



MODERATING EFFECT OF INTELLECTUAL CAPITAL ON THE RELATIONSHIP BETWEEN RISK GOVERNANCE AND FINANCIAL PERFORMANCE OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

Dr. Shehu Abubakar¹, Dr. Rabi'u Ya'u Muhammad²

*¹Kaduna State University, Kaduna, Nigeria, ²Al-Qalam University, Katsina, Nigeria
Corresponding authors' email and mobile: shehu.abubakar@kasu.edu.ng/08038977848¹,
rabiuyau@auk.edu.ng/08034582943²*

Abstract

The main objective of the study is to examine the moderating effect of intellectual capital on the relationship between risk governance and financial performance of listed deposit money banks in Nigeria. The population of the study consists of all deposit money banks listed on the floor of Nigerian Exchange Group as at 31st December, 2022. The study period was twelve years from 2011 to 2022. The study used census approach to arrive at the sample size of thirteen listed deposit money banks after excluding Jaiz bank which has incomplete financial statements over the period covered by the study. The study employed a unilateral convergent unparallelled mix design which was influenced by the philosophy the study is aligned with while the method of data collection is post action multiple case study. The results of the study revealed that intellectual capital, proxied by Human capital efficiency, significantly moderates the relationship between chief risk officer, board risk committee size, board risk committee meetings, enterprise risk management and financial performance of Deposit Money Banks in Nigeria. Based on the findings, the study concludes that Intellectual capital does not moderate the relationship between board risk committee independence and financial performance of listed deposit money banks in Nigeria. Therefore, it is recommended that the management of Nigerian deposit money banks should invest more on human capital as it greatly influences financial performance and Nigerian deposit money banks should focus on well-being and development of their workforce to enhance their skills and financial performance.

Keywords: intellectual capital, risk governance, financial performance, deposit money banks, Nigeria

1. Introduction

The occurrence of risks and mismanagement directly results in decrease in the financial performance of bank. To ensure stability in financial performance, banks need to deal with risks by identifying their various sources and managing them (Hanssen et al., 2018). This will require banks to have better information about the current and potential customers and their financial conditions. Banks may need to implement risk governance mechanisms to evaluate money flow and minimize risks that the money is facing (Erin, 2018). Improper management of risk may result in liquidity risk brought about by the indebtedness of the banks. Banks may collapse if there is poor management of loans or reduction in the quality of the loans advanced to the customers (Adabenege et al., 2015). While the link between risk and financial performance is evident in literature, the relationship between risk governance mechanisms and financial performance is not clear owing to limited studies. The risk controls adoption by an institution depends on risk decision made at corporate level as per governance structures and mechanisms of different institutions.



The risk governance assists the board in carrying out its duties by providing independent and objective reviews, advice and assistance in developing board policies, monitoring corporate activity and making recommendations to the board for their resolution. It is not a policy-making body, nor does it have a substantive executive function in its own right. The role of the risk governance includes assisting the board with the company's governance and the exercise of due care, diligence and skills about risk assessment, treatment strategies and monitoring. Consistent with the level of risk that is acceptable to the firm, it is the responsibility of the board to identify obstacles that may prevent the company from achieving goals that impact negatively on the company's financial performance or threaten compliance with the organization's regulatory and legal obligations (Sani et. al. 2019).

The major risk faced by deposit money banks is due to credit, which changes the net asset value hence the perceived ability of debtors (customers) to meet their contractual obligations (Aslam & Haron, 2020). Credit risk occurs when one party to a contract fails to honor their obligations or agreement to make payments or failure to pay taxes insurance and premium due. Consequently, the board of deposit money banks should maintain sound risk governance and internal control systems. The Nigeria Securities and Exchange Commission (SEC) brought in new rules stating: disclosure about the board's involvement in the oversight of the risk management process should provide important information to investors about how a company perceives the role of its board and the relationship between the board and senior management in managing the material risks facing the company. This disclosure requirement gives companies the flexibility to describe how the board administers its risk oversight function, such as through the whole board or a separate risk committee or audit committee, for example.

Globally, Corporate Governance Best Practice Code recommends that firms should identify, assess, monitor and manage risk by forming a separate risk committee. Boards of directors operate through sub-committees, such as audit, remuneration, nomination and board risk committees. Boards of directors often state that one of their prime objectives is to eliminate accounting information risk, which refers to the risk associated with the variability in accounting (Malik et. al., 2019). Furthermore, organizations need to utilize their all resources both tangible as well as intangible assets to gains competitive advantage. Now day, the importance of intellectual capital is highly recognized as a successful factor not only in knowledge-intensive organizations but also for most other types of organizations (Yunana et al. 2016). Therefore, it is indispensable for organizations to understand the concept of intellectual capital in real sense then they will be able to utilize their intellectual capital more efficiently and effectively.

