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Sustainability and Corporate Longevity of Firms in Nigeria: A Study of Selected Firms

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Abstract

This work ascertained if there is a positive relationship between sustainability factors and organizational longevity. Ten firms that have been adjudged to have superior longevity were selected from 225 firms in Nigerian Stock Exchange Market. Multistage cluster sampling technique was adopted. Data was collected using a five point likert scale structured instrument. The single hypothesis was tested using ANOVA. The findings reveal that there is very significant positive relationship between sustainability factors and organizational longevity. The study concludes that Nigerian firms established as going concern do not need to die; rather they should grow and continue to high longevity. Recommendations are that firms should identify the firm specific sustainability factors appropriate for its longevity. All hands to be on deck to develop a sustainability culture through incorporating the principles of sustainability in the educational system at least at post graduate level.

1. Introduction

Corporate Organizations are usually established as going concern. A going concern is an entity expected to continue almost in perpetuity-surviving, growing and expanding 'ad infinitum'. Experience shows that more businesses fail or are failing rather than are succeeding to attain these utopian goals, Onwuzuligbo (2014). This accords with Ross and Kami (1973) who showed how some America's biggest and richest corporations made mistakes and paid the costly price in lost business, declining sales and even bankruptcy.

This sad experience is not peculiar to the Americans; it is a common experience of organizations and entrepreneurial firms all over the world. Business failure knows no boundaries, whether national, racial, tribal, cultural nor age. Infact It is like death that kills old and young, rich and poor, male and female. To buttress this Chu(1994) views entrepreneurs as men swimming in a Shark infested sea. This portends a possibility of becoming food for the hungry sharks, referring to the possibility of high rate of business failure. Scholars all over the world have variously noted very high percentages of business failure in relation to business start ups and categories of businesses in every socioeconomic environment. But there abounds many firms that have started, grown, expanded and been sustained for hundreds of years in various socioeconomic contexts as reported by Kier (2012)

There were many budding successful business entities as this researcher was growing up in the early sixties and seventies, not many of them are still operating. In the 1980's and 1990's several other firms qualified to be described as successful now virtually all have disappeared from the business scene. Any one of them still existing can best be described as skeletal or a shadow of its former self. One would have thought that enterprise death is peculiar to sole proprietorship and small scale businesses for want of capacity to hire competent professional managers. But Albrecht, Albrecht and Albrecht(2006) in using largest corporate collapse in United State in resent times, noted that those firms were immensely powerful and wealthy at the time of their failing or bankruptcy to afford or develop any available management talent or technology in the world. Business firms whether large, medium or small invest hard earned resources, do operate as 'going concern'. As going concern, growth, expansion and profitable continuity of operations to great longevity is the normal expectation that often elude most organizations.

When business firms collapse, the aggregated impact on the society is enormous. The greatest natural resource 'the entrepreneurial spirit according to Chu (1994) is the first target for devastation followed by employees, and their dependants, creditors, suppliers etc. Literature is replete with causes and possible solutions of business failure.

2. Problem Statements

"Prevention they say is better than cure", can business diseases and infections be avoided or prevented, such that firms do not have to fail with its attendant great economic loss and psychological effect on the organizational psyche? Can owners and managements so manage their firms to prevent business diseases and infections such that great longevity is achieved? The quest for a sustainable culture is urgently needed in Nigerian Business landscape.

3. The Objective of the Study

The objective of this study is to ascertain if there are sustainability factors that can enhance corporate longevity of business organizations.

The research question is what sustainability factors enhance corporate longevity of firms?

Hypothesis

H_0 There are no sustainability factors which enhance corporate longevity of firms.

H_1 There are sustainability factors which enhance corporate longevity of firms.

