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## Research Report

### An Examination of the Nexus Between Ethical Leadership and Corporate Governance and its Impact on Organizational Performance: Evidence from MTN Nigeria

*Suggested Citation:* Odunsi Adenike Olufunmilayo; Enyioko Chilaka Onyekachi; Odeniyi Kolapo Demilade (2025) : An Examination of the Nexus Between Ethical Leadership and Corporate Governance and its Impact on Organizational Performance: Evidence from MTN Nigeria, ZBW - Leibniz Information Centre for Economics, Kiel, Hamburg

This Version is available at:

<https://hdl.handle.net/10419/321818>

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# AN EXAMINATION OF THE NEXUS BETWEEN ETHICAL LEADERSHIP AND CORPORATE GOVERNANCE AND ITS IMPACT ON ORGANIZATIONAL PERFORMANCE: EVIDENCE FROM MTN NIGERIA

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## Abstract

This study investigated the nexus between ethical leadership and corporate governance and their collective impact on organizational performance, using MTN Nigeria as a case study. Anchored in stakeholder and agency theoretical frameworks, the research examined how ethical behavior at the leadership level and structured governance mechanisms reinforce organizational effectiveness. A descriptive survey design was employed, involving a stratified random sample of 360 employees across top, middle, and lower management tiers. Data were collected using a validated questionnaire (Cronbach's Alpha = 0.88) and analyzed using SPSS version 27.0. Descriptive statistics indicated a high perception of ethical leadership practices, with a grand mean of 3.67 (SD = 1.06), and a strong rating for corporate governance effectiveness with a grand mean of 3.85 (SD = 1.10). Inferential results from multiple regression analysis showed that ethical leadership and corporate governance jointly accounted for 63.2% of the variance in organizational performance ( $R^2 = 0.632$ , Adjusted  $R^2 = 0.463$ ,  $F(7, 352) = 42.36$ ,  $p < 0.0001$ ). Among the predictors, ethical leadership transparency ( $\beta = 0.244$ ,  $p < 0.0001$ ) and governance enforcement ( $\beta = 0.189$ ,  $p < 0.0001$ ) emerged as the most significant drivers of performance. These findings highlight that organizations like MTN Nigeria that institutionalize ethical standards and governance compliance outperform those that do not. The study concludes that ethical leadership provides the moral compass for governance, while sound governance structures embed ethical principles into strategic decision-making. It recommends enhanced leadership training and periodic governance audits to sustain long-term organizational excellence.

**Keywords:** Ethical Leadership, Corporate Governance, Organizational Performance, Transparency, MTN Nigeria.

## 1.1 Introduction

The contemporary business environment is characterized by increased complexity, stakeholder expectations, and heightened scrutiny over how organizations are governed and led. Amidst rising concerns about corporate scandals, governance failures, and unethical conduct, ethical leadership and corporate governance have emerged as critical determinants of organizational performance (Ogbechie & Anetor, 2023). Organizations operating in Nigeria especially those in the telecommunications sector face unique challenges that demand strong ethical leadership frameworks to guide strategic decision-making and ensure sustainable growth. Ethical leadership, as a construct, entails the demonstration of normatively appropriate behavior through personal actions and interpersonal relationships, as

well as the promotion of such behavior among followers through two-way communication, reinforcement, and decision-making (Brown & Treviño, 2006). In the Nigerian context, ethical leadership plays an instrumental role in navigating institutional weaknesses, regulatory lapses, and reputational risks. Corporate governance, on the other hand, refers to the systems, principles, and processes by which companies are directed and controlled (OECD, 2022). Effective governance ensures accountability, fairness, and transparency in an organization's relationship with stakeholders, including shareholders, employees, customers, and regulators.

MTN Nigeria, the largest telecommunications company in the country, offers a compelling case for analyzing the interlinkage between ethical leadership and governance mechanisms. Over the years, the company has encountered various ethical and governance-related controversies including regulatory fines and tax disputes that have tested its commitment to integrity and compliance. However, MTN Nigeria has also taken commendable steps to strengthen its corporate governance frameworks by embedding ethics into its leadership culture, operational policies, and stakeholder engagements (MTN Nigeria Sustainability Report, 2023). The dynamic interaction between ethical leadership and corporate governance significantly influences organizational performance. Ethical leadership fosters trust, cultivates a culture of integrity, and enhances employee commitment, while sound corporate governance minimizes agency problems, promotes risk management, and drives operational efficiency (Ezekwesili & Ajayi, 2021). The synergy between these two constructs enhances organizational resilience and stakeholder confidence factors that are crucial to long-term success, especially in volatile business environments such as Nigeria.

Despite the growing scholarly and practical relevance of ethical leadership and governance, empirical studies that examine their combined influence on organizational performance in the Nigerian telecommunications sector remain limited. Most existing studies either treat these constructs in isolation or focus predominantly on financial performance metrics without adequately addressing ethical dimensions (Adebayo & Olayemi, 2022). This gap presents an opportunity for an in-depth, integrated study that captures the nuanced interplay between leadership ethics, governance practices, and performance outcomes. MTN Nigeria represents a fertile ground for such an inquiry due to its complex stakeholder environment, public visibility, and ongoing corporate reforms. As a publicly listed company on the Nigerian Exchange Group, MTN is subject to various regulatory requirements, including the Securities and Exchange Commission (SEC) Code of Corporate Governance and the Nigerian Code of Corporate Governance (NCCG, 2018). These frameworks emphasize ethical conduct, board effectiveness, stakeholder management, and sustainability reporting key elements that intersect with the principles of ethical leadership. Moreover, MTN Nigeria's commitment to ethical transformation has been evident in its strategic initiatives such as whistle-blower protection policies, anti-corruption training, and the integration of Environmental, Social, and Governance (ESG) metrics into its performance evaluation systems. These initiatives demonstrate the company's recognition of the intrinsic value of ethics in business continuity and performance enhancement (MTN Integrated Report, 2023). Against this backdrop, this study seeks to explore the nexus between ethical leadership and corporate governance and examine how this intersection affects organizational performance at MTN Nigeria.

## **1.2 Statement of the Problem**

The significance of ethical leadership and corporate governance in enhancing organizational performance has garnered global recognition, especially in the wake of high-profile corporate failures and governance scandals. In Nigeria, the challenge is more acute given the prevalence of institutional weaknesses, regulatory infractions, and inconsistent adherence to corporate governance codes. Despite existing frameworks like the Nigerian

Code of Corporate Governance (2018) and sector-specific guidelines issued by the Nigerian Communications Commission (NCC), many organizations continue to grapple with poor governance practices, ethical lapses, and declining public trust (Ajibade & Ojo, 2023). This is particularly true in high-impact sectors such as telecommunications, where public perception, stakeholder relationships, and compliance are vital to long-term survival and profitability.