The increased awareness of risk management is primarily due to many corporate scandals and various unexpected business failures (Sani et al., 2019). The post financial global crises as well as past accounting scandals have changed the view on the importance of handling risk within business entity. The issue of corporate failure and its associations with weak governance that leads to poor performance is also experienced by Nigeria. In this regard, the Nigerian capital market has been shocked from the global financial crisis which leads to loss of jobs and investor confidence in the capital market, alongside, doubt in the effectiveness of existing corporate governance practice (Bencharles & Science, 2021). Moreover, Adabenege et al., (2015) reveals that there is widespread of financial misconduct that led to the declaration of many banks as failed and distressed in the Nigerian financial service sector which is a major player in saving and distribution of funds from the available stream to the shortfall sector within the economy. Likewise, some banks have poor performance and liquidity problem due to ineffective risk governance because some of the listed banks in Nigeria do not observe effective corporate governance practice (Ojeka et al., 2021), and non-adherence to banks' risk management practices (Kakanda et al., 2018).



A global survey shows that in 2010, 85% of financial institutions indicated that their board of directors had conducted regular reviews of entity asset management reports, this figure increased by 12% compared to 2008 (Deloitte, 2013). It also indicated that more board members are currently active in risk management actions within the company. More recently, the Central Bank of Nigeria has dissolved the board and retrenched the CEO of a particular company (Skye Bank) on July 4, 2016, due persistent loss and fall in value of investment which causes loss of confidence in minds of investors, depositors, and other stakeholders (in press, channelstv.com). However, to mitigate the problem, CBN instituted its staff as the new CEO of the bank and appoints its other staff to form a new board of directors. Surprisingly, with newly appointed CEO and board members by CBN, the share value of Skye Bank increases by \$166,666.67 (N50m) as evidenced in the Nigerian Stock Exchange. Therefore, this indicates that both CEO and board of directors of companies have a significant relationship with performance and value of firm.

Pertinent to mention, the failure and weak risk governance in Nigerian financial sector (majorly banks) is undoubtedly the major factor that significantly contributes to the financial crisis in the economy. It is also opined that corporate governance in many banks and non-banks financial institutions failed because their board of directors ignored its practices due to misleading behaviour by executive management, lack of required expertise by board members to enforce good governance on management, CEO/chairman often had domineering control on the boards, and the board committees are also often ineffective or even dormant. In the same vein, failure of some companies in the Nigerian financial sector results from inadequate risk management framework for identifying and measuring of risk, and lack of adequate and a transparent disclosure of such risks and other activities (Kakanda et al., 2017a).

Several studies have been conducted on the impact of risk management on financial performance in both developed and developing countries across the globe. However, the studies reported mixed findings, for example, Abdullah et al., (2015), Aebi et al. (2011), Abdullahi, Othman & Salina, (2020) and Erin et al., (2020) reported significant positive relationship between risk governance and financial performance, while Naimi et al., (2017), Redhwan et al., (2020) and Shatnawi et al., (2019), Fali et al., (2020) and Abubakar et al., (2018) found negative relationship. Moreover, studies on Enterprise Risk Management Index and financial performance by Malik et al (2019), Ellul and Yerramilli (2011) and Rehman and Zahid, (2011) found significant relationship between ERMI and financial performance; while Oroud and Soda, (2020) revealed insignificant relationship.

Similarly, studies on Board Risk Committee Size and financial performance such as Aslam and Haron, (2020) and Fajembola et al., (2018) found significant positive relationship; while Abubakar et al. (2018) found significant negative relationship. As a result of the mixed findings reported by the previous study, the present study introduced Intellectual Capital as moderating variable, to examine whether it could moderate the relationship between Risk Governance and Financial performance of Nigerian Deposit money banks. Therefore, in line with the problem stated this study aim to find answer to this research questions: To what extent intellectual capital moderate the relationship between risk governance and financial performance of listed Deposit Money Banks in Nigeria?

2.0 Literature Review

Conceptual Issues

Financial performance is metric to assess the overall financial health of a corporate entity. It is defined as the subjective measure on how well a firm use its assets to generate revenues. Alternatively, financial performance is complete appraisal of a firms standing in groupings such as assets, liabilities, equity, expenses, revenue and overall profitability. According to Nguyen, (2022), financial performance is the selection of specific metrics that can gauge a company's success in turning a profit.



Financial performance is a subjective measure of how well a company can harness assets from its primary business mode and generate revenue. Often, the term is used as a general indicator of the overall financial performance of a company over a given time frame (Boniface & Ibe, 2012).

Risk Governance mechanisms refers to various ways through which a firm manages its risk exposure. It involves identification, analysis and implementing strategies of reducing and eliminating risk faced by firms (Cetina and Preda, 2005). Deposit money banks can adopt risk management mechanisms such as establishing risk committee, audit committee, credit committee and board of governance that does the oversight role. According to Kallamu (2015), good returns are attributed to the existence of risk committee in the organization.

Audit committee does the role of ensuring effective financial reporting, effectiveness in the internal audit, integrity of the financial statements and providing oversight on external report from auditors. Ojeka et. al. (2021) found a significant effect of audit committee size on performance of firms. Credit committee ensures implementation and adherence to credit policies and monitoring credit portfolio while the board of governance does the overall mandate of oversight. Oluwafemi et. al. (2014) did a study on credit risk management and financial performance of commercial banks in Kenya and found a significant positive relationship between the two variables. The study recommended that commercial banks should maintain credit risk at lower levels to ensure better performance.

