IJAAR PUBLISHING®

International Journal of Advanced Academic Research | ISSN: 2488-9849
Vol. 10, Issue 6 (June, 2024) | www.ijaar.org

CORPORATE GOVERNANCE PRACTICES AND EMPLOYEE PRODUCTIVITY IN FOOD AND BEVERAGES FIRMS IN RIVERS STATE.

By

Emmanuel, Ethel Ifeyinwa, PhD
Department of Employment Relations/Human Resource Management, Faculty of Administration and Management, Rivers State University. E-mail: ethel.emmanuel@ust.edu.ng

ABSTRACT

The survey study investigates the association between corporate governance practices and employee productivity in the food and beverages firms in Rivers State. A population of 2720 employees of the food and beverages firms in Rivers State were covered. The sample size comprises 338 employees using krejcie and Morgan 1970 table. The spearman rank order correlation coefficient was used in analysing the stated hypotheses. The findings reveal that ethical practices and social responsibilities relates with productivity. The study concludes that corporate governance practices correlates with employee productivity in food and beverages firms in Rivers State. The study recommends that the food and beverage firms in Rivers State should enhance ethical practices and social responsibility initiatives to improve service quality and operational efficiency, thereby boosting overall employee productivity and achieving sustainable business success.

Keywords: Corporate Governance Practices, Ethical Practices, Social Responsibilities, Employee Productivity, Service Quality and Efficiency.

Emmanuel, E. I. (2024). Corporate Governance Practices and Employee Productivity in Food and Beverages Firms in Rivers State. *International Journal of Advanced Academic Research*. *10*(6), 196-212. DOI: 10.5281/zenodo.12797075

INTRODUCTION

In the food and beverages industry, where meeting consumer demands while maintaining competitiveness is paramount, employee productivity stands as a cornerstone of success. This sector operates within tight profit margins and faces evolving consumer preferences alongside stringent regulatory requirements. Within such environment, maximizing workforce productivity becomes not just advantageous, but imperative for attaining sustainable growth and profitability (Babayev, & Balajayeva, 2023). The efficiency of operations within food and beverages companies hinges directly on employee productivity (Geminarqi & Purnomo, 2023). Across production processes, supply chain management, and customer service, the ability of employees to execute their tasks effectively and efficiently greatlyinfluence the capacity to meet production targets, minimize wastage, and optimize resource utilization. A highly productive workforce doesn't just streamline operations; it also helps in reducing costs and, ultimately, enhancing profitability (Azim, et al., 2015).

Maintaining high-quality standards is essential for ensuring consumer satisfaction and safeguarding brand reputation in the food and beverages industry (Abdullah, et al., 2023). Employee productivity plays anessential role in upholding these standards throughout the production and distribution process. When employees are engaged, motivated, and equipped with the necessary skills and resources, they are more likely to adhere to quality control measures, adhere to food safety protocols, and consistently deliver products that meet or exceed customer expectations (Rane, et al., 2023). Employee productivity fosters a culture of innovation and adaptability within food and beverages companies. Engaged and empowered employees are more likely to contribute new ideas, identify process improvements, and adapt to changing market trends and consumer preferences swiftly. By nurturing a workforce that is both productive and innovative, companies can stay ahead of the curve, capitalize on emerging opportunities, and differentiate themselves in a competitive marketplace (Abdullah, et al, 2023).

Employee productivity directly influences customer satisfaction and loyalty in the food and beverages industry. Investing in employee productivity fosters higher levels of engagement, job satisfaction, and retention within food and beverages companies. When employees feel valued, supported, and empowered to perform their roles effectively, they are more likely to be committed to the organization's goals and objectives. Engaged employees not only contribute to higher productivity levels but also serve as ambassadors for the brand, attracting top talent and fostering a positive work culture (Quraishi & Sadath, 2024).

Effective corporate governance is paramount, for efficiency and productivity. The food and beverages industry operate within a highly competitive environment characterized by evolving consumer preferences, stringent regulatory frameworks, and dynamic market dynamics (Zhou et al., 2021). In such a landscape, the adoption of robust corporate governance practices becomes imperative for companies to navigate challenges effectively and sustain long-term growth. Corporate governance encompasses the mechanisms, processes, and structures through which companies are directed and controlled, with a primary focus on enhancing transparency, accountability, and shareholder value (Brennan, & Solomon, 2008).Effective corporate governance practices extend beyond regulatory compliance to encompass ethical standards, risk management frameworks, and stakeholder engagement strategies. By fostering transparency in decision-making processes, ensuring the integrity of financial reporting, and aligning organizational objectives with stakeholder interests, companies can cultivate a culture of trust and accountability, thereby enhancing their overall performance and competitiveness.

Research (Olutimehin, et al., 2024; Brennan, & Solomon, 2008) has increasingly recognized corporate governance impact on employee productivity and organizational performance. Scholars have elucidated how governance mechanisms such as board composition, executive compensation structures, and shareholder activism influence employee morale, engagement, and job satisfaction, consequently affecting productivity levels within companies. Recent studies (Garzón-Castrillón, 2021; Olutimehin, et al., 2024; Le & Tran Team, 2023; Brennan, & Solomon, 2008) have studied corporate governance practices and employee productivity , but there is a dearth of empirical work as related to the food and beverage firms in Rivers State.This study will bridge the gapby elucidating the mechanisms through which corporate governance practices influence employee productivity for firmsto strategically leverage governance frameworks to optimize workforce performance, foster innovation, and maintain a competitive edge in the market.

