MODELLING THE EFFECT OF CORPORATE GOVERNANCE PRACTICES ON ORGANIZATIONAL PERFORMANCE: THE ENERGY SECTOR OF GHANA.

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Abstract: The growth and success of businesses, particularly public institutions such as Ghana's state-owned energy sector firms, necessitate the adherence to appropriate corporate governance practices and functions. This study aimed to examine the nature of the relationship between corporate governance practices and how these affect the organizational performance of Ghana's energy sector. To achieve this objective, the study employed a survey design where 165 employees from the energy sector were randomly sampled using a systematic sampling method and interviewed using a structured questionnaire through a quantitative study. The results of the study after correlational and regression analysis show that among the corporate governance practices that involve the board of directors, CEO and management, audit committee, and code of conduct, they can be used to predict organizational performance The Code of Conduct adherence had a highest positive impact on organizational performance, followed by the Board of directors and the Audit committee. The CEO's and manager's practices had no significant impact on performance. The study recommends that in attempting to improve performance of the organization much emphasis must be focused on the strict adherence to the Code of Conduct. Because when code of conduct is strictly enforced, and the board of directors are committed to it, this will lead to improved overall organizational performance.

Keywords: Corporate governance, Board of Directors, Code of Conduct, Audit Committee, organizational performance, Energy Sector, Ghana.

INTRODUCTION

Proper adherence to corporate governance practices is critical for the success and growth of every public institution in developing economies. For every organization to be decisive with far-reaching outcomes, the governance practices and the governing structures of the organization are key. Castellani and Agyemang (2012) have stated that the application of micro-policy instruments to ensure efficient use of resources to achieve stakeholder objectives by maximizing profits and minimizing waste or any negative influence is termed "corporate governance." (Abu-Tapanjeh, 2009). At first, the term "corporate governance" meant the set of rules that top-level executives made to better run and guide their organizations. So, it was seen as an internal control structure that considers stakeholder rights and relationships, corporate social responsibilities, and management's duty to measure performance in a way that is accountable and clear.

The majority of developing countries are currently confronting barriers in their efforts to implement trustworthy, pragmatic, and appropriate corporate governance norms for public institutions. These criteria are appropriate for public institutions. If these issues related to an organization's corporate governance are not addressed, it may result in errors in organization management, which may result in the collapse of critical institutions in the impacted countries. In light of this, Ghana has made efforts to maintain sound corporate governance principles by developing regulatory frameworks for both public and private firms that serve as both a guideline and a legal requirement. These frameworks apply to organizations in both the public and commercial sectors. The Companies Code of 1963 (Act 179), the Securities Industry Law of 1993 (PNDCL 333), as amended by the Securities Industry (Amendment) Act of 2000 (Act 590), and the Ghana Stock Exchange Listing Regulations of 1990 (L.I. 1509) form the legal foundation for corporate governance standards in Ghana (Aboagye-Otchere et al., 2012). All of these regulatory frameworks capture effective corporate governance in six major sections, including the following: the board's responsibilities, mission, and accountability; the relationship between other stakeholders and shareholders; the board's committees, as well as auditing and financial affairs; shareholder rights; the code of ethics; and annual report disclosures.

Improved corporate governance is one aspect that has helped organizations enhance their performance, according to a number of scholarly analyses. Previous studies have concluded that poor corporate governance standards are to blame for the failure of numerous enterprises in Nigeria and Kenya, making it imperative to revise current corporate governance regulations (Wathanga, 2017; Wanyama and Olweny, 2013). A large body of research on the topic of corporate governance and its impact on business success has been conducted in Africa. Twenty of the thirty-four companies traded on the Ghana Stock Exchange were studied by Darko, Aribi, and Uzonwanne (2016) to establish a correlation between corporate governance (including board structure, ownership structure, and corporate control) and firm financial performance. Metrics like ROA, ROE, NPM, and Tobin's Q were the subject of this study's calculations. Therefore, this study takes a different look at non-financial performance indicators of the public sector and how proper corporate practices influence Ghana's energy sector to perform, as well as obstacles that hinder proper corporate practices.