Empirical Review

This sub-section provides review on the moderating effect of intellectual capital on the relationship risk governance variables and financial performance. Previous studied that examined such relationship include: Al-farsi, (2020) studied the moderating role of corporate governance on the relationship between intellectual capital efficiency and firms' performance in the Kingdom of Saudi Arabia. The study utilized pooled data of 171 listed firms on the Saudi Stock Exchange during the period from 2012 to 2014. The results from the multiple regression analysis show that corporate governance index has positively influence the relationship between intellectual capital component and financial performance proxies by ROA, ROE and Tobins'Q. However, the present study intends to use intellectual capital as the moderating variables as against independent variables.

In another study, (Khan et al., 2018) examined the role of intellectual capital on the relationship between corporate governance and companies' performance in Pakistan. They used four-year panel data (2012 – 2015) and found that intellectual capital positively and significantly moderates the relationship between board size, board financial expertise, CEO duality and gender diversity and firm performance proxies using ROA. Also, the results show that intellectual capital has no significant moderating effect on the relationship between board independent and ROA. The study ignored risk governance variables whose are also key governance mechanism in improving firm performance. Further, the study only measured accounting performance ignoring market-based performance.

Girangwa et al. (2020) studied the moderating effect of intellectual capital on the relationship between risk management and performance of state corporation in Kenya. They adopted explanatory and cross-sectional survey design for 218 state corporation in Kenya. The study found that intellectual capital has positive and significant moderating effect on the relationship between ERM structure and organizational performance. Also, Savitri et al.(2022) studied the moderating effect of intellectual capital on the relationship between corporate social responsibility, economic value added, enterprise risk management and financial performance. They studied 39 listed Indonesian companies for a period of five years (2016 – 2020). The empirical result shows that intellectual capital has positive and significant moderating effect on the relationship between ERM on financial performance. However, the study ignored market-based measure of performance.