STATEMENT OF PROBLEMS

The current business environment is characterised with numerous challenges which include economic instability, acute competition, loyalty threats and turbulent changes in technology. This phenomenal challenge has become a global issue that many organizations are grappling with and corporate governance practices significantly influence employee productivity. While good governance can enhance efficiency and morale, poor governance can lead to numerous productivity problems. Inadequate corporate governance often results in lack of clear leadership and strategic direction. When the board of directors and executive management fail to provide a coherent vision and objectives, employees often experience confusion and lack of motivation. This ambiguity often lead to inefficiencies as employees are unsure about their roles and priorities, ultimately hindering productivity.

Effective communication is crucial for operational efficiency and employee engagement, but corporate governance failures often result in poor communication channels within the organization. For instance, lack of transparency in decision-making processes or insufficient dissemination of information from top management to lower-level employees can create misunderstandings, reduce morale, and lead to a decrease in productivity (Hyatt & Gruenglas, 2023). Weak or absence of proper accountability mechanisms often lead to managerial complacency and unethical behaviour, foster mistrust among employees, reduce their engagement, and subsequently lowering productivity. Employees who perceive unfair practices or lack of accountability are less likely to be motivated to perform at their best (Girdwichai & Sriviboon, 2020).

Incentive structures that are not aligned with the company’s long-term goals can also pose significant productivity problems. When executive compensation is tied more to short-term financial performance rather than sustainable growth and employee well-being. This misalignment often cause frustration among employees who might feel pressured to meet unrealistic targets, leading to burnout and decreased productivity (Liu & Liu, 2022). Also, corporate governance practices that discourage innovation and adaptability can stifle employee productivity. In rapidly evolving markets, particularly in the food and beverages industry, companies need to be agile and open to new ideas. Governance structures that are overly rigid or bureaucratic can inhibit this adaptability, making it difficult for employees to implement innovative solutions and improve processes. This resistance to change can result in missed opportunities and a stagnant work environment (Zwick, 2002).

Effective corporate governance should involve employees at various levels in the decision-making process to be motivated and productive (Jerab, 2023), but when governance structures are overly top-down, they sometimes exclude input from employees who are directly involved in day-to-day operations, leading to disconnection and disengagement. A lack of involvement can result in a disengaged workforce and reduced productivity. Poor corporate governance can lead to significant productivity problems in food and beverage firms. Addressing these governance challenges is crucial for enhancing employee productivity and achieving sustainable success in the industry.

AIM AND OBJECTIVES OF THE STUDY

The study examines the relationship between corporate governance and employee productivity of food and beverage firms in Rivers State. Specifically, it examines the connection between:

1. Ethical practices and service quality of food and beverage firms in Rivers State.
2. Ethical practices and efficiency of food and beverage firms in Rivers State.
3. Social responsibilities and service quality of food and beverage firms in Rivers State.
4. Social responsibilities and efficiency of food and beverage firms in Rivers State.

RESEARCH QUESTIONS

1. How does ethical practices relate with service quality of food and beverage firms in Rivers State?
2. How does ethical practices relate with efficiency of food and beverage firms in Rivers State?
3. How doessocial responsibilities relate with service quality of food and beverage firms in Rivers State?
4. How does social responsibilities relate with efficiency of food and beverage firms in Rivers State?

RESEARCH HYPOTHESES

Ho_1: There is no significant association between ethical practices and service quality of food and beverage firms in Rivers State.

Ho_2: There is no significant connection between ethical practices and efficiency of food and beverage firms in Rivers State.

Ho_3: There is no significant relationship between social responsibilities and service quality of food and beverage firms in Rivers State.

Ho_4: There is no significant link between social responsibilities and efficiency of food and beverage firms in Rivers State.

Conceptual Framework

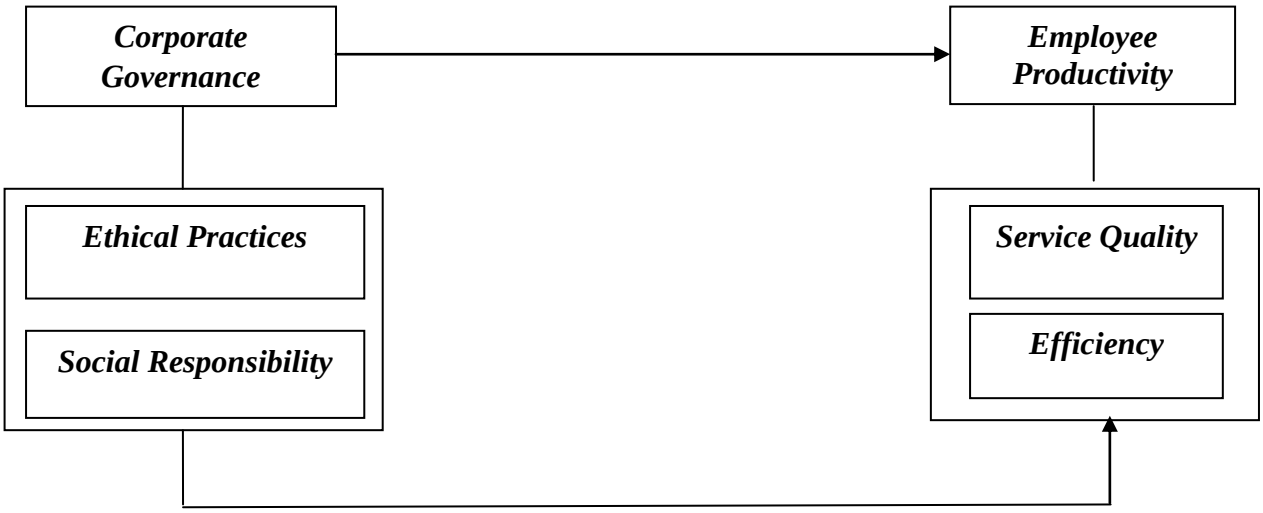


Fig 1: Conceptual framework of corporate governance and employee productivity of food and beverage firms in Rivers State.