The worsening energy problem in Ghana threatened the country's economic growth. Todorovic (2013) observed that when there is a failure in corporate governance, performance suffers. Power issues in Ghana have been tied to continuous energy challenges, which have been blamed on poor governance within the country's public energy sector (Dye, 2023). Most government agencies have failed to make energy production a moneymaking venture for the country; thus, the government has entered into a variety of public-private partnerships to attempt to improve the situation (Osei-Tutu et al., 2021). According to a study by Shaheen et al. (2020), companies with better governance will also have better organizational performance, especially in Ghana following the economic crisis. It is regrettable that there are so few studies contrasting corporate governance with the success of the energy industry. Furthermore, the corporate governance system in Ghana is distinct in both its structure and its cultural context.

The aim of this study is to investigate the corporate governance practices of the energy sector in Ghana and how they impact organizational performance. The study also aims to unravel corporate governance challenges peculiar to the sector.

THEORETICAL BACKGROUND AND CONCEPT

Concept of Corporate Governance

Corporate governance is the method employed by organizations to manage and direct their affairs, according to the Securities and Exchange Commission of Ghana (SEC, 2002). This may be different from other countries based on their corporate governance concept, as Keay and Zhao (2017) have stated that every jurisdiction has a unique corporate governance structure based on stakeholder structure, management, and influence. This was affirmed earlier by Tricker (2015), who noted that due to the existence of different socioeconomic, cultural, political, and legal systems in every country, it is not expected that corporate governance across nations will share similar characteristics. Though corporate governance practices differ from country to country and even within some countries, they may differ from organization to organization. Du Plessis et al. (2018) claimed that the primary objective of corporate governance is the same irrespective of the jurisdiction.

Bicksler et al. (2011) give a detailed description of what corporate governance entails. According to them, corporate governance comprises a set of guidelines in the form of laws that streamline the practices of an organization, and those with the main oversight responsibilities are the board of directors, who govern by these sets of rules and guidelines. Thus, Anand (2007) states that corporate governance involves both the decision-makers and the rules that guide decisions and conduct. Therefore, organizational governance includes actions that ensure that the company has a clear governance strategy with deliverables that the Board of Directors can use to assess management. According to Keay and Zhao (2017), for efficient organizational governance, the organization must have strict adherence to rules and practices, and management commitment to ensuring accurate accounts are rendered to both the board and the stakeholders on performance and the financial situation must be apt. According to them, these are keys to organizational success and performance.

The Organization for Economic Co-operation and Development (OECD, 2004) also described the concept of corporate governance as rules that control the internal structures among various players in the organization. This definition concentrates on the framework used in controlling and managing organizational operations; it also describes the decision-making processes and the rights and privileges of the stakeholders of the organization. The OECD's concept of corporate governance makes room for a structured system that involves goal setting, strategies to achieve the set target, and modalities for assessing inputs and outcomes. The main objective for this structuring is for all practices to inure to the benefit of the stakeholders, especially in the case of public institutions like the energy sector in Ghana. Thus, for progressive corporate governance to achieve its mandate, board responsibilities, stakeholders' functions, and shareholders' interests must all coincide. In totality, corporate governance must stimulate organizations to collaborate effectively to create a sustainable, efficient channel for performance improvement (Coumo et al., 2015).

