

Adherence to Good Corporate Governance in Small and Medium Enterprise in Ghana: An Investigative Report

Frank Ekow Arthur

School of Business Studies, Takoradi Polytechnic, P.O box 256, Takoradi, Ghana, P. O box c.s 8986 Tema

The research is financed by self through wire Bank transfer (Barclays Bank, Ghana)

Abstract

The main research objective was to ascertain the extent to which Small and Medium Enterprises have adhered to good corporate governance principles and practices in the formulation of organisational structures, everyday decision-making processes and more importantly, in organisational operations. This research was conducted using Small and Medium Enterprises in the Weija District of the Greater Accra Region. Questionnaires were sent to fifty (50) Small and Medium Enterprises, out of which thirty four (34) responded. The main findings of this study are that, most Small and Medium Enterprises do not have corporate governance framework in place to guide their operations. A greater majority do not have effectively constituted boards, even though few have advisory boards to advise and supervise management in their operations. Therefore no clear cut division of responsibilities exists. It is recommended that policy makers particularly government enforce corporate governance practices in the Ghanaian Small and Medium Enterprises by way of coming out with new policy guidelines.

Keywords: Corporate governance, governance principles and practice, Small and Medium enterprises.

1. Introduction

The Global Corporate Governance Forum explains in its mission statement as quoted in a speech delivered by Chisanga P.D., (2010), that: Corporate Governance has become an issue of worldwide importance. The Corporation has a vital role to play in promoting economic development and social progress. It is the engine of growth internationally, and increasingly responsible for providing employment, public and private services, goods and infrastructure. The efficiency and accountability of the corporation is now a matter of both private and public interest, and governance has, thereby, come to the head of the international agenda. (p. 5). Following the world economic crisis believed to have resulted from the fall of certain renowned corporations, the issues of corporate governance have taken a centre stage in all businesses and organisations the world over. The SMEs are no exception. The issue of corporate governance has been a growing area of management research especially among large and listed firms. However, less attention has been paid in the area with respect to Small and Medium Enterprises (SMEs).

Corporate governance is an eclectic subject matter but for the purposes of this research work the focus is exclusively on corporate governance research within the accounting and finance discipline. In this work 'adherence to good corporate governance principles and practices by small and medium enterprises [SMEs] in Ghana: an investigative report', first the traditional body of research in corporate governance within accounting and finance is reviewed. Then, the ways in which corporate governance and accountability research is expanding are discussed, providing a frame of reference depicting the frontiers of research into corporate governance. This research work fills a gap in the academic literature by building on existing work in order to extend the confines of corporate governance to SMEs in ways that is appropriate to their traditional ways of operation.

SMEs are defined in different ways in different parts of the world. Some scholars define them in terms of assets, employment creation, and shareholder funds among others. Others use a combination of revenue and employment to define SMEs. The definition of SMEs has been a contentious issue in the world. Nevertheless, the term, SSI (Small Scale Industry) is more commonly used to refer to SMEs. (Ethics and Governance in SMEs, East African Experience) Though SMEs are spread throughout the length and breadth of Ghana with negligible concentrations in some regions and less urban areas, this study focused largely on SMEs located at the Ghana Industrial and Commercial Estate Limited [GICEL] in the Weija District of Greater Accra Region, where there is a relatively high concentration of the SMEs.

1.1. Problem Statement

In Ghana, the cumbersome procedure for registering and commencing a business are key issues often cited. The World Bank (2006) indicated that it takes 127 days to deal with licensing issues and there are 16 procedures involved in licensing a business in Ghana even though in South Africa for example, it takes longer – 176 days with 18 procedures in dealing with licensing issues it is a governance issue worth addressing. (Aryeetey *et al.*, 1994).

SMEs do not have to comply with stock exchange listing requirements on corporate governance as it is

with large and listed entities. More importantly, the SME's share price or shareholder value is not determined by investors in an open capital market since most SMEs are not listed. This creates a situation where SMEs are not inclined nor pressured to consider good governance as a business imperative or as being of any strategic relevance. (King Report on corporate governance, 2002). Lack of managerial know-how places significant constraints on SME development. Even though SMEs tend to attract motivated managers, they can hardly compete with larger firms. The scarcity of management talent prevalent in most countries in the region has a magnified impact on SMEs. The lack of support services coupled with relatively higher unit costs hamper SMEs' efforts to improve their management, because consulting firms are often not equipped with appropriate cost-effective management solutions for SMEs (Kayanula and Quartey, 2000).

The researcher is aware that corporate governance is a recent phenomenon which has come to gain much currency after the various corporate scandals rocked the world. For this reason there is not enough research work in this area. The few works available are mostly on listed companies, hence the need for this research which is focused on SMEs' corporate governance adherence. An area lacking in available research works (Clarke, 2007).

2. Materials and Methods

The Ghana Industrial and Commercial Estate Limited (GICEL) located in Weija District, houses different SMEs. The SMEs, specifically located at GICEL are organised under the Weija district office of National Board for Small Scale Industries [NBSSI] which is also located within GICEL. The population of SMEs within GICEL and recognised by NBSSI of GICEL is 95. Using the table by Krejeie and Morgan (1970) as a basis, 50 SMEs were sampled out of the total population of 95 for this study. The real focus of the study has to do with issues of leadership and management culture of SMEs (including their qualifications, management skills and experience) as well as their succession plan, decision-making process, managerial capacity, strategic thinking and business planning.

3. Theoretical and Conceptual Framework

There are strong arguments both in favour of, adoption of Corporate Governance Principles and Practices within the SME sector, as well as against the introduction of such Principles and Practices in the SMEs. Here both schools of thought would be analysed.

3.1. Background of Corporate Governance

The influential 1992 UK Cadbury Report defines corporate governance fundamentally but somewhat simplistically as "the system by which companies are directed and controlled" (Cadbury report, 1992). Whilst Milhaupt (1998) describes corporate governance as pertaining essentially to the relationship between shareholders and management, although the author noted that this was not without debate.

Corporate governance is described as "a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined" (OECD Principles of Corporate Governance, 2004). According to Zamora (2004), Mexican law contends that corporate governance is not a universal concept. In fact, the expression is matched in Spanish to its literal translation '*gobierno corporativo*' or in Portuguese '*governança corporativa*', both terms have a misleading meaning. First, the word corporation (Corporate) in Latin American legislation is used to describe a non-profit organisation. In addition, both *gobierno* and *governança* do not necessarily connote the same corporate governance, and in Latin America they have a specific technical meaning granted by local doctrine. One of these corresponds to a way of administration for a nation and the formulation of laws. It is argued that the similarity of some words masks important differences in meaning, and much of these differences have a lot to do with imperceptible features of the legal culture (Oxford University Press). In the 20th century the aftermath of the Wall Street Crash of 1929, Berle and Means (1932) reflected on the changing role of the modern corporation in society; which continues to have a profound influence on the conception of corporate governance in scholarly debate today (Tricker, 1984).

3.2 History of Corporate Governance

Opinions differ as to what is the best form of corporate governance, therefore the focus of attention on the subject matter of corporate governance varies from country to country. Holderness, and Sheehan, (1988) state that, "In the US, corporate governance grew in importance as a result of the increase in mergers and acquisitions in the 1980s and the Enron Scandal". (The Role of Majority Shareholders in Publicly Held Corporations. *An Exploratory Analysis, Journal of Financial Economics*, Vol. 20, Nos. 1, 2). Holderness (1988), further contended, in the United Kingdom, after a series of major scandals in the 1980s, the subject moved up the political agenda while in France privatized state companies have had to meet the demands of institutional

investors in France and abroad. Lemmon, and Lins, (2003) Ownership Structure, Corporate Governance and Firm Value: *Evidence the East Asia Financial Crisis*, *Journal of Finance*, state: Current corporate governance concerns can be related to the emerging markets crisis and multinational companies' failures such as the East Asian financial crisis of 1997, which saw the economies of several regional nations affected by the exit of foreign capital after property assets, collapsed which showed the major risks that investors could face when dealing with poorly managed companies. (Vol. 58, No. 4).