Source: Researcher (2023).

THE STAKEHOLDER THEORY

The stakeholder theory by R. Edward Freeman (1984) advocates considering the interests of all stakeholders, not just shareholders. In these firms, prioritizing employee welfare, engagement, and development can significantly impact productivity. Practices such as transparent communication, fair compensation, and skill enhancement foster employee satisfaction and commitment, ultimately enhancing overall performance. Additionally, focusing on customer satisfaction and community well-being indirectly boosts employee morale and productivity. By embracing the stakeholder theory, food and beverages firms can create inclusive governance practices that drive productivity and long-term success.

CORPORATE GOVERNANCE

Corporate governance refers to the system of rules, practices, and processes by which a company is directed and controlled (Garzón-Castrillón, 2021). Corporate governance covers accountability, transparency, fairness, and responsibility. Accountability ensures that individuals within an organization are answerable for their actions through established oversight mechanisms (Brennan, & Solomon, 2008). Transparency involves providing precise and timely information to stakeholders to foster trust and confidence.

The OECD principles of corporate governance provide internationally recognized guidelines for good governance practices (OECD, 2015). Different countries have their own corporate governance codes andgood corporate governance offers several benefits, including an enhanced reputation, better decision-making, risk mitigation, improved access to capital, and sustainability. Companies with strong governance practices are often viewed more favourably by investors, customers, and other stakeholders, leading to better decision-making processes and early risk identification and mitigation. Such companies are also more likely to attract investors and manage long-term challenges effectively.

However, corporate governance also faces challenges. Large organizations may struggle with implementing and maintaining effective governance frameworks due to complexity. Ensuring that board members and executives do not have conflicts of interest can be challenging, as is balancing the diverse interests of different stakeholder (Okeahalam, & Akinboade, 2023). Additionally, complying with varying international and local regulations can be complex and resource-intensive. Recent trends in corporate governance include an increased focus on Environmental, Social, and Governance (ESG) factors, with stakeholders demanding greater accountability in these areas (Younas, 2022). The rise of digital technologies necessitates new governance approaches to address cybersecurity, data privacy, and digital transformation. Furthermore, there is a growing emphasis on diversity and inclusion within boards to enhance decision-making and reflect broader societal values. Corporate governance is critical for ensuring that companies operate ethically, accountably, and sustainably, balancing the interests of various stakeholders.

Ethical practices

Ethical practices in corporate governance involve adhering to principles and standards that promote integrity, fairness, and transparency in business operations (Okeahalam & Akinboade, 2023; Mhlongo & Jejeniwa, 2024). Ethical practices include integrity, accountability, transparency, fairness, compliance, stakeholder engagement, conflict of interest management, ethical leadership, and whistle-blower protection (Akagha, et al., 2023). Integrity and honesty are the cornerstones of ethical governance, requiring truthful and transparent business conduct (Merritt 2024, Nghishekwa, 2024). Accountability ensures that individuals and departments are held responsible for their actions, fostering a culture of responsibility and diligence (McGrath, & Whitty, 2018).

Transparency builds trust by providing stakeholders with accurate and complete information about the company's operations and decisions (Schnackenberg & Tomlinson, 2016). Fairness involves treating all stakeholders with respect and impartiality, ensuring equal opportunities and avoiding discrimination. Compliance with laws and regulations is fundamental, covering areas from labour laws to financial reporting (Umeokafor et al., 2014). Effective stakeholder engagement involves listening to their concerns and involving them in decision-making, enhancing corporate reputation and decision-making quality (Ajalie, et al., 2024). Managing conflicts of interest is critical, requiring clear policies to ensure decisions are made in the organization's best interests. Ethical leadership sets the tone for integrity and ethical behaviour, while protecting whistle-blowers encourages the reporting of unethical activities without fear of retaliation (Buck, 2023).

To effectively implement ethical practices, companies can develop and enforce a comprehensive code of ethics that clearly outlines the company's values and expected behaviours, and it is vital to enhanceregular training on ethical practices and legal compliance, to ensures that all employees understand and adhere to these standards (Adam, 2023). Conducting regular ethical audits helps assess compliance and identify areas needing improvement. Establishing ethics committees to oversee practices and provide guidance on ethical issues ensures consistent application of ethical considerations. Additionally, creating open communication channels for discussing ethical concerns and reporting unethical behaviour fosters a culture of transparency and accountability and by prioritizing these practices, companies can build a strong foundation of trust, integrity, and accountability, which leads to long-term success and sustainability.

Social Responsibility

Social responsibility involves companies acting in ways that benefit society beyond their financial interests and legal obligations. Key aspects include environmental stewardship, ethical labour practices, community engagement, consumer protection, philanthropy, transparency and accountability. Environmental stewardship entails adopting sustainable practices like reducing carbon emissions, minimizing waste, conserving water, and using renewable energy, contributing to global efforts against climate change (Li & Qamruzzaman, 2023). Ethical labour practices ensure fair treatment of employees, safe working conditions, fair wages, and adherence to labourlaws, fostering a positive work environment and enhancing employee loyalty. Community engagement involves supporting local projects and collaborating with organizations to address community-specific issues, building reputation and long-term relationships (Gutterman, 2020).