Stakeholder Theory

The corporate responsibilities of management to stakeholders rather than shareholders are what are enshrined in Freeman and Reeds' (1983) stakeholder theory. According to this theory, management always has an obligation to address the stakeholders' concerns first. Freeman and Reeds (1983) describes a stakeholder as any person than can influence or can be influenced by the execution of the corporate practices. They are also described by Donaldson and Preston (1995) as individuals who are actually concerned about and whose interests are also valuable to the organization. This theory corroborates Bonnafous-Bourcher's et al. (2016) assertion that the burden lies on the organization to know the interests of its different stakeholders, commit to serving their interests, and also come up with measures to meet the stakeholders' needs. The internal stakeholder groups include the employees, management, and shareholders, and the external stakeholder groups include the government, communities, suppliers, and consumers, according to Donaldson and Preston (1995). These guidelines for operations mostly involve the actions of internal stakeholders; these actions must be beneficial in most cases to the external stakeholders. Thus, regardless of how the organization measures performance, business management must be beneficial to the stakeholder (Freeman et al., 2004).

Empirical Review

Research into the connection between corporate governance practices and the success of businesses has been conducted by a number of scholars, in particular in emerging economies. Notable is the investigation into how corporate governance affects the efficiency of US investment banks carried out by Mamatzakis and Bermpei (2015). Investment banks with larger boards of directors underperformed their peers during a twelve-year study period, suggesting a negative relationship between board size and performance. The research also confirmed the positive effects of increasing the CEO's authority on company output. Using a panel data regression analysis, Afrifa and Tauringana (2015) looked at the effect of corporate governance on the success of 234 SMEs in the UK between 2004 and 2013. Their research revealed a positive relationship between the length of time a CEO has held their position and the success of small and medium-sized enterprises. This means that features of corporate governance may have a more nuanced effect on performance in developing nations.

With a causal study methodology, Korir and Cheruiyot (2017) looked at the connection between corporate governance and performance at 35 companies listed on the Nairobi Stock Exchange between 2006 and 2015. While the study found that a larger board negatively affected financial performance, it did find that board independence had a much larger influence. The relationship between corporate governance characteristics and organizational performance in Ghana has been shown to be inconsistent by studies conducted on the country's banks, commercial banks, and manufacturing sector by Owiredu and Kwakye (2020), Gyamerah et al. (2020), and Sarpong-Danquah et al. (2018), respectively.

Intriguingly, the aforementioned research has all focused on the link between corporate governance and financial outcomes. The majority of these organizations are financial institutions that rely on financial reporting to measure success. The "Code of Best Practice for Corporate Governance" from the SEC's Manual (2020) served as the basis for this study's evaluation of corporate governance practices. This research uses metrics from the field of corporate governance to assess the degree to which the energy industry's governing structure followed best practices. According to Abid et al. (2015), the effectiveness of an organization is tied to the way in which its directors and executives carry out their duties.

Organizational Performance

However, while there is some overlap in meaning, "performance" and "organizational effectiveness" are actually two separate but related concepts. In order to gauge the efficacy of a business, performance metrics are crucial (Jenatabadi, 2015). Organizational performance, as defined by Karanja (2014), is an organization's success in achieving its objectives and goals through the efficient use of its resources. Company reputation, employee skills, and financial returns are all measures of organizational performance (Boyne & Walker, 2010). Miller (2016) defined it as the process of enhancing the efficiency of a company and the morale and contentment of its employees through planned actions. It has to do with contrasting the organization's actual outcomes with its ideal targets. (Hamann et al., 2013) " According to Dilworth(2008), an in-depth understanding of the performance indicators is essential for firms to properly monitor, manage, and analyze their own performance.

Indicators of performance are quantifiable metrics used to monitor and improve an organization's operations. National Research Council (1997) classifies four types of organizational performance measures: capital market outcomes, financial accounting outcomes, organizational outcomes, and human resource outcomes. Changes in employee behavior, including as turnover, absenteeism, and satisfaction, are examples of human resource-related outcomes. Various activities, workers, customers, and products or services contribute to the success of a firm. Profitability, returns on assets, and returns on equity are some examples of metrics used to evaluate financial accounting results. On the other hand, metrics like stock price, stock price growth rate, and market returns are used to assess the success of the capital market.