4. Literature Review

4.1. Business Sustainability Evolution and Challenge

Business sustainability development has been defined as adoption of business strategies and activities that meet the needs of the enterprises and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future by the International Institute for Sustainable Development in conjunction with Deloitte and Touche and the World Business Council for Sustainable Development (1992). This definition captures the key essence of sustainability. According to O'Riordan in Economist Intelligent Unit (2008), defining sustainability is like "exploration into a tangled conceptual jungle where watchful eyes lurk at every bend". The EIU (2008) succinctly expressed it as adoption of policies and processes which enhance the financial, environmental, societal, human and other resources on which the focal firm depends for its long term health. Although the EIU (2008) definition is narrower than the definition by IISD et al. but means operating today without compromising and endangering future operations. Compared the IISD closely corresponds to the Bruntland Commission which says, sustainable development is that which meets the needs of the present without compromising the ability of future generations to meet their own needs. The EIU (2008) summarised it as having such sustainable policies and processes, and aligning them so that goals in one area are not compromised in favour of those in another. CIMA (2010) defined it as 'the consideration of environmental and/or social issues in the value creation process along with the financial performance of firms. This shows the integrative nature of sustainability. The discuss by the International Institute for Sustainable Development in conjunction with Deloitte and Touche and the World Business Council for Sustainable Development (IITD with D & T and WBCSD) declared that sustainable development cannot be achieved by any single business outfit no matter how large. This is because sustainable development is a very fluid and pervasive philosophy requiring every participant in the global economy to actively subscribe to if meeting today's needs will not compromise the ability of future generations to meet their own needs. Participants in global economy include every individual consumer and government. That means no one is exempted from the quest for sustainability. Sustainability started out as environmental concern before it now spread out to include economic, social and cultural concerns.

For sustainability to be a reality, every participant in the global community must redefine the philosophy behind every endeavour in the light of the challenges of climate change, concerns about energy, security, booming mega cities, globalisation, etc. The IITD with D & T and WBCSD (1992) state that the common response had been stricter environmental regulations, which actually inhibit growth and results in trade-off between healthy environment and healthy growth. These inhibitions and/or trade-offs in consequence constrain corporate performance.

Corporate organizations are legal entities that all things being equal ordinarily would continue in operation as going concern. This translates to operating indefinitely. A cursory look at the Nigerian business environment in the past fifty years show hundreds of thousands of business entities of all sizes, shapes and in nearly all industries that started and died. The bulletin of Nigerian Stock Exchange (2011) show that only about fifty firms in Nigeria have made a fiftieth year mark of successful operations. This shows that corporate mortality is quite high and that business sustainability is a critical challenge to corporate organizations in Nigeria.

The firms reap of greater shareholder value while merely responding to legal and regulatory requirements have spurred organizations to proactively integrate sustainability activities into their management system especially as regards reputation, risk management, generation of cost saving, competitive advantage and ensuring longer term profitability. Thus, sustainability practises successfully adopted have yielded triple bottom-line (people, planet and profit) as against single bottom-line in a devalued, degraded, devastated and destroyed environment. Corporate sustainability programmes and practises are now expanding in number across the spectrum of firms, organization type, size and industry not withstanding. This agrees with the assertion of organization for economic co-operation and development in IISD with D & T and WBCSD (1992). 'There is now a realistic prospect of harmonising environmental and economic considerations'. AICPA, CICA and CIMA research finding on the evolution of sustainability practises showed that

1. Although compliance with regulatory requirements still remain the most common driver of business sustainability, profitability and other strategic factors are also significant.
2. Large companies have more robust sustainability capabilities than small companies. Etc.

According to EIU (2008), 'there is uncertainty as to whether sustainability can be seen as opportunity, or if it is merely another drag on the bottom-line. Indeed there is no need for further hesitation as research findings have conclusively proved that sustainability is opportunity.

4.2. BENEFITS OF SUSTAINABILITY DRIVE

The critical question 'does sustainability pay?' needs an answer. The EIU research on the question of the implication of sustainability on the bottom-line produced the following interesting findings:

1. Investment in sustainability far outweigh the cost
2. Although sustainability is no magic carpet to prosperity, attention to sustainability is consistent with , and may cause higher share price growth and profits
3. Firms that believe they are doing well on sustainability are generally seeing better financial results than those who believe the opposite.
4. A shift from 'sustainability 1' to so-called 'sustainability gear 2' involves the possibility of exploiting new markets and opportunities.
5. Although sustainability itself has not yet become a major draw for investors, there is strong indication that investors would increasingly reward companies with above average performance in this area
6. The benefits to bottom-line in the longer run is simply more beneficial
7. Sustainability benefits the drive for cost reduction and confers greater competitive advantage
8. Sustainability reduces reputational risk and improves firms and product image and value.