Consumer protection involves ensuring product safety, loyalty, reliability, and quality, providing accurate information, and addressing complaints promptly. Philanthropy includes donating to charitable causes and supporting employee volunteerism, significantly contributing to societal well-being. Transparency and accountability require openly communicating social and environmental impacts, goals, and achievements, and building stakeholder trust (Akagha, et al., 2023). Sustainable supply chain management ensures environmentally and socially responsible practices among suppliers, including ethical labour practices and sustainable materials use, mitigating risks and ensuring operational integrity (Okoye, et al, 2024). Innovation for social good involves developing products or services that address social or environmental challenges, driving positive social change and maintaining market competitiveness (Thetlek, et al., 2024).

To effectively implement social responsibility, companies should develop a comprehensive CSR strategy aligned with their values, mission, and goals, outlining clear objectives and metrics for success (Fatima & Elbanna, 2023) and engaging stakeholders in developing and implementing CSR initiatives ensures relevance and broad support (Doni, et al., 2021). Continuous assessment and improvement of CSR initiatives ensure they remain effective and responsive to emerging issues and stakeholder feedback (Zukauskas et.al., 2018). Prioritizing social responsibility allows companies to contribute to a sustainable and equitable society, enhancing their reputation and building long-term value (Vveinhardt et al., 2018).

PRODUCTIVITY

Productivity measures the efficiency of producing goods and services, assessed by the output per unit of input. It is vital for economic growth, competitiveness, and profitability in businesses and economies (Alarcón-Lorenzo, & Sánchez-García, 2013). High productivity enables companies to achieve more with the same resources, leading to cost savings, increased profitability, and improved economic well-being (Isham, et al., 2021). Several key factors influence productivity, including technology, workforce skills, management practices, organizational structure, workplace environment, innovation, and economic policies. Technological advancements, such as automation and AI, significantly boost productivity by streamlining processes and reducing errors (Al Naqbi et al., 2024). Companies that invest in technology often outperform their competitors).
Workforce skills are crucial for productivity.

A well-trained workforce is more efficient and innovative andcontinuous training ensures that employees remain current with industry trends, thereby boosting productivity. Effective management practices, such as setting clear goals and providing constructive feedback, enhance employee motivation and efficiency, andregular evaluations and performance

metrics help allocate resources effectively (Iyobhebhe, 2024). A supportive workplace environment improves employee performance and reduces absenteeism, innovation drives productivity by developing new products and processes andcompanies that foster a culture of innovation can adapt quickly to market changes (Radu, 2023). Economic and regulatory environments also influence productivity and policies that promote fair competition, reduce regulatory burdens, and encourage investment in infrastructure and education create a favourable environment for productivity.

Service Quality

Service quality, comprising attributes like reliability, responsiveness, assurance, empathy, and tangibles, reflects how effectively a company meets customer expectations (Vu, 2021). Employees play a fundamental role in ensuring service reliability by consistently meeting or exceeding customer expectations, adhering to standards, and procedures. A productive employee contributes directly to service responsiveness by promptly addressing customer inquiries, concerns, and requests, thereby positively impacting service quality (Olowoporoku & Olubiyi, 2023).

Employee productivity significantly influences service assurance, as productive employees, through their professionalism and courtesy, instill confidence and trust in customers, enhancing perceived service quality and fostering long-term relationships. Furthermore, their empathetic approach to customer interactions creates memorable experiences, contributing to enhanced service quality (Rane et al., 2023). Effective management practices, including training, supervision, and motivation, are essential in enhancing employee productivity and service quality.

Efficiency

Efficiency, a key metric in business and economics, represents the optimal use of resources to achieve desired outcomes with minimal waste. It encompasses operational, financial, and energy efficiency, all contributing to productivity and cost-effectiveness (Bhagat, 2024). High efficiency maximizes outputs while minimizing inputs, driving profitability and sustainability (Osazefua, 2019). Operational efficiency focuses on streamlining processes to enhance productivity and reduce costs. Companies achieve this through process optimization, identifying and eliminating bottlenecks and inefficiencies (Salah et al., 2023). Implementing lean manufacturing principles and utilizing automation and technology can significantly improve operational efficiency by reducing waste and human error (Hussain et al., 2023).

Financial efficiency involves prudent management of financial resources to maximize profitability and shareholder value. Effective budgeting, cost control, and strategic investment decisions are key to achieving financial efficiency, helping companies weather economic downturns and seize growth opportunities (Hong, 2023). Energy efficiency, critical for sustainability, involves using less energy to perform the same tasks. Companies can enhance energy efficiency through energy-saving technologies, improved building insulation, and optimized HVAC systems (Hussein, 2015).

Efficiency boosts productivity by eliminating waste and optimizing resource use, enabling companies to produce more with fewer resources (Handoyo et al., 2023). High productivity, driven by efficiency, provides a competitive advantage by reducing costs and allowing quicker responses to market demands (Abdullah, 2024).).Employee efficiency is enhanced through training, development programs, and a positive work environment. Providing the right tools and setting clear performance expectations further boosts employee efficiency and

innovation and continuous improvement are essential for maintaining efficiency. Regularly reviewing processes and adopting new technologies can lead to significant improvements andefficiency also enhances customer satisfaction by improving delivery times, product quality, and customer service, leading to better customer experiences and loyalty (Haber & Carmeli, 2023). Companies prioritizing efficiency meet customer needs more effectively and build strong relationships.

Empirical Review

Chowdhury et al. (2020) investigate corporate governance and motivational leadership on human resource productivity and efficiency. This descriptive and conceptual study relies on secondary data from various books, journals, and research articles, both theoretical and empirical, in the relevant field. Through a comprehensive analysis of these secondary sources, the authors identify several crucial motivational factors and components of effective corporate governance that directly enhance human resource productivity and efficiency.

