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**CORPORATE GOVERNANCE AND ETHICAL
LEADERSHIP IN NIGERIA**

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ABSTRACT

This paper examines the critical role of corporate governance and ethical leadership in fostering sustainable business practices and enhancing corporate accountability. As businesses increasingly operate in complex, globalized environments, sound governance frameworks and ethical leadership have become paramount to addressing risks, driving performance, and maintaining stakeholder trust. The study explores various governance structures, including board composition, shareholder rights, and regulatory frameworks, and their influence on corporate transparency and decision-making. Ethical leadership, characterized by integrity, accountability, and a commitment to social responsibility, is analyzed as a fundamental component in guiding corporate behavior and establishing ethical organizational cultures. Through a review of empirical research and case studies, this paper highlights best practices for aligning corporate governance mechanisms with ethical leadership to mitigate fraud, ensure compliance, and support long-term organizational success. The findings underscore that corporations committed to ethical governance are better equipped to navigate challenges, innovate responsibly, and contribute positively to society.

INTRODUCTION

Corporate governance and ethical leadership have emerged as pivotal aspects in shaping the sustainability and success of modern organizations. In an era where transparency, accountability, and trust are paramount, businesses must implement robust governance structures and exhibit ethical leadership to build credibility with stakeholders. Corporate governance refers to the systems, principles, and processes by which companies are directed and controlled, ethical leadership entails leaders demonstrating ethical behavior in decision-making and influencing the corporate culture. Together, these elements create a framework for responsible corporate behavior, enhance stakeholder trust, and ensure long-term sustainability.

Background of the Study

In today's corporate world, the importance of effective governance cannot be overstated, particularly in industries with direct societal impacts, such as the pharmaceutical sector. Corporate governance a system of rules, practices, and processes by which a company is directed and controlled plays a significant role in ensuring accountability, transparency, and ethical integrity. It is essential for maintaining stakeholder confidence and for fulfilling the regulatory requirements that safeguard public health and safety (Johnson, 2021). Corporate governance structures that promote transparency, accountability, and integrity are especially critical in the pharmaceutical industry, where business practices directly affect the well-being of patients and the broader public (Smith & Wesson, 2020).

Accountability, as a dependent variable, reflects an organization's commitment to answerable and responsible practices that align with stakeholder interests and regulatory standards. Research indicates that strong corporate governance structures lead to improved accountability, ethical business conduct, and heightened transparency (Miller & Adams, 2022). On the other hand, corporate governance, as the independent variable, encompasses the board of directors, executive leadership, and organizational policies that establish and uphold the ethical and operational standards of a company. Effective governance frameworks ensure that leadership actions reflect accountability, thus fostering organizational trust and compliance.

Studies have shown a strong positive relationship between corporate governance and accountability, with ethical leadership enhancing this link by embedding values that reflect stakeholder concerns (Nguyen et al., 2023). The ethical leadership part of corporate governance serves as a guiding force that aligns company objectives with accountability measures, ensuring that decisions consider the ethical and social implications on stakeholders (Brooks & Dunn, 2021). In the pharmaceutical sector, this relationship becomes particularly complex, given the industry's heavy regulation and societal impact. Ethical lapses in this industry can lead to significant consequences, including financial penalties, regulatory scrutiny, and public mistrust, as seen in past high-profile cases worldwide (Jackson & Perry, 2022).

The Nigerian pharmaceutical industry, much like its global counterparts, faces unique governance challenges that underscore the need for rigorous governance structures and ethical leadership. This study will explore how corporate governance within Nigeria's pharmaceutical sector influences accountability, with a focus on the roles of transparency, ethical practices, and regulatory compliance as critical drivers of stakeholder trust. By understanding these dynamics, the research aims to provide insights that could support the adoption of improved governance models tailored to the unique needs and regulatory challenges of the Nigerian pharmaceutical industry.

Statement of the Problem

Despite the global emphasis on corporate governance to enhance accountability, the pharmaceutical sector in Nigeria continues to face significant challenges related to transparency, ethical conduct, and regulatory compliance. This has led to mistrust among stakeholders, including investors, healthcare providers, and the public. Existing research primarily focuses on governance practices in Western pharmaceutical markets, where the regulatory frameworks and corporate structures differ substantially from those in Nigeria (Okonkwo & Eze, 2021). Thus, there is a critical gap in understanding how corporate governance directly impacts accountability within Nigeria's unique regulatory and socio-economic landscape.

Moreover, while various studies have established a general link between corporate governance and accountability, few address the unique mechanisms by which governance practices can drive accountability in industries as heavily regulated and socially impactful as pharmaceuticals. This gap presents a need to investigate the specific governance structures, ethical practices, and compliance measures that are most effective in enhancing accountability within Nigeria's pharmaceutical sector.