It is however important to note warnings, on the need to adopt sustainability for the right motive. One of the executives interviewed in the EIU (2008) study insist that one does not adopt sustainability for financial gain but because it is the right thing to do.

One of the key conclusions of EIU (2008) study is that 'Awareness of sustainability issues may become not an additional business tool, but a key to survival in 21st century markets.

In apparent effort to answer the question, does sustainability pay? EIU of November 2008 discussing corporate citizenship: profiting from sustainable business came to the following conclusions;

a) Corporate citizenship is becoming increasingly important to business sustainability, providing benefits that are both tangible – such as reducing waste and increasing energy efficiency and intangible – such as improved employed productivity
b) US firms like Dupont, 3M and SC Johnson have been showing the way; using corporate citizenship as a source of competitive advantage
c) Sustainability as strategy is sharpened by new opportunities and markets
d) Generally sustainability improves the bottom-line though intangible benefits are often greater.

This study collaborates with the preview study of EIU February (2008). These studies concur with El Kington in EIU (2008) which emphasizes 'triple bottom-line' as the benefit of sustainability. Triple bottom-line boils down to 'people, planet, profit' described as a 'Win – Win – Win' situation using conflict management language. The EIU (2008) assertions as regards the benefits of sustainability is confirmed by corporate sustainability management (2010) white paper which states, sustainable business practices do open up new markets and improve a company's reputation and secures for a firm unique competitive advantage over their competitors.

4.3. Business Sustainability: Best Practices

Proponents of sustainability or corporate citizenship had declared that it is not a passing fad, but a critical opportunity for greater and broader bottom-line benefits, hitherto unimagined. Presently the quest for sustainability has caught up with non-profit and non-governmental organizations. Peter York of T.C.C group of Core Capacity Assessment Tool (CCAT) in stating the sustainability formula for non profit organization, after a ten year study of almost 700 organizations, identified specific capacities and behaviours that are critical to sustainability (1) Decisive, strategic and accountable leadership (2) Financial and programmatic adaptability (3) and the resources to deliver core programmes shown diagrammatically as

Leadership + Adaptability + Programme = Sustainability

Fig. 1: Sustainability Formular. Source: York(2010

Thomas and Zhan (2009) identified four factors as sustainability factors for non-profits namely (a) Perceived values (b) Monitoring and feedback (c) Leadership (d) Staff.

When compared, both prescriptions have a lot in common as factors that have potential to foster sustainability for non-profits.

Galayda and Yudelson (2010) in presenting their Corporate Sustainability Management White paper on Best Practices, enumerate the following generalised five key steps as sustainability steps

1. Setting the vision
2. Staffing the effort
3. Establishing metrics to measure progress
4. Implementing strategic initiatives
5. Communicating the results to all stakeholders

The EIU (2008) in concluding the report on Doing good business and the sustainability challenge identified four critical factors for a successful sustainability programme namely (1) Leadership (2) Global supply chain (3) Reporting metrics and (4) Transformation of values into processes. Interestingly both the Galayda and Yudelson (2010) and EIU (2008) sustainability factors have a lot in common. The EIU (2008) summarised the experiences of companies in the sustainability fields as lessons for corporate leaders

1. Work smart, not hard – Quality counts
2. Know yourself by knowing what is right and do it – do not wait to be pressured to compliance
3. Know the impact of your activities on each stakeholder (stakeholder analysis)
4. Focus on your strengths – concentrate on what you do best
5. Do not ask what your firm can do for sustainability but ask what sustainability can do for your firm
6. Have clear leadership and board – level support – make someone responsible for sustainability issues.
7. Remember your supply chain – your supply chain matters
8. Monitor and report – provide for measuring, evaluating and reporting to all stakeholders
9. Integrate – have sustainability integrated into corporate structures and processes
10. Engage – since sustainability is about relationship with other elements of society - co-operate with other stakeholders, NGOs, governments etc.

These distilled lessons from the experiences of firms in the sustainability field can be a good starting point for firms starting out on sustainability venture as experience they said is the best teacher. To build a sustainable business, EIU counsels that a corporate organization needs a solid foundation, thereafter the following four areas needs attention viz (1) Leadership at all levels (2) Employee engagement (3) Robust metrics (4) Public – private partnership. The EIU considers innovation very critical to the success of sustainability venture.