Agboola et al., (2015) examine the relationship between organizational ethics and employee productivity levels in a private university in Nigeria. Employing both exploratory and cross-sectional survey research methods, the researcher gathered relevant data. The study participants consisted of 390 academic staff members, a sample size of 198 participants was determined using Yard's formula. The collected data were analyzed using frequency, percentage, standard multiple regression analysis, and correlation analysis. The study's findings indicated that factors such as wasted time, leisure, degree of gratification, self-reliance, centrality of work, hard work, and morality did not demonstrate statistical significance concerning employee rewards and hours worked.

Makau (2024) investigate of corporate social responsibility (CSR) reporting on firm performance. Methodologically, it employed a desk study approach, also known as secondary data collection, to gather information. This method, leveraging existing resources such as online journals and libraries, offers cost advantages compared to field research.The findings indicate a positive correlation between CSR reporting and firm performance. Notably, CSR reporting enhances corporate reputation, mitigates risks, and facilitates access to capital. Moreover, it promotes meaningful stakeholder engagement and contributes to the long-term creation of value.

Li et al., (2024). delve deeper into the impact of social responsibility initiatives on the financial performance of enterprises, particularly within the context of emerging economies. By utilizing panel data from Chinese listed companies, the research reveals a positive correlation between CSR implementation and financial performance, with a non-linear relationship observed. Furthermore, the study finds that government, as a critical regulatory institution, does not act as a mediator in this relationship, as evidenced by robust empirical testing. Additionally, the study emphasizes that the fulfilment of CSR should not come at the expense of profit maximization.

METHODOLOGY

A survey design was utilized to attain the objectives. A population of 2720 employees of the food and beverages firms in Rivers State was covered. The sample size comprises 338 employees using Krejcie and Morgan 1970 table. The spearman rank order correlation coefficient was used in analysing the earlier state hypotheses.This statistical measure was chosen for its suitability in assessing the relationship between variables, aligning with the study's objectives and ensuring robust analysis of the data collected.

RESULT

338 questionnaires were distributed, but 301 (89.1%) copies were returned and constitute the valid questionnaire. The hypotheses test is undertaken at a 95% confidence interval and the decision rule is stated below.

Where P < 0.05 = Reject the null hypotheses and Where P > 0.05 = Accept the null hypotheses

Table 1: Correlations Between Ethical Practices and Measures of Productivity

Correlations

			Ethical Practices	Service Quality	Efficiency
Spearman's rho	Ethical Practices	Correlation Coefficient	1.000	.812**	.807*
		Sig. (2-tailed)	.	.000	.000
		N	301	301	301
	Service Quality	Correlation Coefficient	.812**	1.000	.710**
		Sig. (2-tailed)	.000	.	.000
		N	301	301	301
	Efficiency	Correlation Coefficient	.807*	.710**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	301	301	301

Source: SPSS Output, 2023.

Ethical Practices and Service Quality: The results in column five of Table 1 reveal a significant positive relationship between ethical practices and service quality. The rho value of 0.812**, observed at a significance level of 0.000, is well below the alpha level of 0.05. As a result, the null hypothesis (Ho_1) is rejected, and the alternate hypothesis (Ha_1) is accepted. This indicates a strong positive association between ethical practices and service quality.

Ethical Practices and Efficiency: The rho value in column six of Table 1, representing the relationship between ethical practices and efficiency, is 0.807* with a significance level of 0.000, which is below the alpha level of 0.05 established for this analysis. Therefore, the null hypothesis (Ho_2), which posits no significant relationship between ethical practices and efficiency, is rejected. Conversely, the alternate hypothesis is accepted, indicating a strong positive relationship between ethical practices and efficiency.

Table 3: Correlations Between Social Responsibility and Measures of Productivity

Correlations

			Social Responsibility	Service Quality	Efficiency
Spearman's rho	Social Responsibility	Correlation Coefficient	1.000	.778**	.783**
		Sig. (2-tailed)	.	.000	.000
		N	301	301	301
	Service Quality	Correlation Coefficient	.778**	1.000	.685**
		Sig. (2-tailed)	.000	.	.000
		N	301	301	301
	Efficiency	Correlation Coefficient	.783**	.685**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	301	301	301

Source: SPSS Output, 2023.

Social Responsibility and Service Quality: In Column 5 of Table 2, the rho value is 0.812** with a significance level of 0.000, which is below the alpha level of 0.05. Consequently, the null hypothesis (Ho_3) is rejected, and the alternate hypothesis (Ha_3) is accepted.

Social Responsibility and Efficiency: In Column 6 of Table 2, the rho value is 0.807** with a significance level of 0.000, also below the alpha level of 0.05. Therefore, the null hypothesis (Ho_4), which asserts no significant association between social responsibility and efficiency, is rejected, and the alternate hypothesis is accepted.

DISCUSSION OF FINDINGS

According to the statistics above, corporate governance in terms of ethical practices and social responsibility has a relationship with productivity. Each hypothesis is discussed in detail below.

Ethical Practices and Service Quality

The results of the data analysis in Table 1 showed a strong relationship between ethical practices and service quality. The P-value of 0.000 indicates a highly significant positive relationship between ethical practices and service quality, and the rho value of 0.812 further demonstrates this strong positive connection. This connotes that higher levels of ethical practices are associated with higher levels of service quality, suggesting that improvements in ethical practices within the organization are likely to lead to significant enhancements in the quality of service provided. The study aligns with Agboola et al., (2015) that organizational ethics relates with employee productivity levels in private university setting in Nigeria.

