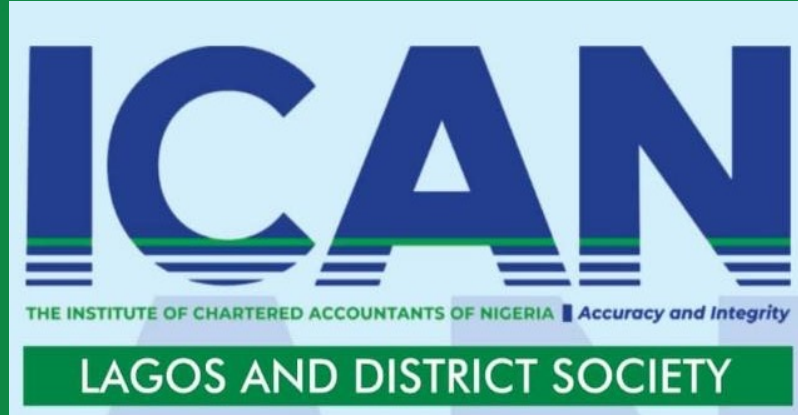


**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA**

(Established by Act of Parliament No.15 of 1965)



Technical Session –  
24<sup>th</sup> April 2025

Guest Speaker:  
**Bamidele ALIMI**

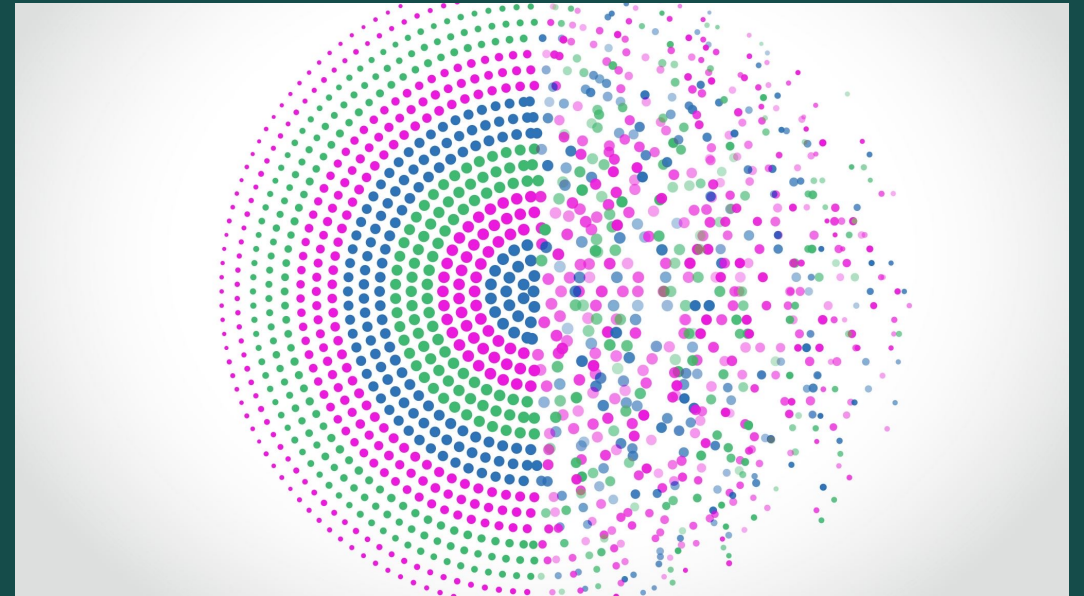
Director General/CEO, Chartered Institute of  
Directors, Nigeria

[www.icanlagosanddistrict.org](http://www.icanlagosanddistrict.org)