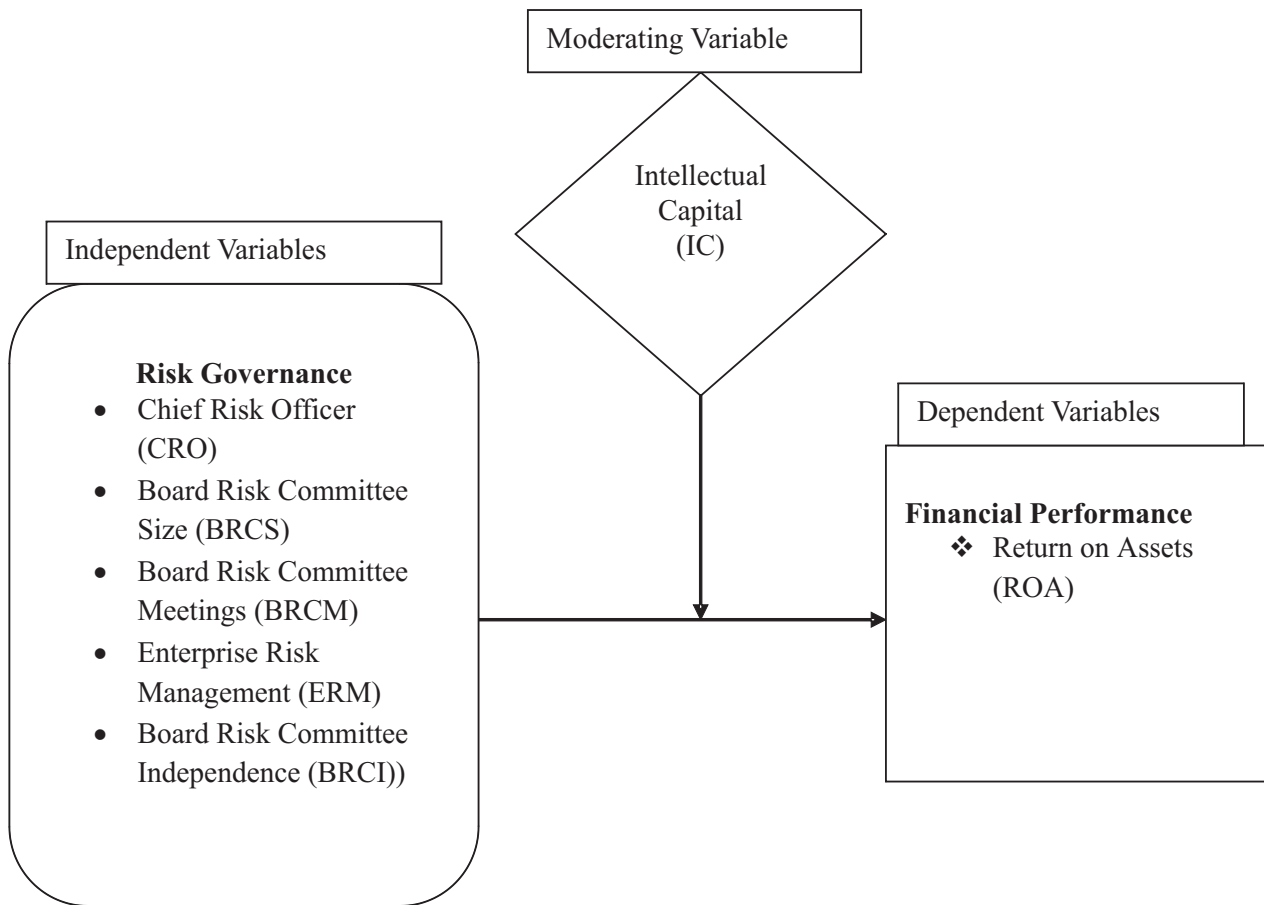


Figure 1: Research Framework

3.0 Methodology

The design for this study is unilateral convergent unparallelled mix design (Kwanbo et al., 2023). The choice of the design is influenced by the philosophy. The research is unilateral because it collected two different data (quantified and quantitative) from the same source (financial statements), some that are quantified from the preliminary pages (Chief risk officer, Board risk committee Size, Board risk committee meeting, enterprise risk management [ERM] index, Board risk committee Independence and Intellectual Capital) while some that are quantitative from income statements, assets and liabilities statement at the same time. The population of the study consists of all deposit money banks listed on the Nigerian Exchange Group (NGX) as at 31st December 2022. The study used census population. However, Jaiz bank was dropped from the sample size and arrived at thirteen (13) banks because of incomplete financial statements covering the period 2011 to 2022. Jaiz bank has no 2011 & 2012 statements.

The study used three techniques of data analysis to analyze the data, namely descriptive statistics, correlation matrix and multiple regressions analysis. The model of the study is the modification from the work of Nawaz et al (2018) and Musallam (2020) and presented below:

$$ROA_{it} = \beta_0 + \beta_1 CRO_{it} + \beta_2 BRCS_{it} + \beta_3 BRCM_{it} + \beta_4 ERM_{it} + \beta_5 BRCI_{it} + \beta_6 HCE_{it} + \beta_7 CRO * HCE_{it} + \beta_8 BRCS * HCE_{it} + \beta_9 BRCM * HCE_{it} + \beta_{10} ERM * HCE_{it} + \beta_{11} BRCI * HCE_{it} + \beta_{12} Bsize_{it} + \beta_{13} LEV_{it} + \epsilon_{it}$$



4.0 Result and Discussion

Table 1 presents the regression estimate of the moderating effect of intellectual capital on the relationship between risk governance variables and financial performance of listed deposit money banks.

Table 1

Regression Results

ROA	Coeff	Std. Error	Z-Value	P-Value
Cons	0.0004	0.0476	0.01	0.993
CRO	0.0208	0.0188	1.11	0.290
BRCS	0.0023	0.0007	3.40	0.005***
BRCM	0.0000	0.0012	0.08	0.942
ERM	0.0311	0.0219	1.42	0.182
BRCI	0.0141	0.0224	0.63	0.543
HCE	0.0083	0.0061	1.35	0.202
CRO*HCE	0.0044	0.0016	2.84	0.015**
BRCS*HCE	0.0095	0.0019	4.98	0.000***
BRCM*HCE	0.0563	0.0672	2.56	0.004***
ERM*HCE	0.0069	0.0020	3.43	0.005***
BRCI*HCE	0.0032	0.0105	0.31	0.761
BSIZE	0.0175	0.0039	0.45	0.661
LEV	0.0473	0.0141	3.34	0.006***
Square	0.669			
Wald Chi ²	316.48***			
Hausman	1.79**			
Modified Wald Test	4015.47***			
Wooldridge test	26.771***			

Source: Stata Output

Table 1 presents the regression estimates of the moderating effect of intellectual capital on the relationship between risk governance and financial performance of listed deposit money banks in Nigeria. From the regression estimates, the Hausman specification test favored GLS regression (FE), however, the data for the study is characterized with the problem of heteroscedasticity and auto correlation, thus the traditional GLS Random Effect (RE) and FE would be bias (Moundigbaye et al, 2018). Therefore, the study opted for Panel corrected Standard error regression results (PCSEs). According to them, PCSE regression estimates have the power to handle the problems of heteroscedasticity in the panel data and produce efficient coefficient for hypothesis testing.

The regression results in table 1 display an adjusted R² of 0.669 and the Wald chi² value of 316.48 which is statistically significant at 1% level of significance. This demonstrates that the model is statistically fit. The R-square displayed in table 1 is higher than 40% reported by Fan et al. (2016), Halim and Sari (2017), Erin et al. (2018) and Fajembola et al. (2019). The regression estimates in Table 4.5 shows that Chief Risk Officer (CRO), Board Risk Committee Meetings (BRCM), Enterprise Risk Management (ERM), Board Risk Committee Independence (BRCI) and Human Capital Efficiency (HCE) do not influence financial performance of listed deposit money banks in Nigeria, this indicated by the P-value of 0.290, 0.942, 0.182, 0.543, 0.202 for CRO, RCM, ERM, BRCI and HCE respectively.



This implies that the presence chief risk officer does not affect the financial performance of listed deposit money bank in Nigeria. This suggests that the financial performance of Nigeria deposit money banks is not determined by those variables.