Many Latin American companies, which were widely-owned, whether by family or state, have also reached a point where improving transparency, strengthening minority shareholders rights, and defining clear board practices have become key for potential growth and competitiveness; this urgency has also been reflected in the sanction of corporate governance codes in most of the Latin American countries. (*Corporate Governance in Latin America, World Bank LAC Regional Study*).

In the current debate on governance issues there is the view that the Anglo-American style capital market, with its emphasis on the separation of shareholders from the firms they invest in, too often results in poor managerial accountability and substantial departures from shareholder value maximisation. In addition, there is now widespread awareness that managers may take actions that hurt stakeholders. (Oxford, OUP).

There also have been reforms in the US where compliance with the Sarbanes-Oxley Act has been a requirement for all listed companies since July 2002. Other well-known corporate governance codes are the South African's King Reports I, II and III; and the Organisation for Economic Co-operation and Development (OECD) internationally applicable code of best practice. However, issues of governance are approached differently by the fields of finance, economics, and management. This literature review, pulls together many of the themes currently explored in corporate governance literature and present a characterisation of the issues, to provide a basis for analysis.

3.4 Why Corporate Governance Has Received Much Awareness in Recent Times

One reason, mentioned earlier, is the proliferation of scandals and crises. As also mentioned, the scandals and crises are just manifestations of a number of structural reasons why corporate governance has become more important for economic development and a more important policy issue in many countries. More so, the private, market-based investment process underpinned by good corporate governance is now much more important for most economies than it used to be. Privatization has raised corporate governance issues in sectors that were previously in the hands of the state. Firms have gone to public markets to seek capital, and mutual societies have converted themselves into listed corporations.

Furthermore, the mobilization of capital is increasingly one step removed from the principal-owner, given the increasing size of firms and the growing role of financial intermediaries. The role of institutional investors is growing in many countries, with many economies moving away from the "pay-as-you-go" retirement systems. This increased delegation of investment has raised the need for good corporate governance arrangements. Another reason worth noting is, International financial integration has increased, and trade and investment flows are increasing. This has led to many cross-border issues in corporate governance. Cross-border investment has been increasing, for example, resulting in meetings of corporate governance cultures that are at times uneasy.

At the level of the firm, the importance of corporate governance for access to financing cost of capital, valuation, and performance has been documented in a number of countries. Better corporate governance leads to higher returns on equity and greater efficiency. Across countries, the important role of institutions aimed at contractual and legal enforcement, including corporate governance, has been underscored by the law and finance literature.

At the country level, various papers have documented a number of differences in institutional features. Across countries, the relationships between institutional features and development of financial markets, relative corporate sector valuations, efficiency of investment allocation, and economic growth have been shown. Using firm-level data, relationships have been documented between countries' corporate governance frameworks, on one hand, and performance, valuation, cost of capital, and access to external financing, on the other.

4. Corporate Governance in Ghana

Medium-term National Development Policy Framework: Ghana Shared Growth and Development Agenda (GSGDA), 2010-2013

Promote Good Corporate Governance

The need for good governance practices at both national and corporate levels to promote accelerated growth, poverty reduction and socio-economic development cannot be overemphasized. The recent global experiences of dishonesty displayed by international financial institutions that led to global business failures have reinforced the need for effective corporate governance regimes.

i) Promoting an enabling environment and effective regulatory framework for corporate management:

Over the medium-term Government policy will focus on promoting an enabling environment and effective regulatory framework for corporate management. The regulatory framework and institutions that have responsibility for monitoring the behavior and practices of companies shall be strengthened, while capacity will be built to enhance the ability of these agencies to effectively do their work. Additionally, efforts will be made to promote the adoption of codes of good business ethics, providing for accountability and transparency through full disclosure.

- ii) Training of high quality and result-oriented managers: Other drawbacks for the development of the private sector have been the dearth of high quality and result-oriented enterprise managers. In the medium-term, special training programs would be rolled out to raise the quality of the human resource base of the private sector. Emphasis will be placed on such specialised areas as: logistics and procurement management; financial management; project planning, design and management; and oil and gas management.

5. Methods

The study adopts a quantitative research using the survey method. (Bell 1993: p.10) Bell explains the primary aim of a survey as that of obtaining information which can be analysed and patterns extracted and comparisons made. This is exactly the reason why the survey method is considered the best method for this research.

Surveys include cross-sectional and longitudinal studies using questionnaires for data collection (Babbie, 1990: p.243). With cross-sectional designs all measures are taken over a short period of time. Longitudinal design however is the use of repeated measures on one or more variables over an extended period of time where the main focus is on trends occurring over this period. In this research the cross-sectional design was adapted. The method of collecting information often used in a survey method is to ask the same questions to all respondents, possibly under the same circumstances. The questionnaire method is therefore the best method to achieve that level of consistency hence research questionnaire was used.

The sampling approach chosen for this study is referred to as the purposive sampling. Purposive sampling is the preferred approach because there is an already established structure or a made-up population within GICEL under NBSSI at Weija district. This is a suitable place for the research to be conducted since the main purpose for the establishment of GICEL was to make it an industrial hub to house artisans [mostly SMEs for that matter] in order to decongest Accra the capital city and thereby making it a 'one-stop-shop'.

This sampling approach does not attempt to identify a representative subset of the population, but rather those that are readily available (Leedy, 2001, p. 218). Leedy, further contends that the larger the population, the smaller the percentage sample would be acceptable whilst the actual number is high. The size of the sample also depends on how homogeneous or heterogeneous the population is with respect to the characteristics of the research interest (Leedy, 2001, p. 221). The SME sector in terms of the factors that influence compliance with good governance seems to have more or less the same challenges from the literature review. Leedy maintains that the relative size of the sample need not be large if the population is homogeneous (Leedy, 2001, p.221). The sample size, therefore, was 50 SMEs to represent SMEs in the Ghanaian economy within the Weija District sampled out of a population of 95.

6. Results

6.1 Organisational Details

Items under this part of the questionnaire sought to find the motivational factors for setting up the businesses and the types of business unit.

Table 1: Motivation to start business

Percent		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Promoters in similar business in the past	8	23.5	24.2	24.2
	Rewarding returns in business	17	50.0	51.5	75.8
	Low risk in the Business	8	23.5	24.2	100.0
	Total	33	97.1	100.0	
Missing	System	1	2.9		
Total		34	100.0		

Source: Field Work Results 2015

From Table 1, 17 of the respondents, representing 50% of the sample indicated that the prime motivation for setting up business was purely the rewarding nature of business returns. Also 8 respondents representing 23.5% gave the indication that they ventured into promotion because they had previously been involved in similar business in one way or the other. Another 8 representing 23.5% indicted it's for a reason of

the low risk nature. The missing system as generated by the SPSS was 1 representing 2.9% and reference to respondents who did not answer the question.