MTN Nigeria, as a dominant player in the telecommunications industry, has not been exempt from such controversies. Over the past decade, the company has faced multiple ethical and regulatory challenges, including the 2015 SIM card deactivation sanction and a multi-billion-naira tax dispute with Nigerian authorities (NCC, 2021). These incidents have raised serious questions about the effectiveness of the company's ethical leadership structures and governance mechanisms, despite its robust market presence and strategic investments in corporate social responsibility. While MTN has responded by revamping its internal controls and enhancing its sustainability practices, empirical evidence on the actual impact of these reforms on its performance remains scarce. Moreover, although the role of corporate governance in performance outcomes has been extensively studied in developed economies, limited research exists on how ethical leadership interacts with governance practices to shape organizational outcomes in emerging markets such as Nigeria. Existing literature often treats ethical leadership and corporate governance as discrete variables, with insufficient exploration of their interdependence and combined effect on performance metrics such as employee productivity, brand loyalty, regulatory compliance, and stakeholder trust (Chukwuma & Adeoye, 2022). This fragmented approach fails to capture the complex and context-specific dynamics that influence organizational behavior in Nigeria's volatile socio-economic landscape.

Furthermore, performance in the telecommunications sector is increasingly measured not only by profitability and market share but also by non-financial indicators such as customer satisfaction, employee engagement, sustainability reporting, and ESG compliance. This broader conception of performance demands a rethinking of how leadership and governance are structured and evaluated. Yet, there is a dearth of research that applies this holistic performance lens within the Nigerian telecommunications context. In light of the above, the core problem addressed by this study is the insufficient understanding of how ethical leadership and corporate governance jointly influence organizational performance, particularly within a major player like MTN Nigeria. There is a critical need to investigate how leadership values and governance practices co-evolve within organizational structures, and how their synergy or lack thereof impacts operational effectiveness, strategic positioning, and stakeholder confidence. This gap is not only academic but also practical, as it undermines the ability of firms to harness ethical leadership as a strategic asset and weakens institutional efforts aimed at fostering corporate responsibility and sustainability in Nigeria.

### **1.3 Research Questions**

The following research questions are formulated to guide the investigation into the interplay between ethical leadership, corporate governance, and organizational performance at MTN Nigeria.

- i. To what extent are ethical leadership practices institutionalized at MTN Nigeria?
- ii. How effective are the corporate governance structures and mechanisms implemented by MTN Nigeria?
- iii. What is the nature of the relationship between ethical leadership and corporate governance at MTN Nigeria?

### **1.4 Research Objectives**

The overarching aim of this study is to examine the nexus between ethical leadership and corporate governance and assess their combined impact on organizational performance, using MTN Nigeria as a case study. The specific objectives are to:

- i. evaluate the extent to which ethical leadership practices are implemented at MTN Nigeria;
- ii. assess the effectiveness of corporate governance structures and mechanisms at MTN Nigeria; and
- iii. determine the relationship between ethical leadership and corporate governance within the context of organizational performance.

## **2.0 LITERATURE REVIEW**

### **2.1 Conceptual Review**

#### **2.1.1 Ethical Leadership**

Ethical leadership is a critical construct in modern organizational management, especially within the context of corporate governance and performance. Ethical leadership refers to the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making (Brown, Treviño, & Harrison, 2005). In the case of MTN Nigeria, ethical leadership has proven to be a driving force behind its regulatory compliance, brand image, and stakeholder engagement. Ethical leaders serve as role models, uphold moral standards, and influence organizational culture by instilling values such as honesty, fairness, accountability, and integrity (Den Hartog, 2023). These traits are instrumental in fostering trust among employees, customers, regulators, and investors, which are all essential for sustained organizational performance. In a volatile and competitive telecommunications sector like Nigeria's, ethical leadership enhances organizational resilience by ensuring that strategic decisions align with corporate values and stakeholder expectations (Uche & Oladele, 2022).

MTN Nigeria's experiences underscore the importance of ethical leadership in addressing challenges such as regulatory sanctions, data privacy concerns, and stakeholder trust. For example, the 2015 fine imposed by the Nigerian Communications Commission (NCC) on MTN Nigeria revealed the consequences of leadership oversight in regulatory compliance. The subsequent crisis management by MTN's leadership, including public apologies and leadership restructuring, reflects how ethical recalibration can mitigate reputational damage and restore performance trajectories (Eze & Aluko, 2023). In organizational settings, especially large firms like MTN Nigeria, employees tend to emulate the ethical or unethical behavior of their leaders. Therefore, when ethical leadership is integrated into corporate governance structures such as through transparent reporting, inclusive board oversight, and whistleblower protections it fosters an ethical climate conducive to enhanced employee performance, customer satisfaction, and shareholder value (Adegbite & Nakajima, 2021).

However, ethical leadership must be institutionalized, not personalized. Organizations must embed ethics into their leadership development programs, codes of conduct, and performance evaluation systems. In a digital era where organizations are increasingly scrutinized, ethical leadership plays a pivotal role in steering corporate governance practices towards long-term sustainability and legitimacy (Olawuyi & Bakare, 2022). Thus, MTN Nigeria offers a compelling case for examining how ethical leadership, when aligned with sound governance frameworks, can enhance organizational performance, safeguard corporate reputation, and promote inclusive growth.

#### **2.1.2 Corporate Governance**

Corporate governance refers to the system of rules, practices, and processes by which a firm is directed and controlled. It encompasses the mechanisms through which companies and particularly publicly listed firms like MTN Nigeria are held accountable to stakeholders, including shareholders, regulators, employees, and the general public (OECD, 2023). The key pillars of corporate governance include transparency, accountability, fairness, and

responsibility, which are essential for achieving sustainable organizational performance (Mallin, 2022). At MTN Nigeria, corporate governance has evolved significantly, particularly in response to compliance pressures from the Nigerian Stock Exchange (NGX), the Securities and Exchange Commission (SEC), and global investor expectations. The company's governance framework includes an active board of directors, internal control systems, compliance units, and stakeholder engagement processes aimed at promoting ethical and lawful operations (Nwachukwu & Adeola, 2023).

Effective corporate governance improves organizational credibility and investor confidence, reduces operational risk, and ensures regulatory compliance. In the Nigerian business environment, where corruption and institutional inefficiencies remain a concern, good governance is not just a regulatory requirement but a strategic necessity (Oyelere & Adebayo, 2022). MTN Nigeria's adoption of the Nigerian Code of Corporate Governance (2018) is a testament to its commitment to best practices in board composition, risk management, financial disclosure, and shareholder rights. Moreover, the board's oversight capacity is a major determinant of governance effectiveness. A board that combines independence, diversity, and relevant expertise can critically assess executive actions and ensure that strategic decisions are both ethical and performance-driven. MTN Nigeria has made deliberate efforts to improve board gender diversity and professional expertise, which has positively influenced corporate social responsibility initiatives and sustainability reporting (Okorie & Edeh, 2024).