On the other hand, Board Risk Committee Size (BRCS) has a positive and significant effect on financial performance of listed deposit Money banks in Nigeria ($\beta=0.0023$, $P=0.005$). This implies that large risk committee size increases the financial performance of listed deposit money bank in Nigeria. With regards to the moderating effect, the regression results show that intellectual capital (Human Capital Efficiency) has significant moderating effect on the relationship between CRO and financial performance of deposit money banks in Nigeria ($\beta= 0.0044$, $P=0.015$). This suggests that investment in human capital strengthens the relationship between Chief Risk Officer (CRO) and financial performance of listed Nigeria deposit money banks. Further, the results show that intellectual capital (Human capital efficiency) has significant moderating effect on the relationship between Board Risk Committee Size (BRCS) and financial performance of listed deposit money banks in Nigeria ($\beta=0.0095$, $P=0.000$).

Further, the regression estimates in Table 1 shows that intellectual capital (Human capital efficiency) has positive and significant moderating effect on the relationship between Board Risk Committee Meetings (BRCM) and financial performance ($\beta=0.0563$, $P=.0004$). This suggests that Human capital efficiency strengths the association between BRCM and Financial performance of listed deposit money banks in Nigeria. The regression estimates in Table 1 show that intellectual capital (Human capital efficiency) has positive and significant moderating effect on the relationship between ERM and financial performance ($\beta=0.0069$, $P=0.005$). This suggests that HCE strengths the effect of ERM on the financial performance of listed deposit money banks in Nigeria. However, the regression estimates show that HCE has no significant moderating effect on the Board Risk Committee Independence (BRCI) and financial performance ($\beta= 0.0032$, $P=0.761$). This signified that HCE could not modify the relationship between ERM and financial performance of listed deposit money banks. The finding disagreed with the position of Kakiya et al (2020) but agreed with the position of Savitri (2022).

5.0 Conclusion and Recommendations

The following are the conclusions drawn from the results obtained in the conduct of the study: Intellectual capital play moderating role on the relationship between board risk committee size and financial performance of listed deposit money banks in Nigeria. Intellectual capital does not have the capacity to strengthen or weaken the relationship between board risk committee meetings and financial performance of Nigerian deposit money banks. The association between enterprise risk management and financial performance of deposit money banks is being strengthened by intellectual capital. Intellectual capital does not moderate the relationship between board risk committee independence and financial performance of listed deposit money banks in Nigeria.

The following are the recommendations that are made based on the conclusions of the study: The relevant regulatory bodies (FRCN, NDIC, and CBN) should make it mandatory for banks to implement enterprise risk management framework. In addition, necessary steps should be taken for mandatory compliance with the code of enterprise risk management (ERM). The management of listed Nigerian deposit money banks should increase the proportion of non-executive director in the board risk committee because the committee independence greatly impacts on the financial performance. The management of Nigerian deposit money banks should invest more on human capital as it greatly influences financial performance. The management of Nigeria deposit money banks should encourage its board member to acquired knowledge of risk management and diversification as risk minimization would have positive impact on the performance.



References

- Abdullah, A., Ismail, K. N. I. K., & Isa, N. M. (2015). Risk management committee and disclosure of hedging activities information among Malaysian listed companies, *Advanced Science Letters*, 21(6).
- Abdullah, M., & Shukor, Z. A. (2017). The comparative moderating effect of risk management committee and audit committee on the association between voluntary risk management disclosure and firm performance. *Journal Pengurusan*, 51, 159–172. <https://doi.org/10.17576/pengurusan-2017-51-14>
- Abdullahi, A., Othman, A. H. & Salina, K. H. (2020). Enhancing financial inclusion in Nigeria: the role of Islamic finance. *International Research in Technology, Engineering, Science and Humanities (IJRTESH)*, 1(1), 23–60.
- Abubakar, A., Ado, A. B., Mohamed, M. I., Mustapha, U. A., Haruna, A., Bala, A. A., & Mustapha, A. (2018). The effect of risk management committee attributes and board financial knowledge on the financial performance of listed banks in Nigeria. *American International Journal of Business Management*, 1(5) www.aijbm.com
- Aburime, U. T. (2010). Determinants of bank profitability: Company-level evidence from Nigeria. Electronic Copy Available at: [Http://Ssrn.Com/Abstract=1106825](http://Ssrn.Com/Abstract=1106825), 2, 1–31.
- Adabenege, O., Simpa, Y., Mohammed, U., & Academy, N. D. (2015). The correlation between risk management and organizational performance? An empirical investigation using panel data. 6(16), 136–147.
- Adegbayibi, A. T. (2020). Intellectual capital and firm performance of listed firms in Nigeria: Moderating role of corporate governance. In *Jurnal Akuntansi dan Auditing*, 17, Issue Tahun).
- Adzrin, R., Ahmad, R., Abdullah, N., Erma, N., Mohd, S., & Omar, N. (2015). Board characteristics and risk management and internal control disclosure level? Evidence from Malaysia. *Procedia Economics and Finance*, 31(December), 601–610. [https://doi.org/10.1016/S2212-5671\(15\)01147-8](https://doi.org/10.1016/S2212-5671(15)01147-8)
- Ahmad, R. A. R., Abdullah, N., Jamel, N. E. S. M., & Omar, N. (2015). Board characteristics and risk management and internal control disclosure level: Evidence from Malaysia. *Procedia Economics and Finance*, 31, 601–610. [https://doi.org/10.1016/s2212-5671\(15\)01147-8](https://doi.org/10.1016/s2212-5671(15)01147-8)
- Akeem, S. A. (2016). The value relevance of earnings in the return–earnings relation in the Nigerian deposit money banks. *Cogent Business & Management*, 3, 27–46. <https://doi.org/http://dx.doi.org/10.1080/23311975.2016.1210276>
- Aminu Isa, M., & Adesina Ismail, L. (2015). The effects of boards composition, rewards and ownerships on intellectual capital efficiency of banks in Nigeria. In *Issues in Social and Environmental Accounting*, 9(2). www.isea.icseard.uns.ac.id
- Amoozegar, A., Pukthuanthong, K., & Walker, T. J. (2017). On the role of the chief risk officer and the risk committee in insuring financial institutions against litigation *Managerial Finance*, 43(1), 19–43. <https://doi.org/10.1108/MF-05-2016-0127>
- Anifowose, M., Rashid, H. M., Annuar, H. A., & Ibrahim, H. (2018). Intellectual capital efficiency and corporate book value: Evidence from Nigerian economy. *Journal Of Intellectual Capital*, 19(3), 644–668.
- Anugerah Pradana, H., Rahman Nidar, S., & Aripin, Z. (n.d.). Intellectual capital and stock market performance of retail trade and property and real estate industry in Indonesia. www.idx.co.id
- Augustine Chukwujekwu, O., Nkechi Theresa, O., & Pius Vincent, O. (2020). Risk management committee attributes and financial performance: empirical evidence from listed Nigeria banks. In *Journal of Accounting, Business and Social Sciences*, 3(3) 126-129.