Table 2: Status of Company

Percent		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Limited Liability Company	21	61.8	63.6	63.6
	Sole Proprietorship	11	32.4	33.3	97.0
	Partnership	1	2.9	3.0	
	Total	33	97.1	100.0	
Missing	System	1	2.9		
Total		34	100.0		

In Table 2, 21 of the respondents representing 61.8% indicated that their businesses are Limited Liability Companies. This is positive signal for possible adherence to corporate governance principles in SMEs as Limited Liabilities Companies are regulated by the Companies Code, 1963. Also, 11 of the respondents representing 32.4% indicated that their businesses are sole proprietorship in nature while only 1 of the respondents indicated that his business is a partnership type. System missing [i.e. No response] as generated automatically by the SPSS as part of its analysis of data fed into it is however 1 representing 2.9%. The missing system refers to those who did not answer this particular question.

6.2 Corporate Governance Issues

These questionnaire items touched on the respondents' perception towards the current corporate governance principles in their respective organisations.

Table 3: Corporate Governance Framework

Percent	Does corporate governance framework exist in your company?[Yes /No]	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	33	97.1		
Missing	System	1	2.9		
Total		34	100.0		

Results from the analysis of data in Table 3 shows that 33 out of the 34 respondents representing 97.1% in a 'Yes / No' response to a question 'does corporate governance framework exist in your enterprise' indicated that there is no appropriate governance framework in their companies. This poses as a major challenge to SMEs in Ghana as there is no proper governance framework within these businesses to regulate their operations. Missing System [i.e. No response to the question] is 1 representing 2.9%.

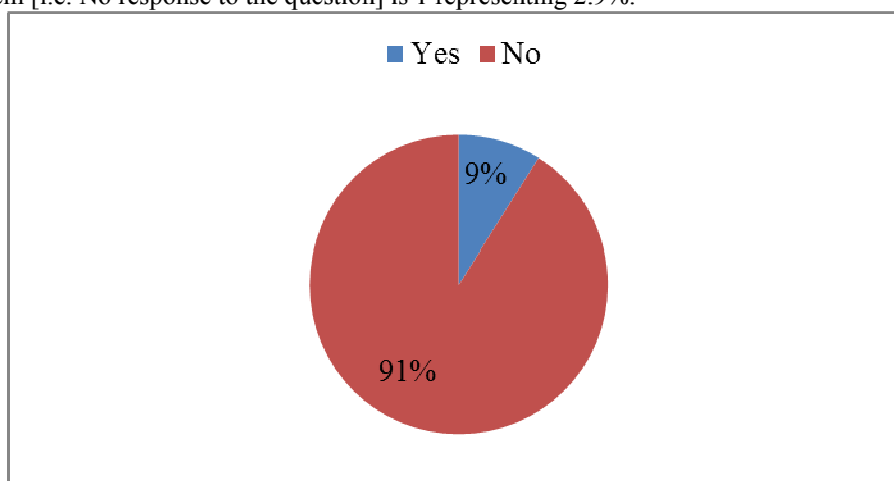


Figure 1: Ownership of Company
Source: Field Work Results 2015

From Figure 1, 31 of the respondents representing 91% stated their companies are not family owned. This is very positive. The remaining 3 of the respondents representing 9% agreed that their company is family owned. Only 1 out of the 3 CEOs who indicated that their company is family owned asserted that there is an established family governance mechanism which promotes coordination amongst family members and organizes the relationship among the family and the business.

Unlike most emerging economies which are dominated by family-owned business the result gives a level of comfort as challenges associated with family owned businesses such as interfamily disagreements and

disputes about succession and others may not be the case with SMEs in Ghana. With much effort therefore, it will be easy to streamline governance issues of these SMEs.

Table 4: Division of Responsibilities between Board and Management

Percent		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	1	2.9		
	No	33	97.1		
	Total	34	100.0		
Total		34	100.0		

Table 4 indicates that 1 respondent who has Board in the business representing 2.9% of the total respondents asserted that there is a clear division of responsibilities between the board and management. However, 33 of the respondents representing 97.1% of the total respondents stressed that there is no clear division of responsibilities between the board and the management of the company. This is obvious since they represent the equal number of respondents not having Board of Director in their business. This certainly will not enhance effective adherence of corporate governance principles within these businesses. This further means SMEs do not have corporate governance in place even so they will be adhered to.

Table 5: Competencies / Experiences of Directors

Percent		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	1	2.9	100.0	
	No	33	97.1		
Total		34	100.0		

From Table 5, 1 of the respondents representing 2.9% of the total respondents responded that the board of directors in the firm have sufficient mix of competencies and experiences. The rest of respondents numbering 33 making up 97.1% however responded in the negative. This can be taken as 'not applicable [N/A]' since they don't even have boards in place. It is however a good indication for the single company with board of directors who have sufficient mix of competencies and experiences and a positive factor for the adherence to corporate governance principles as their competencies would positively impact the running of the business.

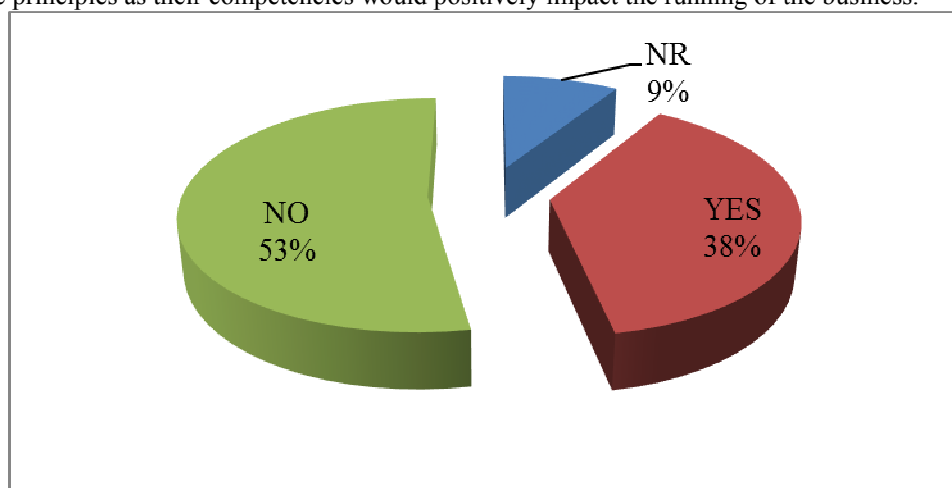


Figure 3: Stakeholder Engagement Process

Source: Field Work Results 2015

In figure 3, of the whole 34 respondents, 18 representing 53% do not have stakeholder engagements process in place, 13 representing 38% asserted that there is stakeholder engagement in their respective companies that ensures balanced assessment of the company's position and prospects to its stakeholders. There was no response from 3 representing 9%. Though, the 'Yes' which represents 38% gives a good sign, there is still a big challenge with respect to the adherence of good corporate governance principles and practices within SMEs as a great 53% indicated 'No'. This is particularly important because the stakeholders are supposed to be presented with a balanced assessment of the company's position and prospects to enable them make informed decisions in the management of investments and also to ensuring there are no stakeholder disputes.