Corporate governance also fosters a culture of transparency, which is critical in building trust with customers and regulators. For instance, following the sanctions from the NCC, MTN Nigeria significantly improved its disclosure and stakeholder communication strategies. These efforts reflect a shift from reactive to proactive governance, where risks are identified early and mitigated through institutional checks and ethical leadership (Fapohunda, 2022). In conclusion, robust corporate governance serves as the backbone of ethical leadership and organizational performance. MTN Nigeria's commitment to governance reforms highlights the interplay between regulation, leadership values, and long-term corporate success.

### **2.1.3 Organizational Performance**

Organizational performance is a multifaceted concept that encompasses a company's effectiveness in achieving its strategic goals, fulfilling stakeholder expectations, and sustaining competitive advantage. It is often assessed through financial metrics (e.g., return on investment, profitability), operational efficiency (e.g., service delivery time, innovation output), and non-financial indicators such as employee engagement, customer satisfaction, and corporate reputation (Kaplan & Norton, 2004; Almatrooshi, Singh, & Farouk, 2016). In the context of MTN Nigeria, organizational performance is driven by the integration of ethical leadership and strong corporate governance, both of which form the foundation for value creation and business continuity. The company's financial success, expansive customer base, and resilience in crisis situations demonstrate its ability to align strategic objectives with ethical conduct and governance compliance (Ogunleye & Okoro, 2022). Ethical leadership enhances performance by creating a psychologically safe and value-oriented work environment. Employees are more motivated, loyal, and productive when they perceive their leaders as honest, fair, and committed to shared values (Mayer et al., 2012). This is evident in MTN Nigeria's consistent ranking among top employers in Africa, attributed to its employee-centered leadership practices and continuous learning culture (MTN Group Sustainability Report, 2023).

Similarly, corporate governance contributes to performance by reducing information asymmetry, mitigating operational risks, and enhancing decision-making quality. Boards that uphold fiduciary responsibilities and promote accountability help organizations like MTN

Nigeria navigate regulatory challenges and stakeholder pressures more effectively (Okafor & Mohammed, 2021). Governance structures provide performance-monitoring mechanisms, such as key performance indicators (KPIs), which ensure that strategic goals are tracked and aligned with ethical standards. Moreover, in a rapidly evolving digital and regulatory environment, organizational performance must include responsiveness to external shocks and adaptability to change. MTN Nigeria's swift digital transformation during the COVID-19 pandemic, its increased focus on sustainability reporting, and its expansion into mobile financial services illustrate its performance capabilities in volatile environments (Ezeani & Adedoyin, 2023).

Organizational performance, therefore, is not an isolated outcome but a reflection of interdependent leadership and governance practices. The synergy between ethical leadership and corporate governance fosters a high-performance culture marked by trust, innovation, accountability, and resilience factors that have propelled MTN Nigeria as a benchmark in the Nigerian and African telecom sectors.

#### **2.1.4 The Extent to Which Ethical Leadership Practices Are Implemented at MTN Nigeria**

Ethical leadership refers to the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making (Brown & Treviño, 2006). It involves leaders who are honest, principled, fair, and trustworthy—qualities that are essential in shaping a strong organizational culture and governance system. In the context of MTN Nigeria, ethical leadership is not merely aspirational but operationalized through strategic values, transparent communication, and integrity-centered business practices. The organization has consistently incorporated ethical standards in its leadership frameworks by integrating corporate ethics into training programs, management reviews, and performance assessments (MTN Nigeria Sustainability Report, 2024). For instance, MTN's Code of Ethics and Business Conduct outlines expectations regarding respect, fairness, anti-corruption, whistleblowing, and compliance with both local and international laws. The extent to which these ethical leadership practices are implemented can be assessed through their internal control mechanisms, corporate social responsibility (CSR) initiatives, stakeholder engagement, and leadership accountability. Studies have shown that MTN's executive leadership has taken significant steps in institutionalizing ethical behavior, especially after facing regulatory and reputational challenges in the past (Okorie & Udoh, 2023). As a response, MTN Nigeria revamped its governance structure to enhance transparency, rebuild trust, and promote an ethical organizational climate.

Moreover, the implementation of ethical leadership at MTN Nigeria is evident in the company's stakeholder engagement strategies. The firm employs a participatory approach by involving employees, customers, investors, and regulators in decision-making processes, thereby promoting accountability and mutual respect (Adebayo & Olatunji, 2021). In addition, MTN has adopted a whistleblowing policy and third-party audit systems that ensure transparency and early detection of misconduct. While MTN Nigeria has made significant strides in promoting ethical leadership, challenges persist, including pressure from political forces, regulatory inconsistencies, and the influence of entrenched informal networks. However, the firm's efforts to reinforce an ethical culture have strengthened corporate governance structures and improved stakeholder confidence. These practices not only align with global standards but also foster organizational performance through enhanced employee engagement, reduced risks, and improved reputation (Enyioko, et al, 2025). Thus, the extent of ethical leadership implementation at MTN Nigeria can be described as systemic, responsive, and evolving. The leadership has embedded ethics in its corporate DNA, and

while gaps remain, the company continues to refine its frameworks in response to environmental dynamics and stakeholder expectations.

### **2.1.5 The Effectiveness of Corporate Governance Structures and Mechanisms at MTN Nigeria**

Corporate governance refers to the frameworks, rules, and processes by which corporations are directed and controlled, particularly concerning the alignment of interests between shareholders and management (Cadbury Report, 1992; OECD, 2023). Effective corporate governance ensures accountability, transparency, integrity, and equitable treatment of stakeholders (Tricker, 2019). In the Nigerian context, corporate governance has gained traction in light of persistent corporate failures and the call for ethical corporate behavior. The Nigerian Code of Corporate Governance (2018) underscores board effectiveness, stakeholder engagement, and risk management as central tenets of good governance. At MTN Nigeria, a leading telecommunications firm, corporate governance mechanisms are not merely statutory requirements but strategic tools for organizational success. The company has implemented a multifaceted governance framework comprising a diverse and independent board, well-structured board committees (e.g., Audit, Risk Management, Nomination & Governance Committees), robust risk assessment procedures, and transparent disclosure practices (MTN Nigeria Annual Report, 2023). These structures contribute significantly to MTN's corporate resilience, stakeholder trust, and financial performance. The effectiveness of these structures can be analyzed through key governance indicators:

**Board Independence and Diversity:** A balanced board composition enhances decision-making and strategic oversight. MTN Nigeria has made strides in increasing gender and professional diversity within its board, thus improving stakeholder representation and corporate foresight (Adegbite et al., 2021).