According to Luo et al. (2012), measuring the success of a business requires looking at more than just its bottom line. Measures of profit, sales, and shareholder return on investment are all relevant to a company's economic performance. Contrarily, organizational performance tends to put more emphasis on external metrics like customer satisfaction and loyalty, the organization's social capital, and the competitive advantage it derives from its resources and competencies. Organizational performance indicators can be broken down into two broad groups, according to research by Ishaq Bhatti et al. (2014): financial or cost-based measurements of performance and non-financial or non-cost-based measures of performance. To determine whether or not a company's strategy, implementation, and execution have contributed to a higher bottom line, financial performance indicators can be utilized in any market. Shareholder value, increased revenues, increased profits, and increased sales volume are all examples of monetary goals. Customer happiness, internal business processes, quality, innovation, and learning, job satisfaction, organizational dedication, and employee turnover are all examples of non-financial performance metrics.

Corporate Governance Measures

The government of Ghana has created a number of safeguards through its various institutions to protect the savings of Ghanaian residents from the risk posed by unethical management and leadership in publicly traded enterprises. The goal was to advance good corporate governance practices. Additional information on these regulations can be found in the "Code of Best Practices for Corporate Governance," published by the Securities and Exchange Commission of Ghana in October 2020. The Financial Reporting Council of the United Kingdom also published the UK Corporate Governance Code in 2018, which adheres to a similar philosophy as the Ghanaian Code. The following are the responsibilities as outlined by the SEC document used as a yardstick for the procedures examined here: These functions of corporate governance are evaluated in relation to the energy industry's standard operating procedures.

The Board of Directors' Practices. Effective corporate governance relies on a board of directors that is both knowledgeable and ethical, as emphasized in the SEC's (2020) "Code of Best Practices for Corporate Governance." The board must fulfill a number of critical roles to accomplish this, including ensuring that the organization's strategies are in line with its goals, supervising the management and operations of the company, identifying and mitigating risks, planning for the next generation of leadership, and implementing effective internal control systems and communication practices. Based on the above information, we proposed the following hypothesis:

H1: Board of Directors Practices at Ghana's Energy Sector has positive effect on Organizational Performance

CEO/Management Role. Chief Executive Officers and upper management are responsible for ensuring that all corporate operations are carried out in a professional and honest fashion. They are accountable for developing the annual operating budget and plans, as well as the company's strategic plans, and securing management approval for them. In addition, it is their responsibility to verify that the financial statements are honest representations of the company's financial health and comply with all applicable laws and ethical guidelines. In addition, they need to implement a set of internal controls to assure the reliability of the company's financial records, the security of its assets, and its adherence to all relevant regulations. Based on the above information, we proposed the following hypothesis:

H2: CEO/Managers Practices at Ghana's Energy Sector has positive effect on Organizational Performance

Audit Committee Role. The Companies Act of 1963 stipulates that the audit committee shall consist of at least three directors, the majority of whom must be independent non-executive members with knowledge in finance, accounting, and law. The audit committee's primary roles are to recommend external auditors, assist the board in creating operational controls and procedures, report material financial transactions, foster communication between internal and external auditors, accountants, compliance officers, and the board of directors, ensure audit quality and effectiveness, assess risk, review internal control mechanisms, and ensure compliance with relevant law. Companies registered on the Ghana Stock Exchange are expected to practice good corporate governance, which can help them stand out from the competition and boost their bottom line. Based on the above information, we proposed the following hypothesis:

H3: Audit Committees Practices at Ghana's Energy Sector has positive effect on Organizational Performance