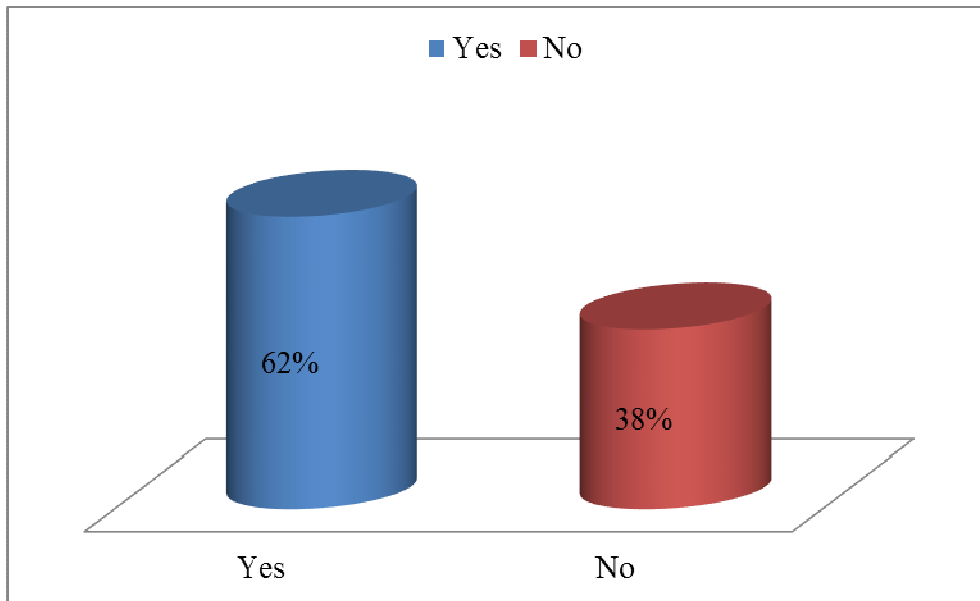
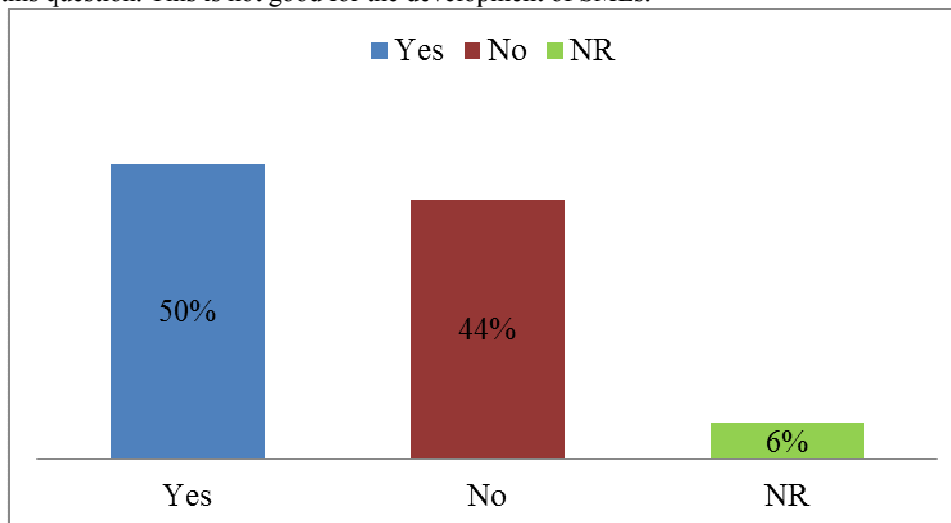


Figure 4: Levels of Remuneration

Source: Field Work Results 2015

As a prospect for good corporate governance practice, 21 of the respondents representing 62% agreed that the levels of remuneration in their organisations is appropriate to attract, retain and motivate executives and non-executives of the quality required to run their companies successful. On the contrary, 13 of the respondents representing 38% disagreed with the assertion above. This information is illustrated in Figure 4. As an indication of SMEs not adhering to good corporate governance principles and practices of ensuring that performance is geared towards the accomplishment of company’s objectives, a majority of the respondents representing 85.3% responded that their Board do not meet regularly to comply with their duties. This actually implies the absence of board meetings. A respondent representing 2.9% of total respondents however stated there is regular meeting of the company board, while 4 respondents representing 11.8% were captured the SPSS in the generated analysis as missing system as depicted in Table 9. This missing system makes up the number of respondents that did not respond to this question. This is not good for the development of SMEs.



Source: Field Work Results 2015

Figure 5: Board / Advisory Board to Management

As a prospect for the adherence of corporate governance principles and practices in SMEs, it is obvious from Figure 2 that 17 of the respondents representing 50% agreed that they do not have boards but have a body in resemblance of Advisory Board to the management. However, 15 of the respondents representing 44% do not have any such board in place. Two of the respondents representing 6% did not respond to the question at all. The implication of this result is that SMEs have their own culture and must not be assessed by imported standards adopted from other business environment abroad. For instance, instead of insisting SMEs have Boards such as exists in listed companies, the Advisory Board system could be introduced and structured in according with their

business culture. It will be easy to even get the other 445% on board.

6.3. Management Structure

This questionnaire sought to investigate the management structure of the responding companies as to whether they have put in place effective management structure that conforms to good corporate governance.

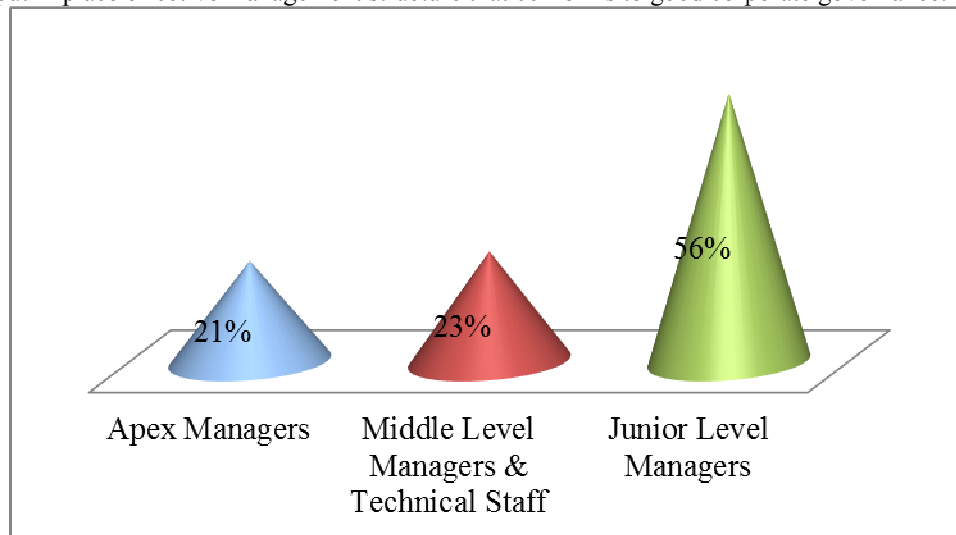


Figure 5: Management Structure

Source: Field Work Results 2013

A summary of the responses as to what constitute the management structure within their organisation, respondents indicated that there are more Junior Level Managers constituting 56% as compared to Middle level and Apex Level Managers representing 23% and 21% respectively. This information is depicted in 5. A good management structure should be down heavy and be in a pyramidal shape thus with a small top. This result conforms exactly with this deduction and for that matter good sign for the development of SMEs towards good corporate governance.

In compliance with good corporate governance practice, table 14 sought to find out the separation of ownership from management. 55.9% of respondents agreed that management within their respective organisations are separate from ownership. However, 44.1% of the respondents do not think there is a clear line of distinction between the management and ownership within their companies. Ideally, for good governance system, management should be separated from ownership as is the case with limited liability companies under the Companies code of Ghana. But this has been a difficulty with the private sector especially SMEs. The mindset is that, once they establish a business, it is they who best understand what they went through to get the business going and for that matter no one else can feel issues better than they themselves. This often results in the difficulty SMEs encounter in decoupling management and ownership. Therefore, for this result to be tilted towards separation of management from ownership, it is a very good development for the future of SMEs in Ghana. It is also however possible those respondents misunderstood the question and for that matter this results.

7. Findings and Recommendations

7.1 Findings

A total of 97.1% of respondents indicate that there is no appropriate governance framework in their companies. This poses a major challenge to SMEs in Ghana as there is no proper governance framework within these businesses to regulate their operations. Ninety-four percent (94.1%) indicated that there is no Board in their businesses. However, there was only one respondent who indicated that there is a Board in the business and that the Board has been effective. As a prospect for the adherence of corporate governance principles and practices in SMEs, 50% responded that they do not have boards but have a body in resemblance of Advisory Board to the management. However, 44% do not have any such board in place. Two of the respondents representing 6% did not respond to the question at all.