Ethical Practices and Efficiency

The hypothesis 2 analysis in Table 1 showed a positive strong significant correlation between ethical practices and efficiency. The P-value of 0.000, and the rho value of .807 demonstrates a strong positive link between Ethical practices and efficiency. This revealed that ethical

practices are associated with greater efficiency within the organization. Improvements in ethical practices are likely to lead to significant enhancements in operational efficiency. The findings align with those of. The results support that of Chowdhury et al. (2020) who findings revealed an association between corporate governance and human resource productivity and efficiency.

Social Responsibility andService Quality

The results in Table 2 revealed that social responsibility relate significantly to service quality. The P-value of 0.000 shows that the social responsibility relates to service quality, while the rho value of 0. 778 shows a strong positive correlational value between the variables. This implies that higher levels of social responsibility within the organization are associated with higher levels of service quality. Enhancing social responsibility practices is likely to lead to substantial improvements in the quality of service provided. The findings agree with Makau (2024) whose findings indicate a positive correlation between CSR and firm performance.

Social Responsibility andEfficiency

Table 2 revealed that the social responsibility relates significantly to efficiency. The P-value of 0.000is lesser than 0.05, which shows that social responsibility relates to efficiency. The rho value of 0.783 shows a high positive correlational value among the variables.This connotes that higher levels of social responsibility within the organization are associated with greater efficiency. Thus, improvements in social responsibility practices are likely to lead to significant enhancements in operational efficiency. This finding agrees with Veinhardt et al., (2018) that prioritizing social responsibility allows companies to contribute to a sustainable and equitable society, enhancing their reputation and building long-term value.

CONCLUSION

This study examines the relationship between corporate governance and employee productivity in food and beverage firms in Rivers State, focusing specifically on the connections between ethical practices, social responsibilities, and key performance metrics such as service quality and efficiency. The analysis reveals a strong positive relationship between ethical practices and both service quality and efficiency. Specifically, higher levels of ethical practices correlate with improved service quality (rho = 0.812, P = 0.000) and greater operational efficiency (rho = 0.807, P = 0.000). Additionally, the findings indicate a significant positive correlation between social responsibility and both service quality and efficiency. Firms with strong social responsibility initiatives show enhanced service quality (rho = 0.778, P = 0.000) and increased efficiency (rho = 0.783, P = 0.000). The study highlights the importance of corporate governance in boosting employee productivity and firm performance. Prioritizing ethical practices and social responsibilities not only enhances service quality and efficiency but also promotes sustainable business success.

RECOMMENDATIONS

Based on the findings, the following recommendations are proffered to the food and beverage firms:

1. Implement and strictly adhere to comprehensive ethical values and practices. This includes developing clear ethical guidelines, providing regular training on ethical behaviour, and establishing a robust monitoring system to ensure compliance.
2. Foster ethical work environment, to enhance better service quality, leading to higher customer satisfaction and loyalty.
3. Integrate ethical practices into the core business operations and promote transparency, accountability, and fairness in all business dealings.

4. Encourage ethical decision-making at all levels of the organization to help streamline processes, reduce wastage, and enhance overall productivity.
5. Engage in social responsibility initiatives and communicate these efforts effectively to both employees and customers and supporting local communities, promoting environmental sustainability, and ensuring fair labour practices.
6. Integrate social responsibility into the strategic planning and daily operations and set measurable goals for social initiatives, regularly reporting on progress, and fostering an open dialogue with stakeholders about the firm's social impact.
7. Carry out effective communication of social responsibility efforts to improve employee morale and engagement, leading to increased efficiency and productivity.

REFERENCES

Abdullah, E. H. (2024). The role of economic efficiency and business strategy to achieve competitive advantage. *International Journal of Social Science. 10*(1):27-41. https://doi.org/10.20319/pijss.2024.101.2741

Abdullah, O., Sufi, T., & Kumar, S. (2023). Impact of food and beverage quality and service quality towards customer satisfaction and customer retention, A study of five-star hotels. *International Journal of Professional Business Review.*, *8*(5), 98.

Adam, H. U. (2023). Code of ethics: Understanding its types, uses through examples.https://www.investopedia.com/terms/c/code-of-ethics.asp

Agboola, G. M., Epetimehin, O. S., Akinyele, S. T., &Ashipaoloye, F. K. (2015). Organizational ethics and employee level of productivity in Nigerian private universities. *European Journal of Business and Management*, *7*(28), 125-134. http://dx.doi.org/10.18374/IJBR-15-5.6.

Ajalie, S., Aarti S., Udoh, S. F., & Emieseifa, A. (2024). Empirical examination of stakeholder's engagement as a predictor of corporate reputation. Proceedings of the International Conference on New Trends in Management, *Business and Economics. 1*(1), 1-11. https://doi.org/10.33422/icnmbe.v1i1.154

Akagha, O, Mhlongo, N.& Coker, J., Uzougbo, N. & Oguejiofor, B. (2023). Corporate governance and ethical leadership in Nigeria: A review of the role and impact of chartered secretaries in fostering corporate governance and ethical leadership in Nigerian corporations. *Socio Economy and Policy Studies. 3.* 109-118. 10.26480/seps.02.2023.109.118.

Al Naqbi, H., Bahroun, Z., & Ahmed, V. (2024). Enhancing work productivity through generative artificial intelligence: A comprehensive literature review. *Sustainability*, *16*(3), 1166. http://dx.doi.org/10.3390/su16031166

Alarcón Lorenzo, S., & Sánchez García, M. (2013). Business strategies, profitability and efficiency of production. *Spanish Journal of Agricultural Research, 11 (1), 19-31*. http://dx.doi.org/10.5424/sjar/2013111-3093

Alodat, A. Y., Salleh, Z., Hashim, H. A., & Sulong, F. (2022). Corporate governance and firm performance: Empirical evidence from Jordan. *Journal of Financial Reporting and Accounting*, *20*(5), 866-896.