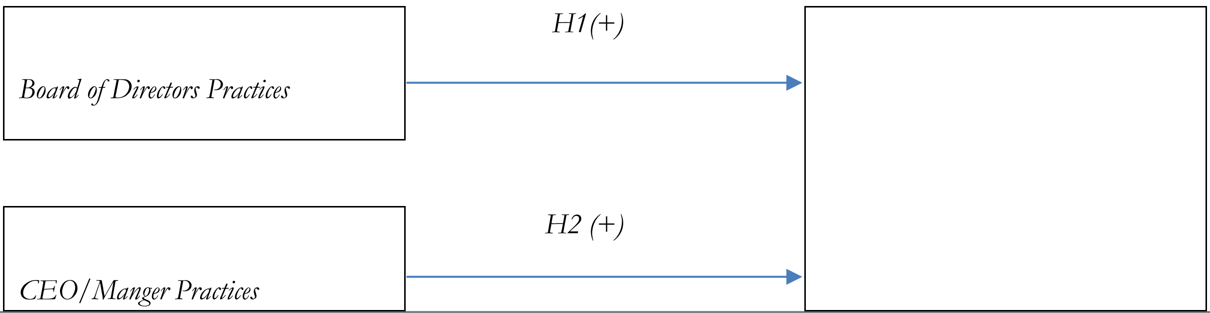
Code of Conduct. To safeguard the company's reputation and treat all stakeholders fairly and honestly, the SEC document lays out guidelines for ethical conduct that promote fairness and prevent conflicts of interest, insider trading, and corrupt practices. It also encourages the reporting of any policy violations without fear of retaliation and ensures compliance with decisions made by company management. Based on the above information, we proposed the following hypothesis:

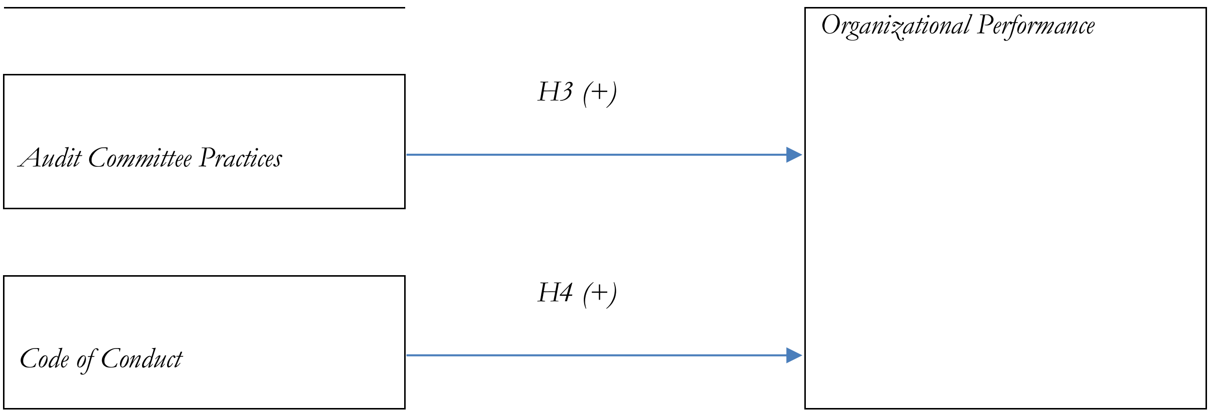
H4: Code of Conduct at Ghana's Energy Sector has positive effect on Organizational Performance

The conceptual framework of the study is captured in Figure 1.

Figure 1. Proposed Model and the Hypothesis

Corporate Governance





Corporate Governance Issues in Ghana

Ghana's corporate governance system is not comparable to that of developed countries like the US and UK, as they possess more comprehensive structures that encompass all aspects of corporate governance. Agyemang and Castellini (2015) noted that Ghana lacks a well-rounded corporate governance framework. Owusu and Weir (2018) concur with this assessment, pointing out that the Companies Act 179 in Ghana does not have a detailed list of corporate governance principles. Regulations that govern how stakeholders interact with each other are dispersed among multiple regulatory instruments such as the Companies Code, Securities Industry Law of 1993, Securities Industries (Amendment) Act of 2000, SEC Regulations, and GSE Listing Regulations. Additionally, the National Insurance Commission (NIC) sets corporate governance guidelines for Ghanaian insurers, which include criteria for directorship, director tenure, and internal controls. (Owusu and Weir, 2018)