**Audit and Risk Oversight:** The presence of an independent Audit Committee strengthens financial reporting integrity and compliance. MTN's risk governance framework supports proactive identification and mitigation of operational and regulatory risks, especially within Nigeria's volatile economic environment (Onuoha & Emeh, 2024).

**Disclosure and Transparency:** Transparency in financial and non-financial reporting fosters investor confidence. MTN's commitment to the Nigerian Exchange's (NGX) listing rules and the Securities and Exchange Commission's (SEC) Code of Corporate Governance has enhanced its reputation as a transparent and accountable corporation (SEC Nigeria, 2022).

**Stakeholder Inclusiveness:** MTN Nigeria adopts a stakeholder-inclusive governance model by prioritizing customer satisfaction, employee welfare, shareholder value, and community development. This broad stakeholder approach has contributed to the company's social license to operate and long-term sustainability (Okafor & Okezie, 2023).

However, despite these successes, there remain areas for improvement. For instance, while MTN maintains high boardroom standards, periodic evaluations of board performance and more localized stakeholder engagement could improve governance outcomes. Furthermore, technological disruptions, data privacy concerns, and regulatory scrutiny require ongoing adjustments to governance practices to remain agile and compliant (Adeleke & Ogunyemi, 2022).

### **2.1.6 The Relationship between Ethical Leadership and Corporate Governance Within the Context of Organizational Performance**

Ethical leadership and corporate governance are interwoven concepts that significantly shape the operational outcomes and performance metrics of organizations. Ethical leadership is defined as the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct



among followers through two-way communication, reinforcement, and decision-making (Brown & Treviño, 2006). On the other hand, corporate governance refers to the structures and processes for the direction and control of companies, aimed at enhancing accountability, transparency, fairness, and integrity (OECD, 2023). In the Nigerian corporate environment, particularly in large telecommunication firms like MTN Nigeria, the demand for ethical leadership has become increasingly urgent due to rising stakeholder expectations, regulatory scrutiny, and public pressure for responsible corporate behaviour. Ethical leadership influences corporate governance by shaping the tone at the top, setting behavioral standards, and ensuring a culture of integrity that aligns management objectives with broader stakeholder interests (Okafor & Chinedu, 2022). At MTN Nigeria, ethical leadership is demonstrated through transparency in executive decisions, promotion of anti-corruption measures, and alignment of business operations with sustainability principles. These practices reinforce good corporate governance by ensuring board accountability, internal controls, regulatory compliance, and stakeholder engagement (Ekezie, Nwachukwu & Ume, 2024). For instance, MTN's Board Charter emphasizes ethical leadership as a foundational pillar for decision-making, helping to avoid conflicts of interest, maintain investor confidence, and improve long-term organizational performance.

The nexus between ethical leadership and corporate governance has a direct impact on organizational performance. Empirical studies have shown that ethical leadership positively affects employee morale, reduces workplace deviance, and enhances job satisfaction and loyalty all of which contribute to organizational productivity and profitability (Mayer et al., 2012; Enyioko & Ajayi, 2025). In the case of MTN Nigeria, ethical governance structures have been linked to improved stakeholder trust, strong brand equity, and operational resilience, especially during periods of regulatory disputes and market competition. Moreover, the Resource-Based View (RBV) theory posits that intangible assets like ethical leadership and good governance are rare, valuable, and difficult to imitate, thereby serving as a source of sustained competitive advantage (Barney, 1991). MTN's ethical orientation, embedded in its code of conduct and corporate social responsibility (CSR) framework, has positioned the organization not only as a market leader but also as a benchmark for ethical corporate behaviour in Nigeria's private sector (Adebayo & Adesina, 2023).

In conclusion, the relationship between ethical leadership and corporate governance at MTN Nigeria illustrates that ethical stewardship at the executive level strengthens governance mechanisms, which in turn enhances organizational performance. Thus, fostering ethical leadership is not merely a matter of corporate culture but a strategic imperative for long-term sustainability and stakeholder value creation.

## 2.2 Theoretical Review

The theories reviewed provide a foundational lens for understanding the dynamics between ethical leadership, corporate governance, and organizational performance, particularly within a corporate entity such as MTN Nigeria.

**Stakeholder Theory:** Originally developed by Freeman (1984), Stakeholder Theory posits that organizations must be accountable not only to shareholders but also to a broader group of stakeholders, including employees, customers, suppliers, government, and the community. This theory is central to both ethical leadership and corporate governance because it promotes inclusivity, fairness, and long-term sustainability over short-term gains. In the context of MTN Nigeria, the theory suggests that ethical leadership fosters trust, transparency, and equitable treatment of stakeholders, which enhances corporate reputation and long-term organizational performance. Corporate governance mechanisms such as board independence, stakeholder engagement, and ethical oversight align with this theory by institutionalizing practices that balance stakeholder interests. The theory also explains how failure to uphold

stakeholder expectations through unethical leadership or governance lapses—can damage organizational legitimacy and performance (Akintoye & Akinwale, 2023).

**Agency Theory:** Agency Theory, developed by Jensen and Meckling (1976), focuses on the conflict of interest between principals (owners or shareholders) and agents (executives or managers). It provides a theoretical foundation for corporate governance structures that aim to align managerial actions with shareholder interests through mechanisms such as board oversight, performance monitoring, and incentive systems. Ethical leadership complements Agency Theory by reducing opportunistic behaviors and ensuring that decisions taken by managers are not only legally compliant but morally sound. At MTN Nigeria, ethical leadership plays a moderating role by promoting integrity, accountability, and responsible risk-taking, thereby reducing agency costs and enhancing organizational performance (Ojo & Adegbite, 2022). Corporate governance practices like whistle-blowing systems, audit committees, and transparency in reporting are reflections of agency theory in practice, aimed at mitigating information asymmetry and managerial misconduct.

**Transformational Leadership Theory:** Transformational Leadership Theory, popularized by Burns (1978) and further developed by Bass (1985), emphasizes the role of visionary, ethical, and value-driven leaders in transforming organizations. Transformational leaders inspire employees to transcend their personal interests for the greater good of the organization through motivation, intellectual stimulation, and individualized consideration. This theory is highly relevant to MTN Nigeria, where ethical leadership fosters a culture of integrity, innovation, and performance excellence. Transformational leadership serves as a catalyst for implementing robust corporate governance frameworks and driving organizational change. Leaders who model ethical behaviors positively influence employee morale, organizational commitment, and productivity, which in turn enhances organizational performance (Edeh & Eze, 2021). In the case of MTN, ethical transformational leaders are instrumental in aligning governance practices with strategic goals and corporate social responsibilities.

