

AN EVALUATION OF THE IMPACT OF CORPORATE ADMINISTRATIVE MECHANISM ON BANK PERFORMANCE INDICES IN EMERGING ECONOMIES: NIGERIA EXPERIENCE

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ABSTRACT

This paper evaluates the impact of corporate administrative mechanisms on the performance indices of Nigeria deposit Money Banks. The study examines three corporate governance indices namely: board size, board composition and audit committee and bank performance indices on a sample of ten (10) deposit money banks between 2005 and 2014. Data was analyzed using panel data method with the aid of E-view soft-ware package. The results revealed that, board size and composition have significant influence on the performance of banks in Nigeria, while the independence of the audit committee has negative effect. On the basis of the findings, we made the following recommendations amongst others: banks should assign more number of seats on the board to independent members in conformity with the Central Bank of Nigeria's code of corporate administration; banks are encouraged to adopt good corporate governance practices to improve performance and to protect the interest of shareholders.

KEYWORDS: Administrative, Bank, Corporate Governance, Indices, Performance