Ghana has both mandatory corporate governance guidelines from the SEC and voluntary standards like the Ghana Manual on Corporate Governance developed by the Private Enterprises Foundation (PEF) and the Institute of Directors (IOD). However, these voluntary standards are not commonly adhered to. The reason for this may be that Ghana faces general issues with complying with statutory regulations. (World Bank, 2005) As for Ghana's corporate governance practices, they include safeguarding shareholder rights, AGM guidelines, equal treatment of shareholders under the law, and timely disclosures in annual reports. However, Agyemang et al. (2015) note that there is no unified regulatory framework for corporate governance principles in Ghana, resulting in several shortcomings such as a lack of independence in boards, weak rule enforcement, a lack of necessary disclosures, a discrepancy between the Company Code and the SEC in terms of merger-related clauses, single-tier boards, and ineffective and unknowledgeable audit committees. (Agyemang et al., 2013) In order to strengthen corporate governance in Ghana, Puni and Anlesinya (2020) suggest that a robust framework is needed and that authorities should increase efforts in enforcing compliance to ensure effective adherence to current corporate governance requirements (Owusu and Weir, 2018).

METHODOLOGY

The study formulates a hypothesis based on the existing literature and evaluates the validity of the hypothesis by quantifying the relationship between the research variables. The investigation generates a testable hypothesis regarding the link between specific variables, and the obtained data is used to evaluate its validity. The study is designed as a survey and is conducted using questionnaires to gather data. The quantitative method of the study is utilized to statistically analyze numerical data and address the objectives of the study. The data analysis is performed using correlation and regression modeling tests.

The study population is composed of employees of Ghana's energy sector who have been working in their respective organizations for more than a month, including both senior and junior staff from the power sector (e.g., Electricity Company of Ghana, Volta River Authority) and petroleum sector (e.g., Ghana National Petroleum Corporation, Tema Oil Refinery). The estimated population size of the public energy sector workers is 17,000, with approximately 6,000 coming from the Electricity Company of Ghana. The study used a multistage sampling method that involved random probability sampling to select two organizations in the power sector and two in the petroleum sector. The study participants were 168 and were selected using a systematic sampling method where respondents were recruited into the study by following a standardized interval for selection using the staff list. A Likert scale with five sections ranging from strongly disagree with a scale of 1 to strongly agree with a scale of 5 was used to assess the corporate governance practices of the employees who responded to the questions. Thus, the main instrument for data collection was the paper questionnaire.

RESULTS

The results of the analysis come in four different sections. The first section covers the descriptive statistics on the respondents of the study; the second covers the reliability statistics of the study construct; the third consists of the correlation analysis; and the final subsection consists of both the model diagnostics and the regression results.

Descriptive statistics

Table 1 presents the descriptive information on the study respondents who are employees of the selected energy sector organization in Ghana. From the table, 56.4% of the respondents are male. and 42.8% of them are females, with 1.8% who prefer not to say. By looking at the age group of the respondents, most of the respondents are aged from 26 to 35 years (45.5%), followed by those aged from 36 to 45 years old (29.1%), and those aged 46 to 60 years came next. The other age groups were also represented in the study. On their educational background, 60% of the respondents have obtained postgraduate-level education, and 35.2% of them have attained a bachelor's degree. Thus, over 95% of the respondents have had at least a university-level education. In terms of the years of experience of the study respondents, all the experience year groups were highly represented in the study, where the majority of them had 1 to 5 years of experience. In terms of the sector where the study respondents work, 74.5% of respondents are in the petroleum sector, and 25.5% are in the power sector. From the presentation of the descriptive statistics, all the groups are highly represented.