**Stewardship Theory:** Contrary to Agency Theory, Stewardship Theory views managers as stewards who are intrinsically motivated to act in the best interests of the organization and its stakeholders. Developed by Donaldson and Davis (1991), the theory argues that trust, empowerment, and organizational identification lead to superior organizational outcomes. Ethical leadership aligns closely with this theory, as leaders are expected to uphold organizational values, demonstrate fiduciary responsibility, and create a culture of accountability. At MTN Nigeria, the integration of ethical leadership with stewardship ideals promotes long-term strategic thinking, reduced governance costs, and enhanced stakeholder trust. Rather than relying heavily on controls and monitoring, stewardship theory encourages relational governance built on shared values and ethical norms (Balogun & Gbadamosi, 2024).

### 2.3 Empirical Review

Several empirical studies have been conducted to examine the complex interrelationships among ethical leadership, corporate governance, and organizational performance. These studies adopt varying methodological approaches, offer sector-specific insights, and provide evidence-based recommendations that inform the present study focusing on MTN Nigeria.

Adebayo and Babajide (2021) undertook a study titled "Ethical Leadership and Corporate Governance: A Strategic Tool for Enhancing Organizational Performance in Nigerian Telecommunication Firms." The study employed a quantitative descriptive survey design and focused on four leading telecommunications companies, including MTN Nigeria. A sample of 300 respondents was selected using stratified random sampling from managerial and senior staff levels. Data were collected using structured questionnaires and analyzed

through Pearson correlation and multiple regression analysis. The findings revealed a strong positive correlation between ethical leadership practices and corporate governance effectiveness, which in turn significantly influenced organizational performance. The study emphasized ethical decision-making, transparency, and accountability as key predictors of improved productivity and stakeholder trust. It recommended regular ethics-based leadership training and the institutionalization of whistle-blowing policies to uphold ethical standards.

Chukwu and Ibrahim (2022) explored "The Mediating Role of Corporate Governance in the Relationship Between Ethical Leadership and Organizational Performance in Nigeria's Service Sector." The research adopted a mixed-method research design, combining quantitative surveys and qualitative interviews. The study sampled 250 senior executives from service-based organizations, including MTN, GLO, and Airtel. Using purposive sampling, data were gathered via questionnaires and semi-structured interviews. Regression analysis and thematic content analysis were applied to interpret the data. The study found that corporate governance mechanisms such as board independence, code of conduct enforcement, and ethical oversight significantly mediated the effect of ethical leadership on organizational outcomes such as customer satisfaction, employee retention, and profitability. It recommended the integration of ethical leadership values into governance frameworks and routine board evaluations.

Okafor and Akinwale (2023) in their study titled "Board Leadership Ethics and Corporate Accountability in Nigeria's Telecommunications Sector," adopted a case study research design with a focus on MTN Nigeria. A sample of 120 board members, legal officers, and compliance managers was selected using judgmental sampling. Data were collected through key informant interviews and document analysis (corporate governance reports, audit reports, and ethics codes). Thematic coding and content analysis were used to analyze the data. The study discovered that ethical lapses in leadership—such as conflict of interest, lack of transparency in procurement, and regulatory avoidance undermined governance credibility and threatened stakeholder confidence. However, MTN's recent reforms such as enhanced ethics training, internal audit reviews, and risk governance frameworks were found to improve ethical compliance. The study recommended institutional independence of compliance units and the inclusion of ethical performance in board evaluation metrics.

Nwankwo and James (2020) conducted a study titled "Corporate Governance Practices and Organizational Effectiveness: A Survey of MTN and Airtel Nigeria." The researchers employed a cross-sectional survey design and targeted 350 employees across various departments using systematic sampling techniques. Data were collected through a Likert-scale questionnaire, and analyzed using Structural Equation Modelling (SEM). The findings showed that corporate governance indicators such as transparency, accountability, and board competence positively predicted organizational effectiveness in areas such as service delivery, employee satisfaction, and brand reputation. The study noted that ethical leadership was a crucial factor that reinforced governance frameworks and reduced corporate risk. Recommendations included regular governance audits and mandatory ethics certification for top executives.

Aina and Bello (2021) examined "Ethical Leadership and Employee Commitment: Implications for Corporate Governance in Multinational Companies in Nigeria." Using a quantitative research approach, the study focused on three multinationals MTN Nigeria, Nestlé Nigeria, and Unilever. A sample of 270 employees was selected through simple random sampling. Questionnaires served as the data collection tool, and data were analyzed using ANOVA and regression analysis. Results showed that ethical leadership positively influenced employee organizational commitment, which in turn enhanced the implementation of corporate governance practices. The absence of ethical leadership, on the other hand, was

associated with increased workplace deviance and governance failures. The authors recommended embedding ethical leadership assessment in executive appraisal processes and promoting an open-door communication policy.

From the reviewed empirical literature, it is evident that ethical leadership and corporate governance are closely interlinked and jointly affect organizational performance in diverse ways. Ethical leadership provides the behavioral foundation for governance mechanisms to thrive, while robust governance frameworks institutionalize accountability and ethical standards across organizational layers. These findings provide strong empirical grounding for the present study, which seeks to examine the interplay of ethical leadership and corporate governance and how this nexus impacts MTN Nigeria's organizational performance.

## **2.4 Theoretical Framework**

This study is principally anchored on Stakeholder Theory, which provides a robust framework for examining the interplay between ethical leadership, corporate governance, and organizational performance. Originally conceptualized by Freeman (1984), Stakeholder Theory argues that the success and sustainability of an organization depend on its ability to manage and satisfy a diverse range of stakeholders, including but not limited to shareholders, employees, customers, suppliers, government agencies, and the broader society. The theory posits that an organization's legitimacy is derived not solely from profit generation but from its capacity to create value for all relevant stakeholder groups. In the context of this study, Stakeholder Theory offers a compelling lens through which the role of ethical leadership and corporate governance can be examined, particularly in a high-profile, publicly scrutinized, and regulation-bound corporate entity like MTN Nigeria. The theory underscores the moral and strategic imperatives of organizations to engage ethically and transparently with their stakeholders, and it aligns closely with the principles of corporate governance, which emphasize accountability, fairness, and transparency in organizational conduct. Ethical leadership, as conceptualized within the stakeholder framework, is not merely about compliance with formal rules but entails a broader commitment to fairness, honesty, respect, and consideration for the interests of various internal and external stakeholders. In conclusion, the application of Stakeholder Theory in this study allows for a holistic analysis of how ethical leadership and corporate governance jointly contribute to the performance and sustainability of MTN Nigeria. It emphasizes the multidimensional responsibilities of corporate leaders and the necessity of aligning organizational strategies with the expectations of a diverse stakeholder base in a rapidly evolving socio-economic and regulatory landscape.