In concluding the report on the Corporate Citizenship: Profiting from a Sustainable Business, the EIU noted that most respondents to the study from 566 US based firms have been practicing proactive, bottom-line – driven corporate citizenship for a long time. The EIU listed the following recommended steps if firms are to profit from corporate citizenship:-

1. Make the business case – Quantify the financial benefits
2. Be proactive – even if you make mistake
3. Identify the challenges – What do you need to focus efforts to improve performance

4. Set public goals – Have philosophy and principles but also set goals – Do it publicly
5. Measure progress – consider triple bottom-line or ISO 14001 to measure your effectiveness
6. The Corporate Citizenship to core objectives – build confidence in the firm by connecting corporate citizenship to business objectives
7. The bottom-line – to make sustainability work, someone should articulate the financial gain that comes from the result of sustainability programme.

All research studies available to us fundamentally agree on the sustainability best practices as regards major steps while minor areas were emphasized differently. The IISD in conjunction with D & T and the WBCSD (1992) advocated that two main areas of corporate management systems needs to be changed to make room for new cultural orientation and extensive refinements to systems, practices and procedures in the areas of

i. A greater accountability to non-traditional stakeholders
ii. Continuous improvement of reporting practices.

The IISD et al recommended the following seven steps for managing firms in accordance to sustainable development principles.

1. Perform a stakeholder analysis
2. Set sustainable development policies and objectives
3. Design and execute an implementation plan
4. Develop a supportive corporate culture
5. Develop measures and standards of performance
6. Prepare reports
7. Enhance internal monitoring processes.

The sustainability best practices framework are applicable to all sizes of firms, in all industries and in all countries but, IISD et al noted that its implementation will not be easy for larger firms, while it will pose greater challenge for smaller firms due to less in-house-expertise, fewer resources and less formal structures. To compound the problems of the smaller firms, it may be difficult for them to be abreast of the ever-changing regulatory requirements.

One of the key IISD et al recommendations that will enable effective implementation of sustainable business policies and practices is the development of a supportive culture for entire society and more particularly for entity in question. Development of a supportive culture will necessarily require value reorientation for the entire organisational members through training and retraining designed for that purpose.

4.4. Corporate Longevity of Firms

Longevity of firms concerns primarily the length of existence in years. Kier (2012) listed Japanese firms that have existed for over one thousand two hundred years and European and American firms that have existed for over two hundred years. Such organizational feat is unimaginable in Nigeria setting. But is it real or myth? Drucker (2001) intoned that business firms that lived up o thirty years have achieved quite a feat in the face of greater turbulence of the 21st century. This agrees with Kier (2012) who intimated that firms reaching fifty year mark is a near impossibility. This shows that achieving corporate longevity will not be easy. The fact that one can count in his fingers firms with Superior longevity shows that it is a possibility. It is available and desirable. Nothing worthwhile is easy. Kier (2012) noted that achieving the daunting feat of superior longevity requires core factors that shape every decision a company makes. For Kier (2012) these core factors include (a) Going beyond customer satisfaction to becoming customer delight. (b) Character- doing what's right when no one is watching. (c) Courage, make or break decisions. (d) Culture of daily pursuit of perfection. (e) Change: Readiness and renovation. The five factors identified by Kier (2012) certainly made sense since going beyond customer satisfaction to being his delight implies proactively anticipating his needs, tastes, purchasing power etc. and being there on the ground with products and services that delights him better than other competitors, Ethically walking the talk (Living out your values) no matter the risk. Development and pursuit of perfection. This agrees with the basic Tenets of Total Quality Management. Other propositions for corporate longevity stipulated by page group Wong Hong closely relate to Kier (2012). They are (a) an ingrained culture of readiness- to be in fore front of regional and industrial trends. (b) Building an excellent team- Hire the most talented. (c) A strong team Culture- working as a team- generating synergy and (d) Excel all others in customers' satisfaction- Build customer delight. Stark(2012) summarized his views on how to achieve superior longevity intimated that firms need Leaders who develop options, outlearn their competitors, staff who think differently etc.