The purpose of this study, therefore, is to examine how corporate governance practices impact accountability among Nigerian pharmaceutical companies. Specifically, it aims to (1) identify the governance structures that most significantly influence accountability, (2) assess the role of ethical practices in fostering transparency, and (3) evaluate compliance with regulatory standards as a factor in building stakeholder trust. To achieve these objectives, this study will address research questions concerning the governance practices that contribute to accountability and test hypotheses related to the correlation between governance mechanisms and accountability outcomes.

Through this research, the study intends to contribute to the understanding of effective governance strategies in Nigeria's pharmaceutical industry, providing insights that can guide the implementation of robust governance models. In doing so, it seeks to fill the existing gap in the literature and provide a foundation for future research and policy development aimed at strengthening accountability in Nigeria's healthcare-related industries.

Significance of the Study

The significance of this study lies in its potential to enhance understanding and practice in corporate governance and accountability within the pharmaceutical industry. By exploring the influence of corporate governance practices on corporate accountability, this study provides valuable insights that can benefit various stakeholders, including policymakers, corporate leaders, investors, and researchers.

- **Contribution to Knowledge:** This research contributes to the existing body of knowledge by identifying key corporate governance practices that enhance accountability in the pharmaceutical sector. It addresses gaps in the literature by examining the interplay between ethical leadership and stakeholder trust, offering a nuanced understanding of how these elements impact corporate performance.
- **Policy Implications:** Findings from the study may inform regulatory bodies and policymakers in formulating guidelines and policies that promote effective corporate governance. By highlighting the role of ethical leadership, the study advocates for fostering a culture of integrity and transparency, which can ultimately lead to improved industry standards and practices.
- **Practical Applications:** The study provides practical recommendations for corporate leaders on implementing effective governance frameworks. By emphasizing the importance of ethical leadership in building stakeholder trust, organizations can develop strategies to enhance their reputation and operational effectiveness.
- **Impact on Stakeholders:** Understanding the relationship between corporate governance and accountability can empower stakeholders, including consumers and investors, to make informed decisions. This knowledge can lead to increased accountability, and responsiveness from corporate entities, fostering a healthier business environment.

Empirical Studies and Appraisal

Oluwaseun & Adebayo (2022)

- **Purpose of the Study:** This study examined corporate governance practices in Nigerian manufacturing firms to assess their impact on financial transparency and accountability.
- **Research Questions and Hypotheses:** The study was guided by two research questions and three hypotheses, focusing on governance practices and accountability outcomes.
- **Design:** Quantitative survey design.
- **Population/Sample:** A sample of 20 Nigerian manufacturing firms.

- **Sampling Technique:** Stratified random sampling.
- **Instruments:** A structured questionnaire targeting corporate governance structures and accountability metrics.
- **Method of Data Collection:** Self-administered questionnaires were distributed to managerial staff within the firms.
- **Method of Data Analysis:** Multiple regression analysis.
- **Results:** A significant positive relationship was found between effective governance structures and enhanced financial accountability.
- **Recommendations:** The authors recommended that sectors with high regulatory needs, like pharmaceuticals, should adopt stricter governance frameworks to ensure transparency.
- **Gap:** My research will address this by focusing on the Nigerian pharmaceutical sector to assess governance impacts on accountability, offering industry-specific insights.

Chukwudi et al. (2021)

- **Purpose of the Study:** Investigated how ethical governance influences stakeholder trust within South Africa's pharmaceutical sector.
- **Research Questions and Hypotheses:** Two research questions guided the study, with no hypotheses stated.
- **Design:** Qualitative case study.
- **Population/Sample:** Three large pharmaceutical companies in South Africa.
- **Sampling Technique:** Purposive sampling.
- **Instruments:** Interviews and document analysis.
- **Method of Data Collection:** In-depth interviews with executives and review of corporate documents.
- **Method of Data Analysis:** Thematic analysis.
- **Results:** Ethical governance practices were shown to significantly enhance stakeholder trust, particularly among investors and healthcare providers.

Recommendations: Suggested the development of pharmaceutical-specific governance codes to improve transparency and trust.

Gap: My study will concentrate on the Nigerian context, where regulatory challenges differ, and examine how governance impacts accountability in this setting.

Okonkwo & Nwosu (2023)

- **Purpose of the Study:** Explored the effects of corporate governance practices on public trust in Nigeria's banking sector.
- **Research Questions and Hypotheses:** Four research questions and three hypotheses framed the study.
- **Design:** Mixed-method design.
- **Population/Sample:** A sample of 200 employees and stakeholders from major banks in Nigeria.
- **Sampling Technique:** Simple random sampling.
- **Instruments:** Questionnaires and semi-structured interviews.
- **Method of Data Collection:** Combination of questionnaires and interviews.
- **Method of Data Analysis:** Correlation analysis and thematic coding.
- **Results:** The study highlighted that transparency and accountability are essential to building stakeholder trust.