- Beasley, M. S., Clune, R., & Hermanson, D. R. (2005). Enterprise risk management: An empirical analysis of factors associated with the extent of implementation. *Journal of Accounting and Public Policy*, 24(6), 521–531. <https://doi.org/10.1016/j.jaccpubpol.2005.10.001>
- Bensaid, A., Bin Ishak, S., & Binti Mustapa, I. R. (2021). Risk management committee attributes: A review of the literature and future directions. In *Universal Journal of Accounting and Finance*, 9(3), pp. 388–395. <https://doi.org/10.13189/ujaf.2021.090313>
- Bertinetti, G. S., Cavezzali, E., & Gardenal, G. (2013). The effect of the enterprise risk management implementation on the firm value of European companies. <http://ssrn.com/abstract=2326195>
- Bhattacharjee, S., Chakraborty, S., & Bhattacharjee, S. (n.d.). Impact of corporate governance attributes on intellectual capital disclosure: evidence from listed banking companies in bangladesh.
- Bhuiyan, M. B. U., Cheema, M. A., & Man, Y. (2021). Risk committee, corporate risk-taking and firm value. *Managerial Finance*, 47(3), 285–309. <https://doi.org/10.1108/MF-07-2019-0322>
- Bolarinwa, S. T., & Adegboye, A. A. (2020). Re-examining the determinants of capital structure in Nigeria. *Journal of Economic and Administrative Sciences*, 37(1), 26–60. <https://doi.org/10.1108/jeas-06-2019-0057>
- Boniface, U., & Ibe, I. G. (2012). enterprise risk management and performance of Nigeria's brewery industry. 2(10). www.iiste.org
- Boudiab, M., & Bourib, A. (2021). The influence of risk committee board attributes on modified audit opinion in Malaysia. 2021, 1–8. <https://doi.org/10.46988/ICAF.01.12.2021.014>
- Chalevas, C. G. (2011). The effect of the mandatory adoption of corporate governance mechanisms on executive compensation. *International Journal of Accounting*, 46(2), 138–174. <https://doi.org/10.1016/j.intacc.2011.04.004>
- Davis, G. (2015). The twilight of the berle and means corporation. *Shareholder empowerment: A New Era in Corporate Governance*, 12 (1932), 155–168. https://doi.org/10.1057/9781137373939_7
- Deep, R., & Pal Narwal, K. (2014). Intellectual capital and its association with financial performance: a study of Indian textile sector. In *Int. J. Manag. Bus. Res*, 4(1).
- Deogratias, A., Massawe, F., & Abayo, A. (2020). Audit committee as determinant of internal audit function effectiveness: Empirical evidence of listed companies in Tanzania. 3(6), 97–114.
- Desender, K. A. (2010). On the determinants of enterprise risk management implementation. In *enterprise it governance, business value and performance measurement* (pp. 88–100). IGI Global. <https://doi.org/10.4018/978-1-60566-346-3.ch006>
- El-Bannany, M. (2008). A study of determinants of intellectual capital performance in banks: The UK case. *Journal of Intellectual Capital*, 9(3), 487–498. <https://doi.org/10.1108/14691930810892045>
- Elamer, A. A., & Benyazid, I. (2018b). The impact of risk committee on financial performance of UK financial institutions. In *International Journal of Accounting and Finance*. <https://ssrn.com/abstract=3140917> and/or rahamed.a.elamer@gmail.com. Electronic copy available at: <https://ssrn.com/abstract=3140917>
- Ellul, A., & Yerramilli, V. (2011). Stronger risk, lower controls: Evidence from US bank holding companies. Retrieved from <https://Scholar.Google.Co.Uk/Scholar?Q=Ellul+and+Yerramilli+%282010%29&btnG=&hl=en&as.>
- Erin, O. (2018). Does risk governance impact bank performance? evidence from the Nigerian banking sector. In *Academy of Accounting and Financial Studies Journal*, 22(4).