Ananzeh, H., Alshurafat, H., & Hussainey, K. (2022). Do firm characteristics and ownership structure affect corporate philanthropic contributions in Jordan? *Journal of Financial Reporting and Accounting*, *20*(5), 789-808.

Arulsamy, A.S., Singh, I, Kumar, S. (2023). Employee training and development enhancing employee performance -A Study. *Samdarshi*, 16(3):406.

Azim, M. D., Ahmed, H., & Khan, A. S. (2015). Operational performance and profitability: An empirical study on the Bangladeshi Ceramic companies. *International Journal of Entrepreneurship and Development Studies*, *3*(1), 63-74.

Babayev, F., & Balajayeva, T. (2023). Ways of increasing the competitiveness of food industry enterprises. *International Journal of Innovative Technologies in Economy*, (4 (44)).http://dx.doi.org/10.31435/rsglobal_ijite/30122023/8069

Bhagat, L. (2024). *Effectiveness percentage: A key metric for optimizing operational performance*.https://www.linkedin.com/pulse/effectiveness-percentage-key-metric-optimizing-lokesh-bhag

Brennan, N. M., & Solomon, J. (2008). Corporate governance, accountability and mechanisms of accountability: An overview. *Accounting, Auditing & Accountability Journal*, *21*(7), 885-906. http://dx.doi.org/10.1108/09513570810907401

Buck, B. (2023). Building a culture of ethical leadership. *Infinite Strengths.* https://infinitestrengths.com/blog-ethical-leadership/

Doni, F., Corvino, A., & Martini, S. B. (2021). Corporate governance model, stakeholder engagement and social issues evidence from European oil and gas industry. *Social Responsibility Journal*, *18*(3), 636-662.

Fatima, T., & Elbanna, S. (2023). Corporate social responsibility (CSR) implementation: A review and a research agenda towards an integrative framework. *Journal of Business Ethics*, *183*(1), 105-121. https://doi.org/10.1007/s10551-022-05047-8

Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Boston: Pitman.

Garzón Castrillón, M. A. (2021). The concept of corporate governance. *Revista Científica "Visión de Futuro 25*(2), 178-190.

Geminarqi, E. R., & Purnomo, H. (2023). Improving operational management efficiency in the food and beverage industry: A systematic literature review. *Open Access Indonesia Journal of Social Sciences*, *6*(5), 1143-1149.http://dx.doi.org/10.37275/oaijss.v6i5.184

Girdwichai, L., & Sriviboon, C. (2020). Employee motivation and performance: Do the work environment and the training matter? *Journal of Security & Sustainability Issues*, *9*. 42-54. http://doi.org/10.9770/jssi.2020.9.J(4)

Gutterman, A. S. (2020). *Community Engagement*. http://dx.doi.org/10.13140/RG.2.2.18605.41443

Haber, L., & Carmeli, A. (2023). Leading the challenges of implementing new technologies in organizations. *Technology in Society*, *74*. http://dx.doi.org/10.1016/j.techsoc.2023.102300

Hong, L. T. T. (2023). Research on financial autonomy and financial management in public higher education. *International Journal of Business, Economics & Management*, *6*(2), 112-122. http://dx.doi.org/10.21744/ijbem.v6n2.2126

Hussain, F., Uzair, M., Islam, M. A., & Shafiq, M. (2023). Implementation of ergonomics and lean manufacturing principles to improve work environment and performance of soccer ball production line. *Journal of Applied Research in Technology & Engineering*, *5*(1), 13-22. http://dx.doi.org/10.4995/jarte.2024.20075

Hyatt, J., & Gruenglas, J. (2023). *Ethical considerations in organizational conflict.* Conflict management - Organizational happiness, mindfulness, and coping strategies. DOI: 10.5772/intechopen.1002645

Isham, A., Mair, S., & Jackson, T. (2021). Worker wellbeing and productivity in advanced economies: Re-examining the link. *Ecological Economics*, *184*, 106989. https://doi.org/10.1016/j.ecolecon.2021.106989

Iyobhebhe I., Sharon J. & Fowosere S. O. (2024). Strategic management practices as fundamental to the achievement of organizational performances. *African Journal of Social Sciences and Humanities Research, 7*(1):106-118. http://dx.doi.org/10.52589/AJSSHR-OQ22U7MS

Jerab, D. A. (2023). *The effect of organizational structure on corporate governance.* http://dx.doi.org/10.2139/ssrn.4549766

Khan, H. (2011). A literature review of corporate governance. In *International Conference on E-business, management and Economics 25*, 1-5). Singapore: IACSIT Press.