5 THEORETICAL FRAMEWORK

This work hinge on the following theories; Organizational Theory of Scot (1981), strategic management and contingency theory.

Scot (1981) Natural systems theory insists that the overriding goal of organizations is survival when the pre-requisites are satisfied, while Strategic management stipulates broad long range view of Business Organizations. Contingency theory postulates that (a) There is no one best to organize (b) All ways of organizing are not equally effective. (c) The best way to organize depends on the motive of organizational situation, Galbraith in Onwuchekwa (2002), Scot in Onwuchekwa (2007).

Both business sustainability and corporate longevity fall within organization theory and strategic management while managerial and organizational initiatives, decisions and activities both for sustainability and longevity fall within contingency theory, since Organizational Situations and requirement for attaining longevity and diverse.

6 REVIEW OF PREVIOUS EMPIRICAL LITERATURE ON FACTORS THAT ENHANCE ORGANISATIONAL LONGEVITY.

There are not many empirical works on sustainability factors which enhance organisational longevity as noted by Chew (2004). This may derive from the fact that sustainability and longevity is emerging in literature .Out of the few empirical works in this area, the work of Ibrahim McGuire and Soufani, (2009) and Lubinski et al, (2011) are the ones most directly relevant. Though there are few others that tangentially border on it.

Ibrahim, et al (2009) examined empirically the factors that contribute to longevity of small family firms. The study examined the perception of forty-two presidents and CEO's of multigenerational small firms attending workshops in Montreal, Toronto and New York. They responded to questionnaire about items that may have impacted on the continuity and survival of family controlled firms. Findings suggest that three key factors which include family members- involvement and commitment, succession planning and the family firm's unique competitive advantage are critical for their survival and longevity.

Lubinski et al, (2011) studied the factors influencing family firms' longevity in Germany and Spain during the twentieth century. Their findings fall into two categories of factors; namely exogenous and endogenous. The three major exogenous factors of their find are (1) the economic and industry developments,(2) the political context, and (3) regulation in inheritance law. While the major endogenous factors were (1) management professionalization, (2) openness for external knowledge and capital, (3) strategies of specialisation, and (4) emotional attachment.

The United Nations Global Compact Corporate Sustainability report released on June 22, 2010 in New York revealed that sustainability is critical to future of corporate success. The study surveyed 760 CEOs from around the world; the largest study of top executives on sustainability with global spread. The key findings reported showed the critical issues to include: Training management employees and the generation of leaders to deal with sustainability; communicating with investors to create a better understanding of the impact of sustainability; working with governments to shape clearer regulations and to keep a level playing field, measuring performance on sustainability and explaining the value of business in society and shaping consumer tastes in order to build stronger market for sustainability products.

Kwok and Rabe (2012) examined firm performance and corporate Governance of firm in the USA. The study examined the operating performance of sustainable firms identified by Dow Jones Sustainability Index (DJSI) versus non-sustainable firms from S & P 500 index. It examined what the key structure and governance would enhance the success of sustainable firms. Profit and efficiency measures were regressed on board composition and board structure variables. Their findings showed that sustainability is complex and firm specific – there is no good one-size-fit for all. It proposes a consistent framework for firms to demonstrate transparency commitment. This framework enhances understanding of the relationship between corporate governance and sustainable development.

As is evident, there are not many empirical works on factors that enhance business sustainability. The few there are were carried out in environments outside sub-Saharan Africa, let alone Nigeria. This study is therefore justified as peculiarities of Nigerian context are different from other parts of the world where these studies were carried out.

7 Methodology

Descriptive research design was adopted for this work. This work employed primary data collected on instrument. A structured questionnaire of ten questions based on five point Likert scale. The study employed a multistage, cluster sampling technique. The population consisted of the two hundred and twenty five (225) corporate Organizations that are quoted in the Nigeria Stock Exchange. Of these, only about fifty firms have been operating in the Nigeria for the past fifty years, and they are scattered in diverse industry groups. The oldest in each industry group was chosen where there are more than one firm identified in the industry as a cluster. The exception was in the print/media industry, where the oldest is Daily Times which in recent years is dormant corporate name. The second oldest in the industry is chosen. Within the selected firms, all the first line managers were chosen because they form a cluster close to management and knowledgeable enough to understand and interpret corporate policy. The instrument was validated using extraction and rotation methods of factor analysis, while the reliability was determined based on reliability co-efficient of the Crombach's Alpha test, which yielded 0.789. The research hypothesis was tested using T-test and ANOVA.

