41-50 years of age. The result has shown that about 46% were of the age bracket of 41-50 years while the next majority of respondents were from the age bracket of 31-40 years of age. There were about 14.8% of respondents from the age bracket of 20-30 years while respondents with the age bracket of 51 and above were the least participants in the study.

Table 4: Marital Status Distribution
Source: Field Survey Data, 2015

The output in table 4 reports the marital status of the respondents. The result has shown that the majority being about 81% of the respondents are married while only 17% of the respondents are single and 2% being very insignificant were divorced.

**Table 5: Educational Qualification Distribution**

<table>
<thead>
<tr>
<th>QUESTION 4</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid 1</td>
<td>48</td>
<td>17.0</td>
<td>17.0</td>
<td>17.0</td>
</tr>
<tr>
<td>2</td>
<td>229</td>
<td>80.9</td>
<td>80.9</td>
<td>97.9</td>
</tr>
<tr>
<td>3</td>
<td>6</td>
<td>2.1</td>
<td>2.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>283</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey Data, 2015

The output in table 5 reports the level of respondents’ education. The result has shown that there were more respondents with HND/BSc. degree that participated in our survey as the result account about 66.8% of the respondents, followed by respondents with MSc./others accounting 28.9% and very few of SSCE holders accounting 4.2% of the respondents.

**Table 6: Years of Service**

<table>
<thead>
<tr>
<th>QUESTION 5</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid 1</td>
<td>6</td>
<td>2.1</td>
<td>2.1</td>
<td>2.1</td>
</tr>
<tr>
<td>2</td>
<td>60</td>
<td>21.2</td>
<td>21.2</td>
<td>23.3</td>
</tr>
<tr>
<td>3</td>
<td>161</td>
<td>56.9</td>
<td>56.9</td>
<td>80.2</td>
</tr>
<tr>
<td>4</td>
<td>56</td>
<td>19.8</td>
<td>19.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>283</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey Data, 2015

The output in table 6 reports the respondent’s no. of years of service. The valid 1-4 represents the different level of years of services for the respondents. Where 1 represent less than 1-2 years, 2 represents 3-5 years, 3 represent 6-8 years and 4 represents 9 years and above. The result has shown that there were more respondents with about 6-8 years of experience as it account 56.9% of the respondents followed by respondents with 3-5 years of experience. The survey respondents with less than 1-2 years of experience were the least respondents.
considered as it amount only about 2.1% of the study while about 19.8% of the respondents had 9 years and above years of experience.

**Table 7: Respondent's Categories**

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>6</td>
<td>2.1</td>
<td>2.1</td>
<td>2.1</td>
</tr>
<tr>
<td>LOW LEVEL MANAGEMENT</td>
<td>18</td>
<td>6.4</td>
<td>6.4</td>
<td>8.5</td>
</tr>
<tr>
<td>MIDDLE MANAGEMENT</td>
<td>169</td>
<td>59.7</td>
<td>59.7</td>
<td>68.2</td>
</tr>
<tr>
<td>TOP MANAGEMENT</td>
<td>90</td>
<td>31.8</td>
<td>31.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>283</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey Data, 2015

The output in table 7 reports the respondent’s management category. The result has shown that there were more respondents in the middle management category as the result reports about 59.7% of the respondents fall under middle management category. The respondents in the top management amount 31.8% reporting the next in the majority after respondents in the middle management, then the low level category staff were the least respondents surveyed for the study as they amount only 6.4% of the respondents.

**Data Analysis**

The raw shove in respect of each group of users were set out and the percentage of the response is completed. Simple percentage approach was used in describing and interpreting the result of the data obtained. To assess and conduct analysis in the questions raised on this research, the following statistical measures were used. This includes mean and standard deviation. The hypotheses formulated in chapter one of this study was tested with Regression Analysis. The data were analyzed using SPSS (Statistical Package for Social Sciences) version 19. The data were tested based on 95% confidence level. The decision shall be based on the rules below:

**DESCRIPTIVES**

```plaintext
VARIABLES=QUESTION1 QUESTION2 QUESTION3 QUESTION4 QUESTION5 QUESTION7
       QUESTION8 QUESTION9 QUESTION10 QUESTION11 QUESTION12 QUESTION13 QUESTION14
       QUESTION15 QUESTION16 QUESTION17 QUESTION18 QUESTION19 QUESTION20
       QUESTION21 QUESTION22 QUESTION23 QUESTION24 QUESTION25 QUESTION26
       QUESTION27
/STATISTICS=MEAN STDDEV VARIANCE SEMEAN .
```