- Erin, O. A., Kolawole, A. D., & Noah, A. O. (2020a). Risk governance and cybercrime: The hierarchical regression approach. *Future Business Journal*, 6(12), 1–15. <https://doi.org/10.1186/s43093-020-00020-1>
- Erin, O., Asiriwa, O., Olojede, P., Ajetunmobi, O., & Usman, T. (2018). Does risk governance impact bank performance? Evidence from the Nigerian. *Academy of Accounting and Financial Studies Journal*, 22(4), 1–14.
- Fajembola, O. D., Azureen, N., Rahman, A., & Md-rus, R. (2019). The risk management committee and bank stability? A proposed framework *akademia baru the risk management committee and bank stability?*
- Fali, I., Okika, N. P., Fali, I. M., Philomena, O. N., Ibrahim, Y., & Amos, J. (2020). Risk management committee size, independence, expertise and financial performance of listed insurance firms in Nigeria. In *International Journal of Research and Innovation in Social Science*. www.rsisinternational.org
- Gitau Muigai, R. (2017). The moderating effect of firm size on the relationship between capital structure and financial distress of non-financial companies listed in Kenya. *Journal of Finance and Accounting*, 5(4), 151. <https://doi.org/10.11648/j.jfa.20170504.15>
- Gontarek, W. (2016). Risk governance: examining its impact upon bank performance and risk. *Cranfield School of Management Doctor of Business Administration*.
- Grimaldi, M., Cricelli, L., & Rogo, F. (2015). Assessment and management of intellectual capital: A single case study on the construction and implementation of an ic index. *Knowledge and Process Management*, 22(4), 235–249. <https://doi.org/10.1002/kpm.1479>
- Gugong, B. K., & Dandago, K. I. (2014). The impact of ownership structure on the financial performance of listed insurance firms in Nigeria. 4(1), 409–416. <https://doi.org/10.6007/IJARAFMS/v4-i1/698>
- Haron, Y. G. & V. P. H. (2019). Is a risk management committee essential in moderating the relationship between corporate governance and sustainability disclosure? *International Journal Sustainable Strategic Management*, 7, 152–171.
- Hasan, I., Kobeissi, N., & Liu, L. (2016). Corporate social responsibility and firm financial performance? The mediating role of productivity. *Bank of Finland Research Discussion Paper*, 7, 1–48.
- Hatane, S. E., & Angeline, C. O. (2019). Intellectual capital disclosure and firm value: Does Jokowi's Era Matter? *Saarc. Advances in Economics, Business and Management Research*, 69(Teams 2018), 80–86.
- Hatane, S. E., Angeline, C. O., Wedysiage, M., & Saputra, V. T. (2019). Intellectual Capital Disclosure and Firm Value: Does Jokowi's Era Matter? www.idx.co.id
- Hatane, S. E., Setiadi, M., & Tarigan, J. (2019). the intervening role of value-added intellectual capital on the relationship between corporate governance and firm value. *Journal of Accounting and Investment*, 20(3). <https://doi.org/10.18196/jai.2003125>
- Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). Resource dependence theory: A review. *Journal of Management*, 35(6), 1404–1427. <https://doi.org/10.1177/0149206309343469>
- Iqbal, Javed, Zaib, J. (2017). Corporate governance, intellectual capital and financial performance of banks listed in Pakistan stock exchange [javed iqbal.SSOAR](http://javediqbal.SSOAR).
- Ishak, S., Naimi, M., Nor, M., Shuib, M. S., Al, R., & Saad, J. (2019). Corporate governance practice, risk management and internal control at Kedah state zakat board (Iznk). January.
- Jia, J. (2019). Does risk management committee gender diversity matter? A financial distress perspective. *Managerial Auditing Journal*, 34(8), 1050–1072. <https://doi.org/10.1108/MAJ-05-2018-1874>