Le & Tran Team (2023). *Corporate governance: Principles, practices, and benefits for businesses*. https://letranlaw.com/insights/corporate-governance/

Li, Q., & Qamruzzaman, M. (2023). Innovation-led environmental sustainability in Vietnam—Towards a green future. *Sustainability*, *15*(16), 12109. https://doi.org/10.3390/su151612109

Li, X., Esfahbodi, A., & Zhang, Y. (2024). The impact of corporate social responsibility implementation on enterprises' financial performance—Evidence from Chinese listed companies. *Sustainability*, *16*(5), 1848. https://doi.org/10.3390/su16051848

Liu, W., & Liu, Y. (2022). The impact of incentives on job performance, business cycle, and population health in emerging economies. *Frontiers in public health*, *9*, 778101. https://doi.org/10.3389%2Ffpubh.2021.778101

Makau, S. (2024). Impact of corporate social responsibility (CSR). Reporting on firm performance. *American Journal of Accounting*, *6*(1), 13-24. http://dx.doi.org/10.47672/ajacc.1784

McGrath, S. K., & Whitty, S. J. (2018). Accountability and responsibility defined. *International Journal of Managing Projects in Business*, *11*(3), 687-707.http://dx.doi.org/10.1108/IJMPB-06-2017-0058

Merritt R. (2024). *Integrity: The cornerstone of character and trust in business and life*. https://www.linkedin.com/pulse/integrity-cornerstone-character-trust-business-life-raymond-

Mhlongo, N. Z. & Jejeniwa, T. O. (2024). The role of ethical practices in accounting: a review of corporate governance and compliance trends. *Finance & Accounting Research Journal*, *6*(4), 707-720.http://dx.doi.org/10.51594/farj.v6i4.1070

Nghishekwa, M. (2024). Ethics as the cornerstone of corporate governance.https://www.linkedin.com/pulse/ethics-cornerstone-corporate-governance-mandume-nghishe

OECD (2015), *G20/OECD Principles of corporate governanc*e, OECD Publishing, Paris. http://dx.doi.org/10.1787/9789264236882-en

Okeahalam, C. C, & Akinboade , O. A (2023). *A review of corporate governance in Africa: Literature, Issues and challenges*. Paper prepared for the Global Corporate Governance Forum.

Okoye, C. C., Addy, W. A., Adeoye, O. B., Oyewole, A. T., Ofodile, O. C., Odeyemi, O., & Ololade, Y. J. (2024). Sustainable supply chain practices: a review of innovations in the USA and Africa. *International Journal of Applied Research in Social Sciences*, *6*(3), 292-302. http://dx.doi.org/10.51594/ijarss.v6i3.887

Olowoporoku, A. A., & Olubiyi, T. O. (2023). Evaluating service quality and business outcomes post-pandemic: Perspective from hotels in emerging market. *Sawala: Jurnal Administrasi Negara*, *11*(2), 182-201.

Olutimehin, D. O., Ofodile, O. C., Ugochukwu, C. E., & Nwankwo, E. E. (2024). Corporate governance and stakeholder engagement in Nigerian enterprises: A review of current practices and future directions. *World Journal of Advanced Research and Reviews*, *21*(3), 736-742. https://doi.org/10.30574/wjarr.2024.21.3.0737

Osazefua, I. J. (2019). Operational efficiency and financial sustainability of listed manufacturing companies in Nigeria. *Journal of Accounting and Taxation*, *11*(1), 17-31. http://dx.doi.org/10.5897/JAT2018.0329

Quraishi, A. H. & Sadath S. (2024). impact of employee engagement on employee productivity. *International Journal of Research Publication and Reviews*, *5*(3), 1000-1010. https://doi.org/10.55248/gengpi.5.0324.0641

Radu, C. (2023). Fostering a positive workplace culture: Impacts on performance and agility. *Human Resource Management* -://dx.doi.org/10.5772/intechopen.1003259

Rane, N. L., Achari, A., & Choudhary, S. P. (2023). Enhancing customer loyalty through quality of service: Effective strategies to improve customer satisfaction, experience, relationship, and engagement. *International Research Journal of Modernization in Engineering Technology and Science*, *5*(5), 427-452.http://dx.doi.org/10.56726/IRJMETS38104

Salah, A., Çağlar, D., & Zoubi, K. (2023). The impact of production and operations management practices in improving organizational performance: The mediating role of supply chain integration. *Sustainability*, *15*(20), 15140. https://doi.org/10.3390/su152015140

Schnackenberg, A. K., & Tomlinson, E. C. (2016). Organizational transparency: A new perspective on managing trust in organization-stakeholder relationships. *Journal of management*, *42*(7), 1784-1810.http://dx.doi.org/10.1177/0149206314525202

Thetlek, R., Shaengchart, Y., Kraiwanit, T., Jangjarat, K., Limna, P., & Moolngearn, P. (2024). innovation management and impact on social economy: A perspective of community enterprise in a developing country. *Journal of Governance and Regulation*, *13*(1). http://dx.doi.org/10.22495/jgrv13i1siart1

Varma, C. (2017). Importance of employee motivation & job satisfaction for organizational performance. *International Journal of Social Science & Interdisciplinary Research*, *6*(2).10-20.

Vu, T. (2021). Service quality and its impact on customer satisfaction. http://dx.doi.org/10.6084/m9.figshare.17089454

Yermack, D. (2017). Corporate governance and blockchains. *Review of finance*, *21*(1), 7-31.

Younas, A. (2022). Review of corporate governance theories. *European Journal of Business and Management Research*, *7*(6), 79-83.

Zhou, L. L., Ayegba, J. O., Ayegba, E. O., Ayegba, P. M., & Jie, Z. X. (2021). Impact of dynamic capacities on the performance of food and beverage enterprises in Lagos, Nigeria. *Journal of Innovation and Entrepreneurship*, *10*, 1-24.https://innovation-entrepreneurship.springeropen.com/articles/10.1186/s13731-021-00169-1

Zukauskas, P., Vveinhardt, J. & Andriukaitienė, R. (2018). Corporate *social responsibility as the organization's commitment against stakeholders*. http://dx.doi.org/10.5772/intechopen.70625

Zwick, T. (2002). Employee resistance against innovations. *International journal of Manpower*, *23*(6), 542-552. http://dx.doi.org/10.1108/01437720210446397