**Descriptives**

```plaintext
[DataSet1]
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GET DATA /TYPE=XLS
/FILE="C:\Users\360\Desktop\UCHENNA SIXTUS.xls"
/SHEET=name 'Sheet1'
/CELLRANGE=full
/READNAMES=on
/ASSUMEDSTRWIDTH=32767.
DATASET NAME DataSet1 WINDOW=FRONT.
FREQUENCIES
VARIABLES=QUESTION1 QUESTION2 QUESTION3 QUESTION4 QUESTION5 QUESTION6
QUESTION7 QUESTION8 QUESTION9 QUESTION10 QUESTION11 QUESTION12 QUESTION13
QUESTION14 QUESTION15 QUESTION16 QUESTION17 QUESTION18 QUESTION19
QUESTION20 QUESTION21 QUESTION22 QUESTION23 QUESTION24 QUESTION25
QUESTION26 QUESTION27
/STATISTICS=STDDEV VARIANCE SEMEAN MEAN
/ORDER= ANALYSIS.
Test of hypothesis 1

REGRESSION
/DESCRIPTIVES MEAN STDDEV CORR SIG N
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/Criteria=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT QUESTION12
/METHOD=ENTER QUESTION16
/RESIDUALS DURBIN.

Regression

[Hypothesis 1]

Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
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</thead>
<tbody>
<tr>
<td>QUESTION 12</td>
<td>4.31</td>
<td>.725</td>
<td>271</td>
</tr>
<tr>
<td>QUESTION 16</td>
<td>4.38</td>
<td>.784</td>
<td>271</td>
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</tbody>
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Correlations

<table>
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<tr>
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<th>QUESTION 16</th>
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</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1.000</td>
<td>.324</td>
</tr>
<tr>
<td>QUESTION 12</td>
<td>.324</td>
<td>1.000</td>
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<tr>
<td>QUESTION 16</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>271</td>
<td>271</td>
</tr>
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</table>

Variables Entered/Removed

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<thead>
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<th>Variables Removed</th>
<th>Method</th>
</tr>
</thead>
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</tr>
</tbody>
</table>

a. All requested variables entered.

b. Dependent Variable: QUESTION 12
Test of hypothesis 2

REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS CI R ANOVA CHANGE
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT QUESTION21
/METHOD=ENTER QUESTION23
/RESIDUALS DURBIN .

Regression
[Hypothesis 2]

Variables Entered/Removed

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</tr>
</tbody>
</table>

a. All requested variables entered.
b. Dependent Variable: QUESTION 21

Model Summary

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<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of Estimate</th>
<th>R Square Change</th>
<th>F Change</th>
<th>df1</th>
<th>df2</th>
<th>Sig. F Change</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.040</td>
<td>.002</td>
<td>-.002</td>
<td>.817</td>
<td>.002</td>
<td>.445</td>
<td>1</td>
<td>281</td>
<td>.505</td>
<td>1.938</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), QUESTION 23
b. Dependent Variable: QUESTION 21

ANOVAb

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>.297</td>
<td>.445</td>
<td>.505</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>281</td>
<td>.667</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>282</td>
<td>187.753</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), QUESTION 23
b. Dependent Variable: QUESTION 21

Coefficientsa

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>95% Confidence Interval for B</th>
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<tbody>
<tr>
<td>(Constant)</td>
<td>4.094</td>
<td>.376</td>
<td>10.885</td>
<td>.000</td>
<td>3.544</td>
</tr>
<tr>
<td>QUESTION 23</td>
<td>.055</td>
<td>.083</td>
<td>.040</td>
<td>.667</td>
<td>.505</td>
</tr>
</tbody>
</table>

a. Dependent Variable: QUESTION 21

Residuals Statisticsa

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predicted Value</td>
<td>4.26</td>
<td>4.37</td>
<td>4.34</td>
<td>.032</td>
<td>283</td>
</tr>
<tr>
<td>Residual</td>
<td>-2.371</td>
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<td>.000</td>
<td>.815</td>
<td>283</td>
</tr>
<tr>
<td>Std. Predicted Value</td>
<td>-2.546</td>
<td>.869</td>
<td>.000</td>
<td>1.000</td>
<td>283</td>
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<tr>
<td>Std. Residual</td>
<td>-2.903</td>
<td>.838</td>
<td>.000</td>
<td>.998</td>
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</table>

a. Dependent Variable: QUESTION 21

Test of hypothesis 3
Regression

[Hypothesis 3]

**Variables Entered/Removed**

<table>
<thead>
<tr>
<th>Model</th>
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<th>Method</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>QUESTION 27</td>
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</tr>
</tbody>
</table>

a. All requested variables entered.
b. Dependent Variable: QUESTION 22

**Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.259*</td>
<td>.067</td>
<td>.064</td>
<td>.735</td>
<td>.067</td>
<td>19.810</td>
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</tbody>
</table>

a. Predictors: (Constant), QUESTION 27
b. Dependent Variable: QUESTION 22

c. Predictors: (Constant), QUESTION 27

**ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>10.706</td>
<td>1</td>
<td>10.706</td>
<td>19.810</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>148.616</td>
<td>275</td>