A total of 97.1% respondents asserted that there is no clear division of responsibilities between the board and management of the company. This response is influenced by the fact that most respondents do not even have boards in their businesses. It is therefore a clear setback to SMEs adhering to good corporate governance principles and practices. However, there was one [1] respondent representing 2.9% of the total respondents stressing there is no clear division of responsibilities between the advisory board and the management of the company.

One respondent representing 2.9% of respondents responded that there is sufficient mix of competencies and experiences in the company's board. However a majority of 97.1% who obviously do not have boards in their businesses responded in the negative. This is therefore not a positive factor as their competencies and experiences would positively impact the running of their businesses.

Sixteen of respondents representing 47.1% of the total respondents established that they maintain sound system of internal control systems in their business. The remaining 18 respondents representing 52.9% however responded in the negative. To the issue of stakeholder engagement process, of the 34 respondents, 18 representing 53% did not have stakeholder engagement process in place, 13 representing 38% asserted that there is stakeholder engagement in their respective companies that ensures balanced assessment of the company's position and prospects to its stakeholders. There was no response from 3 representing 9%. It is a challenge with respect to the adherence of good corporate governance principles and practices within SMEs. This is particularly important because the stakeholders are supposed to be presented with a balanced assessment of the company's position and prospects to enable them make informed decisions in the management of the investments and also ensuring there are no stakeholder disputes. On the frequency of updating of skills of board members, only one [1] respondent representing 2.9% of total respondents indicated members of the company's board did. However, 33 respondents representing 97.1% responded in the negative. This was obvious since they represent the number of respondents that did not have boards in place. With the levels of remuneration, 62% indicated that the levels of remuneration in their organisations is appropriate to attract, retain and motivate executives and non-executives of the quality required to run their companies successfully, while 38% disagreed with that assertion.

A summary of the responses as to what constitute the management structure within their organisation, respondents indicated that there are more Junior Level Managers, representing 56% while Middle level and Apex Level Managers had representation of 23% and 21% respectively. A majority of the respondents representing 97%, as a sign of good corporate governance within SMEs, established that, employees make suggestions for better management of their organisations.

A disturbing revelation from the survey is that for most of the companies surveyed, there is no clear distinction between ownership and management. Most of them are managed by owners and most decisions are taken to suit their personal interests irrespective of their impact on the financial performance of the companies. Most companies do not have a corporate governance framework in place to guide their operations. This is compounded by the fact that a greater majority do not have effectively constituted boards, even though there exist in some cases advisory boards to advice and supervise management in their operations.

The effect from the above is that, there is obviously no clear cut division of responsibilities and roles between the advisory boards and the management of the companies. It is however reassuring that members of the existing advisory boards in place, have the necessary academic and professional qualifications, experience and competence mix and this will impact positively on the performance of those companies. Additionally, they have sound internal control structures in place to ensure that their operations are guided by the principles set up by the management to ensure that their financial statements are prepared in accordance with principles and free from material misstatements whether due to fraud or errors.

7.2. Conclusion and Recommendations

SMEs are crucial for the development agenda of developing-countries as they facilitate economic activity and provide employment and thus contributing to poverty reduction. They however face challenges in relation to accessing finance, forging international linkages and access to technology. Enterprises in this sector have peculiar governance issues. Corporate governance is to enhance competitiveness of businesses not only the large and listed companies but also SMEs, by playing important role in the management and mobilization of resources. Corporate governance matters if developing countries are serious about addressing challenges to these enterprises. This research concludes that incentives based governance framework would need to be developed in order to encourage these enterprises to adopt good governance practices by way of tax incentives and annual awards.

The research recommends the establishment of SME chambers [Chambers of SMEs] to strengthen the advocacy for SMEs to adhere to good corporate governance principles and practices amongst its members. This dissertation also recommends the establishment of special venture services companies for SMEs to develop and provide sustainable market-driven governance solutions.

Code should be developed in consultation with ownership of SMEs and it should be flexible to incorporate different features of corporate governance for firms at different stages in the business cycle, in accordance to the capabilities of the company and the needs of investors. In other words, the Code of Corporate Governance should be a living document. It should be dynamic and flexible.

Monitoring and evaluating compliance of good governance practices by SMEs shall remain a key challenge for all the developing countries including Ghana. It is consequently, very important to establish a regulator and strengthen the capacity of the regulator to understand the needs of SMEs. Corporate Governance

Unit within the regulator should be strengthened so that it can provide guidance to SMEs on issues relating corporate governance. The regulator should also forge linkages with academia and industry to develop and promulgate policy-oriented research. There is more research work needed on corporate governance for SMEs from the perspective of developing countries. The capacity of the regulator should be strengthened to collect and analyse data and statistics regarding these enterprises. Civil society should have to play a role in monitoring compliance.

SMEs with presence in local communities contribute to its prosperity particularly by providing employment. The research work suggests that firms focus more on hiring and retaining skilled labour force and in this way contribute to creating ethical working environment. The notion or perception that principles of corporate governance practice is only a requirement for large and listed organisations has been re-emphasised by the result of this study. It is therefore the recommended view that more efforts must be put to educating, monitoring and ensuring that good corporate governance is enforced particularly by the National Board for Small Scale Industries (NBSSI) and the Registrar of Companies to ensure that the SMEs achieve their role of spearheading the growth of the economy.

Policy makers particularly the government should make more efforts to instil corporate governance practices in SMEs by coming out with new policy guidelines in that direction. The NBSSI could be expanded to accommodate the medium-sized industries and formulate appropriate policy framework to guide them in other to ensure effective and comprehensive corporate governance practices be an integral part of their management practices. They should be made to understand that these practices are to ensure effective, sound and productive management practices and thereby enhance their operations and performance. SMEs should be encouraged to put in place Advisory Boards rather than Board of Directors which is more directed to listed and strictly regulated companies as directed by the company code. Ghana cannot afford to have an SME Sector, which is seen as the heartbeat of the economy to be under-performing. Since the SME Sector in Ghana has become a nerve centre of the economy, understanding the governance of Ghanaian SMEs is arguably more important than ever before. The practice of good corporate governance makes an SME conduct its business in an ethical way. If Ghanaian SMEs are perceived to have incorporated international best practices in corporate governance, they will be in good positions to attract foreign capital and at the same time be strongly positioned to operate in foreign markets.

A sound SME Sector will be in a strong position to drive the economic reforms by the Government of Ghana and provide the support to grow the private sector which has been touted as the engine of growth.

7.2.1 Proposed Corporate Governance principles for SMEs

From the empirical works available and work by this researcher it is evident the current governance codes and principles are not in sync with SMEs' way of operations and for this reason difficult to adhere to. It is therefore the view of the researcher that, these corporate governance principles being proposed will be more SME friendly.