Table 1. Descriptive Statistics

Descriptive Variable	Frequency	Percent
Gender		
Female	69	41.8
Male	93	56.4
Prefer not to say	3	1.8
Total	165	100.0
Age group		
18-25 Years	15	9.1
26-35 Years	75	45.5
36-45 Years	48	29.1
46-60 Years	24	14.5
60 + Years	3	1.8
Total	165	100.0
Educational Level		

Degree	58	35.2
Diploma/HND	7	4.2
Other	1	.6
Postgraduate	99	60.0
Total	165	100.0
Years of Experience		
1-5 Years	73	44.2
10-15 Years	28	17.0
16 + Years	16	9.7
6-10 Years	39	23.6
Less than a Year	9	5.5
Total	165	100.0
Sector of Employee		
Petroleum Sector	123	74.5
Power Sector	42	25.5
Total	165	100.0

Reliability and Summary Statistics

Table 2 and 3 presents the reliability and the summary statistics on the latent variables. From table 2, all the latent variables recorded Cronbach alpha values greater the benchmark of 0.7 as suggested by Hair et al., (2012). Hence all variables have a higher level of internal consistency and are therefore reliable. From Table 3, Among the determinants of corporate governance practices, the highest scoring was ascribed to the Audit Committee (Mean=4.04, SD= 0.93) thus suggest that most respondents agreed that the Audit committee practices is in accordance with their defined responsibilities. Averagely the ratings for all the other variables were satisfactory with the Board of Directors (Mean=3.49, SD= 0.82) coming last among the corporate governance latent variables. Both corporate governance and organizational performance variables also recording above average ratings of agreement to practice of the established guidelines. Suggesting that the respondents agree that their practices conform to the ones stated in the guidelines.

Table 2. Reliability Statistics

Latent Variables	Cronbach's Alpha	N of Items
Board of directors	0.87	7
CEO/Managers	0.91	6

Audit Committee	0.91	6
Code of Conduct	0.92	7
Corporate Governance	0.88	4
Organizational Performance	0.92	8

Table 3. Summary Statistics on Latent variables

Variables	Mean	Std. Deviation	N
Board of directors	3.49	.82	165
CEO/Managers	3.80	.83	165
Audit Committee	4.05	.69	165
Code of Conduct	3.61	.95	164
Corporate Governance	3.78	.71	164
Organizational Performance	3.55	.83	163

Correlation Analysis

From Table 4, the results presented show that there is a significant positive relationship between the latent variables and organizational performance. We therefore reject the null hypothesis that there is no relationship between the variables of interest, the predictor variables, and the response variables. This also suggests that there is a significant linear relationship between the variables. Based on the correlation coefficient recorded between the independent variables, there is an absence of multicollinearity since the Pearson correlation values suggest that the independent variables have a weak correlation ($r < 0.5$).

Table 4. Correlation Matrix

Latent Variables	(1)	(2)	(3)	(4)	(5)
Board of directors (1)	1				
CEO/Managers (2)	.49**	1			
Audit Committee (3)	.44**	.42**	1		
Code of Conduct (4)	.48**	.47**	.47**	1	
Organizational Performance (5)	.47**	.52**	.52**	.71**	1

*Correlation is significant at 0.01 level (2-tailed) ***

Regression Analysis

Table 5 presents the results of the regression analysis. The study performed the collinearity diagnostics, and the results are determined by the tolerance and VIP values. In the table, all the tolerance statistics for the independent variables were greater than 0.1, and the VIP statistics were also less than 10, suggesting that the model has no problem with multicollinearity. The F ratio, which also tests how the regression model fits the data, was also reported in Table 5. The results of the F test suggest that corporate governance variables are statistically significant in predicting organizational performance F (4,157) = 48.34, $p < 0.05$. Thus, the regression model is a good fit. The R^2 value of 0.552, which is also termed the coefficient of determination, shows that the corporate governance variables used can explain 55.2% of the variability in organizational performance.