8 Test of Hypothesis

Hypothesis I

H_0 There is not significant relationship between sustainability factors and corporate longevity.

H_1 There is significant relationship between sustainability factors and corporate longevity.

Table 4.3.30 Independent Samples Test on Relationship between Sustainability Factors and Corporate Longevity

		Levene's Test for Equality of Variances		t-test for Equality of Means					
									95% Confidence Interval of the Difference
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower
SUSFAC	Equal variances assumed	1.427	.234	5.706E0	138	.000	.25455	.04461	.16634
	Equal variances not assumed			6.121E0	1.229E2	.000	.25455	.04159	.17223

The result of the test proves that there is significant positive relationship between sustainability factors and corporate longevity of firms. Therefore H0 is rejected, while the alternative is accepted.

9 Discussion of Findings

9.1. Sustainability Factors that Enhance Corpoate Longevity.

Hypothesis tested proved that there is indeed significant relationship between sustainability factors and corporate health cum longevity of firms. The sustainability factors found to be significant for corporate sustainability are discussed below.

(a) Continuous Consumers Satisfaction. This agrees with Shirley (2007) which regards consumers as king. This concept expects firms to satisfactorily serve the consumers and other stakeholders profitably while they exist, by proactive and appropriate response to the changing values, technology, tastes and trends. It also agrees with Poole and Van de Ven (2004).

(b) Sensitivity and appropriate strategic responsiveness to issues in a firm's business environment is found to be a sustainability factor. This agrees with Peel (2003) and Epstein and Roy (2001). According to him, to be sustainable, firms must forever be sensitive to changes in their environment in order to respond appropriately. It also accords with Zimmerman (2002) and Poole and Van de Ven (2004).

(c) Employee participation in decision making was found to be critical in maximizing the value and potentials of employees. This sustainability factor according to Fuchi (2007) posits that employee participation in decision making implies harnessing their full potential for synergistic benefit to the firm that adopts team leadership model in a democratic organisation. This also accords with Rok (2009).

(d) Strategic long range view as sustainability factor enable a firm operate today in the light of the future. Operating at the cutting edge of technology, helping the firm to be ever abreast with changes and trends in technology, the industry and the general environment is a sustainability factor. It strengthens the quest for triple bottom line. This long range view as sustainability factor is asserted by Poole and Van de Ven (2004), EIU (2008), Ameshi (2009), Galayda and Yudelson (2010) and is consistent with the study's theoretical framework.

(e) Employees in Nigeria generally do not trust management intentions, nor do they regard managements as employee friendly. This sad situation reflects the level of distrust in the wider society. Human resource literature indicate that confidence building with all stake holders of whom the employees are critical element is a sustainability factor. Ethical values require that management be honest and trust worthy, to build good will, good reputation with all the stakeholders. This distrust of management and leadership though common in Nigeria agrees with Rogger and Riddle (2003) and with Fapohunda (2012) that states that firms exploit their employees to make them ever dependent and poor.

(f) Employers do not always regard employees as assets or human capital rather they perceive them as part of the cost of doing business or liability. Logically, if employees are regarded as cost or liability, it is natural to want to reduce cost or liability to enhance profit. Perception of employees as assets or human capital on the other hand will lead to value enhancement through training and retraining, while perception as cost or liability will lead to the attitude of 'use and throw away' or exploitation. Employees are 'the goose that lay the golden egg'; as such they are to be regarded as human capital. To get the best from them regular training and development will sharpen them to become key instrument of competitive advantage. This agrees with Noe, Hollenbeck, Gerhartand and Wright (2004) and with Adam (2010).

(g) The firms studied do not allow present success to dull their innovative cutting edge; for this they have remained both relevant and competitive. This is a sustainability factor. Often present success and struggle to close the supply gap can keep a firm so busy that they loose sight of the changes in values, tastes, trends, technology etc. This agrees with Ross and Kami in Peel (2003) who advised firms not to allow present success to dull their competitive capacity and accords with Zimmerman (2002).