- a) Prepare and Publish 'Mission Statement' for the Enterprise; the mission statement of an enterprise is a simple statement of the objectives and purpose of the business. It is a public statement about the organization's mission and commitments to its stakeholders. Such public statement implies that the enterprise actually engages in activities that will benefit its stakeholders.
- b) Enterprise Policy Statement to Manage Business Growth; the manager and proprietor of the enterprise should give annual policy statement about the business growth from the perspectives of capital deployment, management, production/business, consolidation of the organizational structure, human resource management, business risks it would be subjected to and stakeholder relations relating to above issues [like regulator, creditor and supplier relationship with the enterprise].
- c) Enterprise Succession Plan; enterprise succession management plan should be determined in advance giving appropriate weight-age towards professional qualifications and experience in the relevant business. The succession plan ought to be disclosed in advance.
- d) Annual Management and Accomplishment Statements; annual management and accomplishment statement is the self-assessment statement as compared to the policy statement made at the beginning of the financial year.
- e) Management Structure and Level of Professional Qualification relevant to Industry; existing managers of enterprises should go through regular professional training programs regarding efficient capital deployment, business risk management in other to manage organizational growth.
- f) Method of Accounting and Disclosure of Audited Account; simple and standard accounting procedures and software may be proposed and developed jointly by the Ghanaian Institute of Chartered Accountancy and the Ghanaian Institute of Cost Accountancy or any other Institute of similar nature suitable for this sector.
- g) Stakeholder Relations and Welfare undertaken by the enterprise; the enterprise activities should be towards the benefit of the employee, consumer and creditor. Further, its activity should be environment friendly and towards the protection of basic human right.
- h) Legal and Regulatory Compliance; legal compliance is an essential parameter for good governance practices. Corporate governance of SME's should be a voluntary action on their part. The researchers strongly believe

that new regulations need not be framed for the purpose but the matter should be left entirely to the enterprise them to incorporate the principles. The dire need is to generate awareness of the benefits and the practicability of adopting corporate governance in the sector.

REFERENCES

- Abor, J., & Biekpe, N. (2006). Small Business Financing Initiatives in Ghana: Problems and Perspectives in Management, 4(3), 69-77.
- Abor, J., & Biekpe, N. (2006). SMEs' Access to Debt Finance: A Comparison of Male-Owned and Female-Owned Businesses in Ghana. *International Journal of Entrepreneurship and Innovation*, 7(2), 105-112.
- Abor, J., & Biekpe, N. (2007). Small Business Reliance on Bank Financing in Ghana. *Emerging Market Finance & Trade*, 43(4), 93 – 102.
- Abor, J., & Quartey, P. (2010). Issues in SME development in Ghana and South Africa. *International Research Journal of Finance and Economics*, <http://eurojournals.com/finance.htm>
- Acs, Z., Morck, R., & Young, B. (1999). "Productivity Growth and Size Distribution", in Acs, Z., Carlsson, B. and Karlsson, C. (eds.), *Entrepreneurship, Small and Medium-Sized Enterprises and the Macroeconomy*, Cambridge University Press.
- Advani, A. (1997). "Industrial Clusters: A Suort System for Small and Medium-Sized Enterprises", *Private Sector Development*, World Bank Occasional Paper No. 32, World Bank, Washington, DC.
- Aglietta, M., & Rebiérioux, A. (2005). *Corporate Governance Adrift: A Critique of Shareholder Value*, Elgar, Cheltenham.
- Aguilera, R. (2008). A Comparative Analysis of Corporate Governance Systems in Latin America: Argentina, Brazil, Chile, Colombia, and Venezuela, Forthcoming in McGee, R., Ed. (2008), *Corporate Governance in Developing Economies*, New York: Springer.
- Aguilera, R., & Jackson, G. (2003). The Cross-national Diversity of Corporate Governance: Dimensions and Determinants, *Academy of Management Review*, Vol. 28, 447 – 465.
- Anheier, H. K., & Seibel, H. D. (1987). "Small Scale Industries and Economic Development in Ghana", *Business Behaviour and Strategies in Informal Sector Economies*, Verlag Breitenbech, Saarbruckh, Germany.
- Answers.com, Baron's Accounting Dictionary
- Aryeetey, E. (1998). "Informal Finance for Private Sector Development in Africa", *Economic Research Papers No. 41*, The African Development Bank, Abidjan.
- Aryeetey, E. (2001). "Priority Research Issues Relating to Regulation and Competition in Ghana", *Centre on Regulation and Competition Working Paper Series*, University of Manchester, Manchester.
- Aryeetey, E., Baah-Nuakoh, A., Duggleby, T., Hettige, H., & Steel, W. F. (1994). "Suly and Demand for Finance of Small Scale Enterprises in Ghana", *Discussion Paper No. 251*, World Bank, Washington, DC.
- Asimwe, D., & Musisi, N. (2007). *Decentralisation and Transformation of Governance in Uganda*. Kampala, Fountain Publishers.
- Association of Microfinance Institutions of Uganda, (2004). Kampal, AMFIU
- Bain, N. (2008). *The Effective Director: Building Individual and Board Success*. London: Director Publications Ltd.
- Babbie, E. (2001). *The Practice of Social Research*, (9th edition) Wadsworth/Thomson Learning, Belmont, CA.
- Babbie, E. (1990). *Survey Research Methods*, Wadsworth, Belmont, CA.
- Bedicks, H.B., & Arruda M.C. (2005). Business Ethics and Corporate Governance in Latin America, *Business and Society*, Vol. 44, No. 2, 218 – 228.
- Berle Jr., A. A., & Means, G. C. (1932). *The Modern Corporation and Private Property* (New York: Harcourt, Brace & World, [1932] 1968)
- Bigsten, A., Collier, P., Dercon, S., Fafchamps, M., Guthier, B., Gunning, J.W., Soderbom, M., Oduro, A., Oostendorp, R., Patillo, C., Teal, F., & Zeufack, A. (2000). "Credit Constraints in Manufacturing Enterprises in Africa", Working Paper WPS/2000. Centre for the Study of African Economies, Oxford University, Oxford.
- Bolton, J. E. (1971). "Report of the Committee of Inquiry on Small Firms", HMSO, London.
- Bradley, M., Schipani, C., Sundaram, A., & Walsh, J. (1999). The purpose and Accountability of the Corporation in Contemporary Society: Corporate Governance at a Crossroads, *Law and Contemporary Problems*, Vol. 62 No. 3, 9 – 86.
- Breakwell, G.M. (1995). Interviewing, in Breakwell, G.M., Hammond, S. and Fife-Schaw, C., (Eds.), *Research Methods in Psychology*, Sage Publications, London.
- Bryman, A. (2004). *Social Research Methods* (2nd ed.), Oxford University Press, New York.
- Cadbury, A. (1992). *Report of the Committee on the Financial Aspects of Corporate Governance*, Gee Publishing,