# **CORPORATE GOVERNANCE IN UNCERTAIN TIMES: STRENGTHENING BOARD ACCOUNTABILITY AND ETHICAL LEADERSHIP**

**Bamidele Alimi, FNIM, F.CIoD**  
**Director General/CEO**  
**Chartered Institute of Directors Nigeria**





## Introduction

- **Nigeria's Economic Context (2025):**
  - **Inflation: 23.18% (February 2025)**
  - **GDP Growth: 3.3%**
  - **Challenges: High production costs, economic uncertainty**
- **Global Disruptions:**
  - **Protectionist policies and global trade volatility**
  - **Impact of U.S. tariffs (Trump Administration)**
- **Importance of Governance in Uncertainty:**
  - **Stability, direction, and decision-making during crises**

## **Defining Corporate Governance in Uncertain Times**

- **What is Corporate Governance?**
  - Systems, principles, and processes directing and controlling companies
  - Distribution of rights and responsibilities among stakeholders (board, management, shareholders)
- **Key Governance Pillars:**
  - Accountability, Transparency, Risk Management, Ethics

# Why Strong Corporate Governance is Crucial Now

- **Investor Confidence:** Essential for restoring and maintaining trust
  - Example: Nigerian Stock Exchange sanctions in 2018
- **Risk Management:** Identify, assess, and manage risks effectively
- **Reputation & Trust:** Transparent, ethical responses during crises protect reputation
- **Sustainability & Growth:** Focus on long-term value creation, even amid short-term challenges

# Key Governance Challenges

- **Weak Oversight & Ineffective Board Structures:**
  - Lack of strategic guidance and performance monitoring
- **Political Interference & Weak Regulatory Enforcement:**
  - Inconsistent application of sanctions by regulatory bodies
- **Corruption & Inadequate Internal Controls:**
  - Risks of misconduct and governance breaches
- **Inadequate Financial Disclosure Practices:**
  - Increased violations of financial disclosure rules (NSE report 2018)
- **Poor Succession Planning:**
  - Risk of strategic discontinuity during leadership changes



## **The Role of Chartered Accountants**

### **Support Governance through Financial Reporting:**

Accurate financial  
reporting aids  
decision-making

### **Promote Ethical Conduct:**

Raise standards of  
ethical behavior  
through advisory roles

### **Enhance Internal Control Systems:**

Help establish  
controls to prevent  
misconduct

### **Advise on Financial Strategy:**

Guide long-term  
planning during  
economic uncertainty

### **Serve as Watchdogs:**

Flagging warning  
signs early to enable  
timely intervention

## **Strengthening Governance: Practical Recommendations**

### **Regular Board and Executive Training:**

- Keep leaders informed on best practices

### **Reinforce Whistleblower Protection:**

- Encourage reporting misconduct

### **Clear Policies for Accountability:**

- Establish clear conduct expectations and consequences

### **Encourage Independent Audits:**

- Ensure unbiased oversight of financial practices

### **Diversified Boards and Independent Directors:**

- Enhance decision-making and reduce groupthink

### **Uphold Professional Ethics:**

- Adherence to established ethical codes (e.g., NOCLAR)



## **The Board's Responsibility in Fostering Ethical Leadership**

- **Set the Standard:**
  - Lead by example, ensuring ethical behaviour at all levels
- **Act in Stakeholders' Interest:**
  - Balance competing interests while maintaining long-term goals
- **Disclose Conflicts of Interest:**
  - Identify and manage conflicts transparently
- **Embrace Transparent Remuneration:**
  - Build trust through clear compensation structures
- **Take Responsibility:**
  - Acknowledge mistakes, learn from them, and implement improvements

## Conclusion



- **Corporate Governance = Trust Foundation:**
  - **Critical for sustainable business success, especially during economic uncertainty**
- **Role of Boards and Chartered Accountants:**
  - **Demonstrating ethical leadership, transparency, and accountability**
- **Positioning for Long-Term Success:**
  - **Ethical governance can drive both national recovery and organisational growth**



- **Closing Thought**
  - **Chartered Accountants as Ambassadors of Integrity:**
    - **Opportunity to strengthen governance through technical expertise and ethical commitment**
  - **Creating Conditions for Economic Growth:**
    - **Ethical business practices promote shared prosperity**

Thank you all for listening