Finally, Table 5 also presents the multiple regression model that was used to predict organizational performance with corporate governance determinants such as the Board of Directors, CEOs and managers, the Audit Committee, and the Code of Conduct. From the table, all except the CEO/Manager variable have a statistically significant effect on organizational performance. Thus, CEO and manager functions have no statistically significant impact on organizational performance, but those of the board of directors, audit committee, and code of conduct have a significant positive effect on organizational performance, suggesting that hypotheses H1(+), H3(+), and H4(+) are supported. Thus, these corporate governance practices have a positive impact on organizational performance. Among the three statistically significant variables, the code of conduct had the highest coefficient, suggesting that it has the highest impact on organizational performance, followed by the board of directors and then the audit committee.

Table 5. Regression Model

Coefficients							
Model	Unstd. Coeff.		Std. Coeff.	t	Sig.	Collinearity Statistics	
[Organizational Performance]	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.45	.28		1.59	.113		
Board of directors	.19	.07	.19	2.73	.007	.59	1.69
CEO/Managers	.06	.07	.06	.85	.394	.58	1.72
Audit Committee	.13	.08	.11	1.63	.105	.63	1.59
Code of Conduct	.45	.06	.52	7.46	.000	.58	1.72

$R^2 = 0.552$ F (4,157) = 48.34 Sig. = 0.000

DISCUSSION OF RESEARCH RESULTS

This section discusses the results as they pertain to the hypothesis investigated and related literature. The first hypothesis, suggesting that there is a positive effect of board of directors' practices on organizational performance, was supported by the study.

The available literature does not capture the direct practices of the various corporate governance structures. Most studies have shown that corporate governance in general has a significant impact on organizational performance. Thus, if the H1(+) is supported by this study, it shows that when boards are able to function optimally, it will lead to an improvement in organizational performance. Similarly, it has been determined after investigating the hypothesis H3(+) that audit committee practices have a positive effect on organizational performance. The H4(+) is also supported by this study, which shows that when the code of ethics is observed very well, this could lead to high organizational performance, and this had the biggest effect on organizational performance. H2(+) was not supported by the study findings. However, generally, corporate governance is said to influence organizational performance positively in Ghana's energy sector. Therefore, it can be seen that the code of ethics shapes both the boards and the audit committee, which greatly contributes to the effect on performance according to Keay and Zhao (2017). This study is consistent with that of Widiamika and Darma (2018) and also Sari et al. (2018), who have claimed that corporate governance influences organizational culture and, when shaped by a good code of conduct, will lead to high efficiency and performance.

In the African context studies in the area of corporate governance and performance has also supported this study findings not in the detailed cases as revealed by this study however the numerous studies point in the same direction that corporate good corporate governance has a positive effect on organizational performance not only in financial performance and in the study of Korir and Cheriyot (2017) whose study was conducted in the Nigeria and that of Azutoro et al. (2017) in Kenya. Specifically, in Ghana, the study by Owiredu and Kwakye (2020) has come up with the same findings as that of Sarpong et al. (2018).

CONCLUSION

The quest for better organizational performance has necessitated the need to investigate the corporate governance of one of the most important public sector organizations in Ghana. This study sought to reveal the particular determinant of corporate governance practices that is positively associated with organizational performance. The study found empirical evidence to support the claim that strict adherence to a code of conduct by all components of corporate governance can have a positive impact on organizational performance. The study also concludes that, particularly in the energy sector of Ghana, if the Board of Directors and the Audit Committee are to perform their functions as enshrined in the Securities and Exchange Commission of Ghana document, this will have a significantly positive effect on the performance of the sector. This study contributes to the literature in the area of corporate governance and organizational performance and gives the bases for effectively improving performance, specifically in public institutions like the energy sector of Ghana, whose performance affects the livelihood of the general population of Ghana.

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