- Kakanda, M. M., Salim, B., & Chandren, S. A. / P. (2017a). Risk management committee characteristics and market performance: empirical evidence from listed financial service firms in Nigeria.
- Kakanda, M. M., Salim, B., & Chandren, S. a/p. (2017b). Corporate governance, risk management disclosure, and firm performance: A theoretical and empirical review perspective. *Asian Economic and Financial Review*, 7(9), 836–845. <https://doi.org/10.18488/journal.aefr.2017.79.836.845>
- Kallamu, B. (2021). Risk management committee attributes and firm performance. December 2015. <https://doi.org/10.5296/ifb.v2i2.8580>
- Kallamu, B. S. (2015). Risk management committee attributes and firm performance. *International Finance and Banking*, 2(2), 1. <https://doi.org/10.5296/ifb.v2i2.8580>
- Kamal, W., Omer, H., Aljaaidi, K. S., & Al-motaz, E. S. (2020). Risk management functions and audit report lag among listed Saudi manufacturing companies. 7 (October). <https://doi.org/10.13106/jafeb.2020.vol7.no8.061>
- Kamath, B. (2019). Impact of corporate governance characteristics on intellectual capital performance of firms in India. *International Journal of Disclosure and Governance*, 16 (1), 20–36. <https://doi.org/10.1057/s41310-019-00054-0>
- Karagiorgos, T. (2010). Corporate social responsibility and financial performance: An empirical analysis on Greek companies. *European Research Studies*, 13(4), 85–108.
- Kituku, B. M. B. (2008). Relationship between board committees and financial performance of companies listed at the Nairobi stock exchange.
- Klein, A. (1998). Firm performance and board committee structure. *Journal of Law and Economics*, 41(1), 275–303. <https://doi.org/10.1086/467391>
- Malik, M. F., Zaman, M., & Buckby, S. (2019). Enterprise risk management and firm performance: Role of the risk committee. *Journal of Contemporary Accounting & Economics*, 100178. <https://doi.org/10.1016/j.jcae.2019.100178>
- Malik, M. F., Zaman, M., & Buckby, S. (2020). Enterprise risk management and firm performance: Role of the risk committee. *Journal of Contemporary Accounting and Economics*, 16(1). <https://doi.org/10.1016/j.jcae.2019.100178>
- Mantha, S. M., Suresh, B., Nandyal, A. P. & Ravindranath, P. J. (2020). Assignment problem and its extensions for structure development preparation. *Journal of Xi'an University of Architecture & Technology*, 12(7), 594–599.
- Mitchell, R. K., Agle, B. R., & Wood, D. J. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Academy of Management Review*, 22(4), 853–886. <https://doi.org/10.5465/AMR.1997.9711022105>
- Mojtaba, M., & Davoud, S. (2007). Enterprise risk management and firm performance evidence from financial market of Iran. *Research Journal of Management Sciences*, 6(3), 6–12.
- Nguyen, Q. K. (2022). Determinants of bank risk governance structure: A cross-country analysis. *Research in International Business and Finance*, 60. <https://doi.org/10.1016/j.ribaf.2021.101575>
- Odubuasi, A. C., Ofor, N. T., & Ugbah, A. (2022). Risk committee effectiveness and financial performance indicator of quoted firms in selected African countries. 634–647. <https://doi.org/10.4236/jfrm.2022.113030>
- Ojeka, S. A., Adeboye, A., & Dahunsi, O. (2021). Does audit committee characteristics promote risk management practices in Nigerian listed firms?? 10(2), 70–77. <https://doi.org/10.5430/afr.v10n2p70>



- Oluwafemi, S., Israel, N., & Simeon, O. (2014). Risk management and financial performance of banks in Nigeria. *European Journal of Business and Management*, 6(31). Online. www.iiste.org
- Salaudeen, Y. M., & Atoyebi, T. (2018). Enterprise risk management and performance of selected listed consumer enterprise <https://doi.org/10.11114/afa.v4i1.2918>
- Salaudeen, Y. M., Atoyebi, T. A., & Oyegbile, B. A. (2018). Enterprise risk management and performance of selected listed consumer goods companies in Nigeria. *Applied Finance and Accounting*, 4(1), 112. <https://doi.org/10.11114/afa.v4i1.2918>
- Solomon, O. (2021). Risk management through corporate governance: Implications on the performance of banks in Nigeria. *International Journal of Economics, Business and Finance*, 1(10), 342–351.
- Rehman, W., & Zahid, A. (2011). Intellectual capital performance and its impact on corporate performance: An empirical evidence from modaraba sector of Pakistan. In *Australian Journal of Business and Management Research*, 1(5). <http://www.washingtonspeakers.co>
- Verduijn, K. (2013). From knowledge to firm performance: an empirical analysis of intellectual capital impact in Polish and Dutch listed firms. *Management and Business Administration. Central Europe*, 21(3), 114–138. <https://doi.org/10.7206/mba.ce.2084-3356.75>
- Virginus, I., Adaeze, E., & Gabriel, C. (2021). A critical study of corporate risk management committee impact on firm performance. In *International Journal of Academic Information Systems Research*, 5. www.ijeais.org/ijaisr
- Yazid, A. S., Hussin, M. R., & Daud, W. N. W. (2011). An examination of enterprise risk management (erm) practices among the government-linked companies (GLCs) in Malaysia. *International Business Research*, 4(4). <https://doi.org/10.5539/ibr.v4n4p94>
- Yunana, A., Wuyah, T., Ranta, M. W., & Akpan, J. E. (2016). Determinants of corporate social responsibility of conglomerate firms in Nigeria. *International Journal of Original Research*, 2(4), 178–185.
- Yusuf, I. (2013). The relationship between human capital efficiency and financial performance: An empirical investigation of quoted Nigerian banks. *Research Journal of Finance and Accounting*, 4(4), 148–155.
- Zahra, S. A., & Pearce, J. A. (1989). Boards of directors and corporate financial performance: a review and integrative model. *Journal of Management*, 15(2), 291–334. <https://doi.org/10.1177/014920638901500208>