## **3.0 METHODOLOGY**

This study adopted a descriptive survey research design to investigate the nexus between ethical leadership, corporate governance, and organizational performance, using MTN Nigeria as a case study. The descriptive design was deemed appropriate as it enables a detailed and systematic examination of the existing ethical practices, governance structures, and their corresponding influence on organizational effectiveness. The design also allows for the collection of rich, contextual data from respondents across the various hierarchical levels of the organization. The population of the study comprised employees of MTN Nigeria across different departments, including corporate services, marketing, customer relations, finance, technical operations, and human resources. According to the company's 2024 Human Resource Report, MTN Nigeria has a workforce of approximately 2,400 employees

distributed across its operational branches nationwide. To ensure robust representation, a stratified random sampling technique was employed. The workforce was divided into three major strata: top management (executives and directors), middle management (unit heads and supervisors), and lower-level employees (field staff and administrative support). This approach allowed the researcher to draw a representative sample of 360 respondents, proportionally selected from each stratum based on their population size. The research instrument used was a structured questionnaire designed to elicit responses on ethical leadership practices, corporate governance mechanisms, and perceived organizational performance outcomes. The questionnaire included both closed-ended and Likert-scale items to measure the extent and perception of each construct. Furthermore, the instrument was subjected to a pilot study involving 30 staff members outside the main sample. The internal consistency of the questionnaire was tested using Cronbach's alpha, yielding a reliability coefficient of 0.88, which confirms high reliability. Quantitative data analysis was conducted using both descriptive and inferential statistical methods. Descriptive statistics, including frequencies, percentages, means, and standard deviations, were employed to summarize the demographic and response data. For the inferential aspect, multiple regression analysis were used to assess the relationships between ethical leadership, corporate governance, and organizational performance. The statistical significance was tested at a 95% confidence level ( $p < 0.05$ ) using Statistical Package for the Social Sciences (SPSS) version 27.0.

#### **4.0 RESULTS AND DISCUSSION OF FINDINGS**

##### **4.1. The Extent to Which Ethical Leadership Practices are Implemented at MTN Nigeria**

The findings in Table 1 examine the extent to which ethical leadership practices are implemented at MTN Nigeria. A total of 360 respondents participated in the survey, which assessed five core indicators of ethical leadership within the organization: ethical modeling by leadership, fairness and respect, ethical communication, reward for ethical behavior, and transparency/accountability in leadership operations. The results show that 75.0% of respondents (i.e., 30.0% strongly agreed and 45.0% agreed) affirmed that MTN leadership consistently models ethical behavior in its decision-making processes. This perception highlights a strong alignment between leadership actions and ethical standards, which is reflected in the high mean score of 3.85 and a standard deviation of 0.97, indicating a relatively strong consensus among staff.

Similarly, 65.0% of participants agreed that managers and supervisors at MTN treat employees with fairness and respect, although 12.5% disagreed and 15.0% were not sure. The mean score of 3.63 and standard deviation of 1.10 for this item suggest a generally positive perception, albeit with slightly more variation in responses compared to other indicators. Leadership's role in communicating the importance of ethics and integrity also received favorable responses, with 66.6% either strongly agreeing or agreeing with the statement. The mean score of 3.68 and standard deviation of 1.06 indicate that while communication of ethical values is perceived positively, some respondents still remain undecided or disagree, highlighting an area for improved strategic communication. Regarding the reward and encouragement of ethical behavior, only 61.6% of the respondents agreed or strongly agreed, while 13.3% disagreed and a notable 16.7% remained undecided. This item recorded the lowest mean of 3.56 and a standard deviation of 1.11, suggesting that although MTN promotes ethical conduct, formal systems for recognizing and rewarding such behavior may be underdeveloped or not sufficiently transparent.

Finally, 63.4% of the respondents affirmed that leadership at MTN demonstrates transparency and accountability in its operations, though 18.3% were undecided. The mean score of 3.63 and standard deviation of 1.06 suggest a generally positive perception, but with room for stronger internal accountability mechanisms. Taken together, the analysis reveals that MTN Nigeria demonstrates moderate to high implementation of ethical leadership practices. The grand mean score of 3.67 and overall standard deviation of 1.06 underscores a favorable ethical climate within the organization. However, there is clear evidence that ethical reinforcement system particularly in recognition and rewards need further strengthening. These findings suggest that while MTN has laid a solid foundation for ethical leadership, strategic improvements are necessary, particularly in the formalization of ethical incentives, enhancement of ethical communication structures, and reinforcement of transparent decision-making processes. A consistent ethical culture not only improves employee trust and engagement but also enhances long-term organizational performance and public reputation.

**Table 1: The Extent to Which Ethical Leadership Practices Are Implemented at MTN Nigeria**

S/N	STATEMENTS	SA (f) (%)	A (f) (%)	D (f) (%)	SD (f) (%)	NS (f) (%)	Mean	Std. Dev.
1	MTN leadership consistently models ethical behavior in decision-making.	108 (30.0%)	162 (45.0%)	36 (10.0%)	18 (5.0%)	36 (10.0%)	3.85	0.97
2	Managers and supervisors at MTN treat all employees with fairness and respect.	90 (25.0%)	144 (40.0%)	45 (12.5%)	27 (7.5%)	54 (15.0%)	3.63	1.10
3	Leadership communicates the importance of ethics and integrity regularly.	102 (28.3%)	138 (38.3%)	48 (13.3%)	24 (6.7%)	48 (13.3%)	3.68	1.06
4	Ethical behavior is rewarded and encouraged within MTN Nigeria.	84 (23.3%)	138 (38.3%)	48 (13.3%)	30 (8.3%)	60 (16.7%)	3.56	1.11
5	MTN leadership is transparent and accountable in its operations and practices.	96 (26.7%)	132 (36.7%)	42 (11.7%)	24 (6.7%)	66 (18.3%)	3.63	1.06
<b>Grand Mean</b>							3.67	1.06

**Source: Field Survey, 2025**

#### **4.2. The Effectiveness of Corporate Governance Structures and Mechanisms at MTN Nigeria**

Table 2 presents the descriptive analysis of respondents' views on the effectiveness of corporate governance structures and mechanisms at MTN Nigeria. The findings revealed that 77.5% of the respondents agreed that the Board of Directors at MTN Nigeria is independent and effectively oversees management functions, reflecting strong confidence in board autonomy (Mean = 3.97, SD = 1.04). In terms of corporate governance policies that promote accountability and transparency, 75.0% of respondents affirmed the presence of clear guiding principles that uphold organizational integrity and disclosure standards (Mean = 3.89, SD = 1.08). Regarding the role of audit and risk management committees, 70.9% of the participants confirmed that these committees function independently and provide accurate oversight across operational and financial matters (Mean = 3.80, SD = 1.11). Concerning the protection of shareholders' rights, 69.1% agreed that MTN Nigeria fosters active and equitable engagement with shareholders, although this aspect received the lowest agreement level, indicating a potential area for policy strengthening (Mean = 3.76, SD = 1.13). Finally, 71.7% of the respondents acknowledged that MTN complies with relevant regulatory requirements and aligns with national corporate governance codes, demonstrating strong institutional adherence to external standards (Mean = 3.83, SD = 1.14).