(h) Democratic and participative leadership style as a sustainability factor enables management to accept and consider constructive criticism of employees. This encourages the employees to contribute their solicited and unsolicited ideas, thereby enlarging the pool of ideas available to the firm as a learning organisation. This is in line with modern human resources management literature as well as the principles of 'Kaizen' in the Japanese management, Regan (2000), it also agrees with Obiwuru et al, (2011).

(i) Corporate boards are often dominated by one powerful and very rich shareholder, as if power and wealth are synonymous with wisdom. According to Ross and Kami in Peel (2003), this kind of situation is BADNEWS as it violates rule no 4 of the Ten Commandment of successful firms. One man rule must be avoided at all costs. They insist that only rare firms that can prosper under such rule. This position is in accord with society for corporate governance of Nigeria (2009), Coyle (2008) and Ameshi (2009), who opined that one man rule always tend towards corporate governance failure.

(j) Corporate board members are often inexperienced, incompetent, uncommitted and most are often absent from meetings. This underscores why corporate governance is generally weak in most Nigerian organisations, according to Ogbechie, (2009). It collaborates with literature on business failure, that lack of management depth, deficiency of managerial and corporate governance technical know-how are critical cause of business failure. Ogbechie (2009) noted that corporate governance failure can and do have devastating and deadly effect on an organisation such as the case with Enron in the United States, Parmalat of Italy. He further noted that Cadbury Nigeria Plc scandal has exposed the limited knowledge of board of directors and individual directors. According to him, this questions the effectiveness of corporate governance.

(k) Domination of a corporate board by insiders, that is, key management staff or executive directors is not healthy for a firm, both in the present or in the future. This collaborates with Ogbechie (2009), who state that insider majority destroys the entire purpose of a board of directors – the trusteeship function. Insider majority presents a situation in which the operating management becomes the jury and prosecuting Counsel. This is because, the executive directors cannot be independent minded, as they will always vote to support their CEO, after all he can both hire and fire them. This view also accords with Coyle (2008), who insists that executive directors cannot be independent, since they are deeply involved in the firm's daily operations and report to the CEO, in whom they rely for their remuneration. Insider minority therefore is a sustainability factor.

10. Recommendations

The researcher based on findings and conclusions of this study hereby recommended the following with the objective of assisting to kick-start the development of sustainability culture for business organisations in Nigeria and beyond:-

10.1. Development of Sustainability Culture.

All business organisations should be committed to the development of sustainability culture which will enable business organisations to:-

(a) See beyond the narrow horizon of the shareholders to the entire stakeholders and as such plan, organise, direct and control to achieve triple bottom line. A situation in which the business organisation adds value to the environment, the employees and their families, the consumers, the investors, suppliers while delivering superior and long term benefits to shareholders.

b) This paradigm shift from single bottom line (profit maximisation) to triple bottom line which has potential to yield much more bounteous benefits to all including shareholders will enable business organisations to move from philosophical base of charity principle to stewardship principle of social responsibility. This also will enable firms not only to be proactive in seeking the good of all in business but also become an active partner with government and regulatory agencies in the effort to better the entire society.

c) Sustainability culture will make it easier for business organisations to adopt sustainability factors which will assuredly enhance their longevity for the benefit of the stakeholders.

d) All firms should provide for constant collection of data and analysis of all its products, processes and their effects on the entire stakeholder set with a view to identifying and adopting its firm specific sustainability factors for a superior longevity.

e) The Educational system should from primary to tertiary levels be tailored towards the development of sustainability culture for the benefit of all.

10.2 Board of Directors

Corporate entities in their general meeting should ensure that their board is characterised by insider minority. Board members should be competent, experienced and remuneration of board members should be tied to active and productive participation to ensure that (a) board is free from one-man rule and (b) board is effectively performing its trusteeship function.

10.3 Confidence Building

Corporate management of firms should endeavour through high ethical performance rating and stewardship principle of social responsibility build up their corporate image, develop high reputation of integrity and sincerity to bridge the confidence gap between management, their employees and firms' stakeholders.

10.4 Human Capital

Corporate organisation should perceive and manage their employees as human capital. And as such to keep on adding value on them by constant training and development as a means of gaining competitive advantage over their competitors in the 21st century global economy

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