- London
- Cadbury, A. (2002). *Corporate Governance and Chairmanship*, a PersonalView, Oxford University Press, Oxford.
- CAF, (2005). *Lineamientos para un Código Andino de Gobierno Corporativo: Eficiencia, Equidad y Transparencia en el Manejo Empresarial*, www.caf.com/publications.
- CalPRES, (2003). *Global Corporate Governance Principles*, at www.calpersgocernance.org/principlesinternacional/global/page.03.asp.
- Capaul, M. (2003). *Corporate Governance in Latin America*, World Bank, LAC Regional Study.
- Capaul, M., & Fremon, O. (2001). *One Size Fits All*, World Bank.
- Caramanolis-Cötelli, B., (1995) *External and Internal Corporate Control Mechanisms and the Role of the Board of Directors: A Review of the Literature*, Working Paper no 9606, Institute of Banking and Financial Management, 1995.
- Chambers, A. (2002). *Corporate Governance Handbook*, the Cromwell Press Limited, Trowbridge, Wiltshire, UK.
- Chambers, J.D. (1972). *Population, Economy and Society in Pre-Industrial England*, Oxford University Press.
- Charkham, J. (1994). *Keeping Good Company: A Study of Corporate Governance in Five Countries*, Oxford: OUP.
- Chong, A., & Lopez-de-Silanes F. (2007). *Corporate Governance in Latin America*, Inter-American Development Bank, Working paper 691.
- Clarke, A.D. (2007). *Corporate Governance and SMEs: the Forgotten Stakeholders*. *Australian Business Law Review*, Volume 35, Issue 1, February, 7-17.
- Cleassens, S., Djankov, S., & Land, L. (2000). *The separation of Ownership and Control in East Asian Corporation*, *Journal of Financial Economics*, Vol. 58, 81 – 112.
- Coffee, J.C. (1999). *The Future as History: The Prospects for Global Convergence of Corporate Governance and its Implications*, *Northwestern University Law Review*, Vol. 93, 641 – 707.
- Coffee, J.C. (2001a). *The Features as History: The Prospects for Global convergence*, in *Corporate Governance and its Implication*, *Northwestern University Law Review*, Vol. 93, 641 – 708.
- Coffee, J.C. (2002). *Understanding Enron: It's About the Gatekeepers*, *Stupid*, the *Business Lawyer*, Vol. 57, 1403 – 1420.
- Conyon, M.J., & Mallin, C. (1997). *A review of Compliance with Cadbury*, *Journal of General Management*, Vol. 2, 24 – 37.
- Cornelius, P.K., & Kogut, B. (2003). *Corporate Governance and Capital Flows in a Global Economy*. New York: Oxford University Press.
- Cook, P., & Nixon, F. (2000). *"Finance and Small and Medium-Sized Enterprise Development"*, IDPM, University of Manchester, Finance and Development Research Programme Working Paper Series, Paper No 14.
- Crawford, C.J. (2007). *Compliance and Conviction: The Evolution of Enlightened Corporate Governance*, Santa Clara California: XCEO.
- Creswell, J.W., & Miller, D.L. (2000). *Determining Validity in Qualitative Inquiry*, *Theory into Practice*, Vol. 39, No., 3, 124 – 130.
- Davis, A. (2007). *Best Practices in Corporate Governance: Building Reputation and Sustainable Success*. Hants: Gower Publishing Limited.
- Davis, G.F., Diekmann, K.A., & Tinsley, C.H. (1994). *The Decline and fall of Conglomerate Firms in the 1980s: The Institutionalisation of and Organisational Form*, *American Sociological Review*, Vol. 59, 547 – 570.
- Deloitte, (2009). *"King III emphasizes sustainability"*, 23 July. Available at http://www.deloitte.com/view/en_ZA/za/article/48d0859ffc372210VgnM200000bb42f00aRCRD.htm
- Denis, D.K. & McConnell, J.J. (2003), *International Corporate Governance*, *Journal of Finance and Quantitative Analysis*, Vol. 38, No. 1, 1 – 36.
- Department of Trade and Industry (2001), *Small and Medium Enterprise (SME) – Definitions*, <http://www.dti.gov.uk/SME4/define.htm>.
- De Vaus, D.A. (2002), *Surveys in Social Research*, Routledge, London.
- Dunne, S. (1995). *Interviewing Techniques for Writers and Research*, A. And C. Black, London.
- Dzisi, S. (2009). *Women Entrepreneurs in Small and Medium enterprises (MSE) in Ghana: A Study of women in Entrepreneurs in a Developing Economy*. Lambert Academic Publishing
- Elaian, K. (1996). *Employment Implications of Small Scale Industries in Developing Countries: Evidence from Jordan*, *Science, Technology and Development*, 14(1), 80-101.
- Engelbrecht, L. (2008). *How to make, and not to spend, that is the question*. *Occupational Risk Management*. Vol. 5, Issue 6, June, 14.

- Engelbrecht, L. (2009a). King III Emphasises Leadership and Sustainability. *Management Today*. Vol. 25, Issue 2, March, 54.
- Engelbrecht, L. (2009b). King III code: comply vs. aly, what's the difference. *Occupational Risk Management*. Vol. 5, Issue 6, June, 16.
- Engelbrecht, L. (2009c). Institute of Directors: 2008 annual report. [Online] Available: <http://www.iodsa.co.za> Accessed: 27 July 2009.
- eStandardsForum (Financial Standards Foundation), (2009). Colombia, Business Indicators Summary, [http://estandardsforum.org/Colombia/business indicators](http://estandardsforum.org/Colombia/business%20indicators).
- eStandards Forum (Financial Standards Foundation), (2008). Peru, Business Indicators Summary, [http://estandardsforum.org/Peru/business indicators](http://estandardsforum.org/Peru/business%20indicators).
- Feeney, L. S., & Riding, A. L. (1997). Business Owners' Fundamental Trade-off: Finance and the Vicious Circle of Growth and Control, *Canadian Business Owner*, November.
- Fisher, E., & Reuber, R. (2000). "Industrial Clusters and SME Promotion in Developing Countries", *Commonwealth Trade and Enterprise Paper*No. 3.
- FRC (Financial Reporting Council), (2010). The UK Corporate Governance Code, London. www.frc.org.uk.
- Gockel, A. G., & Akoena, S. K. (2002). "Financial Intermediation for the Poor: Credit Demand by Micro, Small and Medium Scale Enterprises in Ghana. A Further Assignment for Financial Sector Policy" IFLIP Research Paper 02-6, International Labour Organisation.
- Godfrey-Smith, P. (2003). *Theory and Reality: An Introduction to the Philosophy of Science*, the University of Chicago Press, Chicago and London.
- Green, C. J., Kimuyu, P., Manos, R., & Murinde, V. (2002). "How do Small Firms in Developing Countries Raise Capital? Evidence from a Large- scale Survey of Kenyan Micro and Small Scale Enterprises", *Economic Research Paper No. 02/6*, Centre for International, Financial and Economics Research, Department of Economics, Loughborough University.
- Haber, S. H., Razo, A., & Maurer, N., (2003). *The Politics of Property Rights: Political Instability, Credible Commitments, and Economic Growth in Mexico*, Cambridge, UK: Cambridge University Press.
- Hampel, R. (1998). Committee on corporate governance (referred to as the Hampel Report). London: The Committee on Corporate Governance and Gee Publishing Ltd, January.
- Handy, C. (2002). What's a business for? *Harvard Business Review*, Vol. 80 No.12, 49 – 56.
- Hart, O.D. (1995). Corporate governance: Some theory and implications. *Economic Journal*, 105, 678-689.
- Hirschheim, R. (1992). Information Systems Epistemology: An Historical Perspective, in Galliers, R. (ed.), *Information Systems Research: Issues, Mehtods and Practical Guidelines*, Blackwell Scientific Publications, Oxford, 28 – 60.
- Holderness, G.C. & Sheehan, D.P. (1988)/ the Role of Majority Shareholders in Publicly Held Corporations: An Exploratory Analysis, *Journal of Financial Economics*, Vol. 20, Nos. 1, 2, 317 – 346.
- Jensen, M.C., & Meckling, W.H. (1976). Theory of the Firm: Managerial Behaviour, Agency Costs and Ownership Structure, *Journal of Financial Economics*, Vol. 3, 305–60.
- John, K., & Senbet, L. (1998). "Corporate Governance and Board Effectiveness", *Journal of Banking and Finance*, No. 22, 371-403.
- Jordan, J., Lowe, J., & Taylor, P. (1998). "Strategy and Financial Policy in U.K. Small Firms", *Journal of Business Finance and Accounting*, 25(1/2), 1–27.
- Kayanula, D., & Quartey, P. (2000). "The Policy Environment for Promoting Small and Medium-Sized Enterprises in Ghana and Malawi", *Finance and Development Research Programme, Working Paper Series, Paper No 15*, IDPM, University of Manchester.
- King Report, (2002). Code of Corporate practices and conducts
- King, M. (2006). *The corporate citizen*. Johannesburg: Penguin Books.
- King, M. 2009. Corporate governance: individuals emerge as chief providers of capital. *Business Report*, 18 August, 14.
- King, III. (2009). Corporate governance: individuals emerge as chief providers of capital. *Business Report*, 18 August, 14.
- Kirzner, I.M. (1973). *Competition and entrepreneurship*. Chicago: The University of Chicago Press.
- Lader, P. (1996). "The Public/Private Partnership", *Springs Spring*, 35(2), 41-44.
- La Porta, R., Lopez-de-Silanes, F., Shleifer, A., & Vishny, R. (1998). Law and Finance, *Journal of Political Economy*, Vol. 106, No. 6, 1113 –1155.
- Lee, A. (1991). Integrating Positivism and Interpretive Aroaches to Organisational Research, *Organisation Science*, Vol.2, No. (4), 342 – 365.
- Lemmon, M.L., & Lins, K.R. (2003). Ownership Structure, Corporate Governance and Firm Value: Evidence the East Asia Financial Crisis, *Journal of Finance*, Vol. 58, No. 4, 1445 – 1468.
- Levine, R. (1999). Law, Finance, and economic Growth, *Journal of Financial Intermediation*, Vol. 8, No. 1&2, 8 – 35.