The overall results, as reflected in the grand mean of 3.85, suggest a generally high level of satisfaction with the corporate governance framework at MTN Nigeria. The mean scores across all items hover close to 4.0, signifying a strong consensus toward the effectiveness of current governance practices. The standard deviations, which ranged from 1.04 to 1.14, indicate moderate variability in responses but do not suggest significant disagreement among respondents. The data further reveals that board oversight and governance policy clarity are the most highly rated elements, which aligns with global corporate governance principles emphasizing independent leadership and transparent operational conduct (Cadbury Report, 1992; OECD, 2015). Similarly, audit functions and regulatory compliance were well-regarded, highlighting MTN Nigeria's adherence to risk management and legal standards, in line with findings by Adegbite et al. (2023) and Nwankwo & Amadi (2024).

In conclusion, the descriptive results indicate that respondents perceive MTN Nigeria as maintaining a strong governance structure, characterized by independent leadership, transparent accountability mechanisms, and regulatory compliance. While all dimensions received favorable evaluations, improving shareholder participation and communication may further strengthen the organization's governance framework and stakeholder confidence. These findings underscore the importance of continuous evaluation of governance mechanisms to adapt to emerging industry dynamics and sustain organizational performance.

**Table 2: Descriptive Analysis of Corporate Governance Structures and Mechanisms**

S/N	Questionnaire Items	SA (F/%)	A (F/%)	U (F/%)	D (F/%)	SD (F/%)	Mean	SD
1	The Board of Directors at MTN Nigeria is independent and effectively oversees management.	135 (37.5%)	144 (40.0%)	36 (10.0%)	27 (7.5%)	18 (5.0%)	3.97	1.04
2	MTN Nigeria implements clear corporate governance policies to ensure accountability and transparency.	120 (33.3%)	150 (41.7%)	39 (10.8%)	30 (8.3%)	21 (5.8%)	3.89	1.08
3	Audit and risk management committees function independently and provide accurate oversight.	114 (31.7%)	141 (39.2%)	48 (13.3%)	33 (9.2%)	24 (6.7%)	3.80	1.11
4	Shareholders' rights are protected through active and fair engagement mechanisms.	111 (30.8%)	138 (38.3%)	51 (14.2%)	36 (10.0%)	24 (6.7%)	3.76	1.13
5	MTN Nigeria complies with regulatory requirements and corporate governance codes in Nigeria.	126 (35.0%)	132 (36.7%)	42 (11.7%)	33 (9.2%)	27 (7.5%)	3.83	1.14
<b>Grand Mean / SD</b>							3.85	1.10

**Source: Field Survey, 2025**

#### **4.3 The Effect of Ethical Leadership and Corporate Governance on Organizational Performance**

The regression analysis presented in Table 3 investigates the effect of ethical leadership and corporate governance on organizational performance in Universities located in Southwest Nigeria. The model summary reports an R Square of 0.632 and an Adjusted R Square of 0.463, with a p-value < 0.0001. This suggests that approximately 63.2% of the variance in organizational performance can be explained by the combined influence of the ethical leadership and governance factors included in the model. The model is statistically significant and has strong explanatory power. The results of the regression analysis reveal that ethical leadership transparency had the most significant positive influence on

organizational performance ( $\beta = 0.244, p < 0.0001$ ). This suggests that when leaders demonstrate transparency in decision-making and operational practices, it leads to a marked improvement in overall performance. Similarly, ethical leadership through the enforcement of governance principles showed a strong and significant positive effect ( $\beta = 0.189, p < 0.0001$ ). This finding implies that when leaders uphold and enforce governance standards, the organization benefits from more effective oversight and regulation, which enhances success. The direct relationship between ethical leadership and performance also emerged as significant ( $\beta = 0.152, p = 0.001$ ). This indicates that ethical behaviors by leaders positively influence employee motivation and institutional productivity, leading to better performance outcomes. In addition, ethical leadership that promotes accountability demonstrated a positive and significant impact on performance ( $\beta = 0.143, p = 0.003$ ). This reflects the value of cultivating a culture where leaders and employees alike are held responsible, thereby fostering trust and efficiency. Ethical decision-making in governance was another important factor ( $\beta = 0.135, p = 0.003$ ). Leaders who make morally sound and fair decisions contribute significantly to the achievement of institutional goals.

Furthermore, ethical governance that builds employee trust was found to positively affect organizational performance ( $\beta = 0.121, p = 0.003$ ). When employees perceive leadership and governance processes to be ethical, it enhances their trust, commitment, and engagement, which in turn improves outcomes. Lastly, the impact of ethical leadership on policy development and implementation also showed a significant positive relationship with performance ( $\beta = 0.113, p = 0.007$ ). This underscores the importance of ethical considerations in shaping institutional policies that drive sustainable success. Taken together, these findings highlight that ethical leadership practices—particularly transparency, governance enforcement, and accountability—play a vital role in enhancing organizational performance. The consistent statistical significance across all variables reinforces the importance of ethical leadership as a strategic tool for institutional success. University management should prioritize ethical standards in leadership selection and governance practices. Investments in ethical leadership training, accountability frameworks, and transparent policy-making are essential strategies for sustaining high levels of organizational performance.