<td>.540</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>159.321</td>
<td>276</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), QUESTION 27
b. Dependent Variable: QUESTION 22
Discussion of findings

Regression analysis was used to test hypothesis one and it was found out that corporate governance has a significant effect on organizational commitment. This is in line with the finding of Henry, Lydia, Shadrack and Paul Mbiti (2014) which says that the corporate governance practices were positively related to the performance of sugar manufacturing firms in western Kenya.

It was discovered that effective communication between top management and subordinate has no significant effect on increased productivity. This is in agreement with the findings of Ming-chang, Hsin-chang, I-Changlin and Chunifeng Lai (2004) which states that there is no significance effect between corporate governance and increase in productivity.

The finding of hypothesis three hypothesis which reveals employees’ involvement in board meeting has significant relationship on increase in market share, is against the findings of the study of DUC Hong and Tri Minh (2014) which reviews that board independence has opposite impact on firm performance.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

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SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary of the Findings

The research established as follows:

1. Regression analysis was used to test if corporate governance has any significant effect on organizational commitment and the result shows that corporate governance was a significant effect on organizational commitments. \( R = 0.324, R^2 \text{ of } 0.105 \text{ and a p-value of } 0.000 \)

2. Regression analysis was considered appropriate in finding out the effect of communication between top management and subordinates on increase in productivity. The result indicates that effective communication between top management and subordinates has no significant effect on increase in productivity \( R = 0.040 \text{ R}^2 = 0.002 \text{ and a P-value of } 0.505 \).

3. Regression analysis was used to test if employees involvement in board meeting has any significant relationship increase in market share and the result reveals that employee’s involvement in board meeting has significant relationship on increase in market share \( R=0.259, R^2=0.067 \text{ and a p-value of } 0.000 \).

Conclusions

Based on the findings of this study, the following conclusions are made:
1. Corporate governance has significant effect on organizational performance.
2. Corporate governance has a significant effect on organizational commitment.
3. Effective communication between top management and subordinates has no significant effect on increase in productivity.
4. To a large extent, employees are involved in board meeting of the organization.
5. The study established that, there is a unique concept of corporate governance adopt by Nigeria Breweries plc as majority that is (56.5%) of the respondents strongly agree to the statement.
6. Corporate governance helps in ensuring good business behavior in Nigeria Breweries plc.
7. Corporate governance serves the needs of shareholders and other stakeholders by directing and controlling management activities with good business survey.
8. Corporate governance requires the corporation of various parties such as board of directors, chief executive officer, management and shareholders

**Recommendations**
The researcher recommends the following based on the findings of this study:
1. The management of Nigeria Brewery plc Enugu should look deep into their corporate governance practices and restructure how to implement it in other for it to improve organizational performance.
2. Nigeria Brewery plc should ensure that the concept of their corporate governance process is underpinned by the principles of openness, integrity and accountability.
3. Information technology acquisition should be accessed by all shareholders and stakeholders in other to monitor the activities of its managers (management) in regards to corporate governance.
4. Nigeria Brewery plc should ensure ethical and professional standards in their pursuit of professional objectives, customer satisfaction, high employee morale and maintenance of market discipline as this strengthens the organizational performance.
5. Nigeria Brewery plc, Enugu should increase the level of communication between top management and subordinates as it helps to improve organizational performance.
6. Employees involvement in board meetings should be encourage in Nigeria Brewery plc since the study has shown that it has significant impact on organizational performance.

**Limitations of the Study**
The constraint envisaged in the course of carrying out this study was on the return of questionnaires on time and attitude of workers towards responding to the questionnaires. But these limitations did not in any way affect the authenticity of the work.

**Areas for Further Research**
There is urgent need to carryout research to find out the role management of organization play to ensure that corporate governance improves employees’ performance.

**Contribution to knowledge**
The contribution to knowledge of this work is that Nigerian Brewery PLC Enugu should ensure that the concept of their corporate governance process is underpinned by the principles of openness, integrity and accountability to ensure continuous improvement of organizational performance.

**REFERENCES**