- Levy, B., Berry, A., & Nugent, J. (1999). "Suorting the Export Activities of Small and Medium Enterprise (SME)", in Levy, B., Berry, A. and Nugent, J. B. (eds.), Fulfilling the Export Potential of Small and medium Firms, Boston, MA, Kluwer Academic Publishers.
- Liedholm, C., & Mead, D. (1987). "Small Scale Industries in Developing Countries: Empirical Evidence and Policy Implications", International Development Paper No.9, Department of Agricultural Economics, Michigan State University, East Lansing, MI, USA
- Mallin, C. A. (2004). Corporate Governance, Oxford, Oxford University Press.
- Mason, J. (1996). Qualitative Researching, Sage, London.
- Mason, J. (2002). Qualitative Interviewing: Asking, Listening, Interpreting, in T. May (ed.), Qualitative Research in Action, Sage, London.
- Manson, M., & O'Mahony, J. (2008). Post-traditional corporate governance. Journal of Corporate Citizenship. London: Greenleaf Publishing.
- Maw, N. G., Lane P., & Craig-Cooper M. (1994). Maw on Corporate Governance, University Press, Cambridge.
- Mckinsey & Company, (2000). Investors Opinion Survey on Corporate Governance, (June, 2000), www.mckinsey.com.
- Mckinsey & Company, (2002). Investors Opinion Survey: Paying for Good Governance and Premiums Investors Would Pay, www.mckinsey.com.
- Microfinance Research Paper, (2009). Ugandan Microfinance at Crossroads: the quest for Corporate Governance. Kansime1, N. P. (2009)
- Miles, M. & Huberman, A. (1984). Qualitative Data Analysis, Sage, London
- Mingers, J. (2001). Combining IS Research Methods: Towards a Pluralist Methodology, Information Systems Research, Vol. 12, No. 3, 240 – 259.
- Mitton, T. (2002). A Cross-Firm Analysis of the Impact of Corporate Governance on the East Asia Financial Crisis, Journal of Finance Economics, Vol. 64, 215 – 242.
- Mirow, M. (2005). Latin America Law, A History of Private Law and Institutions in Spanish America, University of Texas Press, Austin.
- Monks, R.A.G., & Minow, N. (2004). Corporate Governance (3rd edn), Oxford Blackwell Publishing.
- OECD, (1997). Globalisation and small and medium enterprises, Synthesis Report. Organisation for Economic Cooperation and Development, Paris.
- OECD, (1999). Principles of Corporate Governance, Paris, OECD.
- Organisation for Economic Co-Operation and Development (OECD), (2004). OECD Principles of Corporate Governance. Available at http://www.oecd.org/document/49/0,3343,en_2649_34813_31530865_1111,00.html
- OECD, (2005). Comparative Reports on Governance of State Owned Assets, Paris: OECD.
- PIRC, (2007). Review of the Impact of Combined Code, PIRC's response to the FRC Consultation Paper, July 2007.
- Porter, M.E. (1990). The Competitive Advantage of Nations, Free Press, New York.
- PricewaterhouseCoopers, (2009). "Draft King III at a glance, Steering Point, Corporate Governance Series", February. Available at <http://www.iodsa.co.za/downloads/documents/Draft%20King%20III%20at%20a%20glance.pdf>
- Rushton, K. (2008). The business case of corporate governance. New York: Cambridge University Press.
- Sarbanes-Oxley Act (SOX), (2002). US Legislature.
- Shleifer, A., & Vishny, R.W. (1997). A Survey of Corporate Governance (April 1996). Journal of Finance Vol. 52, No. 2, 1997.
- Shleifer, A., & Vishny, R.W. (1998). The Grabbing Hand: Government Pathologies and their Cures, Cambridge, MA: Harvard University Press
- Silverman, D. (2000). Doing Qualitative Research: A Practical Handbook, Sage Publications, London.
- Silverman, D. (2006). Interpreting Qualitative Data: Methods for Analysing Talk, Text and Interaction, 3rd edition, Sage, Thousand Oaks, CA.
- Ssekandi, F.M. (1998). Report of the Regional Seminar on Economic, Social and Cultural Rights, ICJ-March 1998, paper presented: "Relevance and Alicability of Governance Issues in Borrowing member States of the African Development Bank".
- Steel, W. F., & Webster, L. M. (1991). "Small Enterprises in Ghana: Responses to Adjustment Industry", Series Paper, No. 33, the World Bank Industry and Energy Department, Washington DC.
- Sun, W. (2009). How to Govern Corporations So They Serve the Public Good: A Theory of Corporate Governance Emergence, New York: Edwin Mellen.
- Thome, J.R. (2000). Heading South but Looking North: Globalisation and Law Reform in Latin America, Wisconsin Law Review, Vol. 2000, No. 3, 691 – 712

- Tricker, R. I. (1984). *Corporate Governance*, Gower Publishing, Aldershot.
- Viénot Report I, (1995). *The Board of Directors of French Listed Companies*, Conseil the Patronat Français (CNPF) and Association Française des Entreprises Privées (AFEP), Paris.
- Viénot Report II, (1999). *Report of the committee on Corporate Governance*, Association Française des Entreprises Privées (AFEP) and Mouvement de Entreprises de France (MEDEF), Paris.
- Warhurst, A. (2001). *Corporate Citizenship as Corporate Social Investment*, *Journal of Corporate Citizenship*, Vol. 1, 57 – 73.
- Weir, C.M. & Laing, D. (2000). *The Performance-governance Relationship: The Effect of Cadbury Compliance on UK quoted companies*, *Journal of Management and Governance*, Vol. 4, 265 – 281.
- Wolcott, (1994). *Transforming Qualitative Data: Description, Analysis, and Interview Interpretation*, Sage, Thousand Oaks, CA.
- Wolfensohn, J.D. (1999). World Bank. [Online] Available: <http://www.ifc.org/ifcext> Accessed: 23 July 2
- World Bank, (2000). *World Development Report 2000/01: Attacking Poverty*, Oxford University Press, New York.
- World Bank, (2006). *Water, Electricity and the Poor: Who Benefits from Utility Subsidies?* World Bank, Washington D.C.
- World Bank doing Business Report (2006)
- Zamora, S. (2004). *Mexican Law*, Oxford University Press.
- Zettelmeyer, J. (2006). *Growth and Reforms in Latin America: A Survey of Facts and Arguments*, IMF Working Paper, WP/06/210