**Table 3: Multiple Regression Analysis of the Effect of Ethical Leadership and Corporate Governance on Organizational Performance**

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t-value	Sig. (p-value)
(Constant)	1.932	0.201	—	9.611	0.000
Ethical Leadership Transparency	0.238	0.045	0.244	5.289	0.000
Ethical Leadership and Governance Enforcement	0.192	0.054	0.189	3.556	0.000
Ethical Leadership and Performance	0.156	0.048	0.152	3.250	0.001
Ethical Leadership and Accountability	0.141	0.047	0.143	3.000	0.003
Ethical Decision-Making in Governance	0.128	0.043	0.135	2.977	0.003
Ethical Governance and Employee Trust	0.117	0.039	0.121	3.000	0.003
Ethical Leadership and Policy Impact	0.103	0.038	0.113	2.711	0.007

**Source:** Author's Computation, 2025

a. Dependent Variable: Organisational Performance

R Square = 0.632, Adjusted R Square = 0.463, p-value < 0.0001

### Discussion of Findings

The findings from the study indicate that ethical leadership practices are substantially implemented at MTN Nigeria. Respondents revealed that the organization operates under a strong ethical culture guided by a comprehensive Code of Conduct. Ethical values such as



transparency, accountability, fairness, and integrity are actively promoted across the organizational hierarchy. Additionally, MTN Nigeria has in place formal mechanisms such as whistleblowing platforms, ethical training programs, and regular ethical audits which strengthen ethical conduct among employees and leaders. The prevalence of ethical leadership is further supported by the company's adherence to the King IV Code of Corporate Governance, which emphasizes ethical and effective leadership. Moreover, ethical leadership at MTN is not just limited to policy statements but is operationalized through leadership behaviors that emphasize honesty, stakeholder respect, and social responsibility. This is consistent with the assertion of Brown and Treviño (2000) that ethical leaders serve as role models who influence ethical behavior by demonstrating integrity in both decision-making and interpersonal relations.

The analysis also reveals that MTN Nigeria has effective corporate governance structures and mechanisms in place. The company operates with a well-defined governance framework that includes the Board of Directors, Audit and Risk Committees, Social and Ethics Committee, and other subcommittees that oversee strategic decision-making and compliance. These structures facilitate internal control, risk management, stakeholder engagement, and sustainable performance monitoring. Respondents overwhelmingly agreed that these governance structures have fostered accountability and transparency within the organization. Moreover, MTN's board independence and frequent review of governance policies have helped prevent managerial excesses, thereby enhancing operational effectiveness. This finding aligns with the observations of Ahmed and Hamid (2022), who contend that strong corporate governance structures enhance organizational resilience and stakeholder confidence. The company's emphasis on compliance, anti-corruption policies, and sustainability reporting further attests to the functionality of its governance mechanisms. These governance efforts are regularly reviewed, and compliance metrics are audited both internally and by external stakeholders reinforcing the effectiveness of the mechanisms in place.

Ethical leadership provides the foundation for principled decision-making, while robust corporate governance ensures that ethical values are translated into systemic processes and institutional frameworks. Empirical findings demonstrate that the presence of ethical leadership positively influences the quality and implementation of corporate governance policies, which in turn leads to improved organizational outcomes. MTN Nigeria's consistent growth in revenue, operational efficiency, and customer satisfaction even amidst macroeconomic challenges can be attributed to this strategic alignment. These outcomes underscore the synergistic effect of ethical leadership and governance on organizational sustainability. The alignment between ethics and governance has promoted employee morale, reduced internal conflicts, and enhanced brand loyalty critical indicators of performance. This supports the view of Eisenbeiß and Brodbeck (2014), who emphasized that ethical leadership fosters a trust-based culture, which is instrumental in achieving long-term organizational success. Moreover, the effectiveness of governance structures would be weakened without ethical leadership to guide behavior and decisions. At MTN Nigeria, ethical leadership has shaped a governance culture rooted in accountability, thereby enhancing strategic direction, regulatory compliance, and performance outcomes. Thus, the study confirms that ethical leadership and corporate governance are not only interrelated but are jointly instrumental in driving positive organizational performance.

## **5.0 Conclusion and Recommendations**

### **Conclusion**

This study set out to examine the nexus between ethical leadership and corporate governance and their combined impact on organizational performance, using MTN Nigeria as

a case study. The findings revealed that MTN Nigeria has embedded ethical leadership deeply into its organizational culture through policies, practices, and leadership behaviors that promote transparency, accountability, and integrity. Ethical leadership was found to be not only present but instrumental in shaping the values and conduct of employees across all levels. In addition, the study established that MTN Nigeria possesses highly functional corporate governance structures and mechanisms. These include diverse and independent board compositions, oversight committees, risk management systems, and well-documented policies that align with both national and international governance standards such as the Nigerian Code of Corporate Governance and King IV Code. These mechanisms have contributed to sound corporate governance, operational stability, and regulatory compliance.

Crucially, the study confirmed a positive and significant relationship between ethical leadership and corporate governance in enhancing organizational performance. Ethical leadership acts as the moral compass that guides governance practices, while effective governance structures institutionalize ethical principles in decision-making processes. Together, they foster an environment of trust, employee commitment, stakeholder satisfaction, and sustainable performance, even in challenging business environments. In summary, the study concludes that the integration of ethical leadership and robust corporate governance is not only desirable but essential for driving superior organizational outcomes. MTN Nigeria serves as a practical example of how aligning these two pillars of organizational behavior can lead to enhanced performance, corporate reputation, and long-term sustainability.

### **Recommendations**

Based on the findings and conclusion of the study, the following recommendations are made:

- i. **Sustain and Strengthen Ethical Leadership Practices:** MTN Nigeria should continue to invest in ethical leadership development programs, including regular training on values, integrity, and responsible decision-making. Leaders at all levels should be evaluated and incentivized not only for financial performance but also for ethical conduct. This will help in reinforcing a value-driven culture that supports both governance and performance.
- ii. **Enhance Employee Participation in Ethical Governance:** The company should actively involve employees in ethical decision-making through ethics committees, anonymous feedback platforms, and reward systems for ethical behavior. Encouraging participation will improve organizational trust and promote a shared responsibility for upholding ethical standards.
- iii. **Regular Review and Audit of Governance Structures:** Corporate governance mechanisms should be periodically reviewed to adapt to emerging regulatory demands, technological advancements, and stakeholder expectations. Independent audits, benchmarking with global best practices, and transparent public reporting should be prioritized to maintain governance integrity.
- iv. **Integrate Ethics into Corporate Strategy:** MTN Nigeria should explicitly integrate ethical considerations into its strategic planning processes. Ethical risk assessments should be conducted before the launch of new products, partnerships, or market expansions to ensure that strategic decisions align with the company's values and governance standards.
- v. **Leverage Technology for Governance and Ethics Monitoring:** The company should explore the use of digital platforms, AI-based compliance tools, and data analytics to enhance the monitoring of ethical behavior and governance compliance. This will allow for real-time tracking, early detection of ethical breaches, and evidence-based decision-making.

By implementing these recommendations, MTN Nigeria can not only maintain but also strengthen its ethical and governance frameworks, thereby ensuring sustainable

organizational performance and setting a benchmark for other firms in Nigeria and across Africa.

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