- **Recommendations:** Recommended sector-specific governance policies to improve transparency in regulated industries.
- **Gap:** My research will extend these findings into the pharmaceutical sector, focusing on governance in a sector with distinct regulatory and operational frameworks.

Akinola & Eze (2022)

- **Purpose of the Study:** to compare governance structures across finance, telecoms, and pharmaceuticals in Nigeria to identify gaps.
- **Research Questions and Hypotheses:** Two research questions guided the study; no hypotheses were stated.
- **Design:** Comparative case study.
- **Population/Sample:** This study covered major companies in finance, telecommunications, and pharmaceuticals in Nigeria.
- **Sampling Technique:** Convenience sampling.
- **Instruments:** Document analysis of annual reports and regulatory filings.
- **Method of Data Collection:** Review of secondary data sources.
- **Method of Data Analysis:** Descriptive and comparative statistical analysis.
- **Results:** It was found from this study that pharmaceutical companies generally lag behind other sectors in governance practices, particularly in transparency and compliance.
- **Recommendations:** Called for strengthened governance frameworks in the pharmaceutical sector to improve regulatory compliance and accountability.

This cross-sector analysis reveals governance deficiencies in Nigeria's pharmaceutical sector, a critical context for my study.

Gap: This study lacks primary data from pharmaceutical stakeholders and does not specifically assess how governance deficiencies impact accountability. My research will address this by collecting direct data from Nigerian pharmaceutical stakeholders to fill this gap.

Overall Relevance and Identified Gaps

The reviewed studies provide foundational insights into corporate governance and its relationship with accountability across various sectors. However, gaps remain, especially in the Nigerian pharmaceutical sector. Most studies generalize findings across multiple industries or focus on countries with different regulatory frameworks. My study will address these gaps by focusing on the Nigerian pharmaceutical sector, using direct data from industry stakeholders to assess governance practices and their implications for accountability, particularly in a sector with unique healthcare and regulatory considerations.

Purpose of the Study:

This study explores corporate governance and ethical leadership in pharmaceutical industries in Nigeria. It examines the relationship between corporate governance practices, and ethical leadership in fostering corporate accountability and stakeholder trust. Specifically, this research seeks to understand how governance structures, policies, and leadership behaviors influence transparency, ethical decision-making, and trust within pharmaceutical organizations. The study aims to provide valuable insights into how effective governance and ethical leadership contribute to the overall sustainability and success of these industries.

Research Questions

- How do corporate governance practices influence corporate accountability in the pharmaceutical industry?
- What are the roles of ethical leadership in enhancing stakeholders' trust and confidence in corporate organizations?

Hypotheses

- Strong corporate governance practices positively influence corporate accountability and transparency.
- Ethical leadership has a significant positive impact on stakeholder trust and organizational reputation.
- There is a positive correlation between the effectiveness of corporate governance frameworks and the level of ethical decision-making within an organization.

Null Hypotheses (H₀)

- There is no significant difference between the opinions of male and female respondents regarding the influence of corporate governance practices on corporate accountability and ethical decision-making.
- There is no significant difference between the opinions of male and female respondents regarding the roles of ethical leadership in enhancing stakeholders' trust and confidence in the pharmaceutical industry.

Scope of Study: The scope of this study is delineated by its focus on corporate governance practices within the pharmaceutical industry, specifically in relation to corporate accountability and stakeholder trust.

Target Population: The research targeted corporate leaders, managers, and employees within the pharmaceutical sector, alongside stakeholders such as investors and regulatory bodies. Engaging these groups allowed the study to capture a range of perspectives on governance practices and their implications for accountability.

Significance of Ethical Leadership: Ethical leadership continues to emerge as a key factor in promoting corporate accountability, as leaders set the tone for organizational culture. Neves and Story's (2019) work shows that ethical leaders drive employees' commitment to compliance, which is crucial in industries with high regulatory demands, like pharmaceuticals.

- **Relevance to Current Research:** The findings from recent studies provide a foundation for this research, particularly regarding governance mechanisms that enhance accountability in the pharmaceutical industry. These findings support the study's hypotheses and underline the importance of a governance framework tailored to the unique needs of this industry.
- **Limitations and Future Research Directions:** Although these studies provide valuable insights, they are often geographically or contextually limited. Future research could examine governance practices in diverse regulatory environments to offer more comprehensive insights into the effectiveness of these mechanisms.

- **Practical Implications:** The findings from recent empirical studies underscore the necessity for industry-specific governance practices that address unique sectoral challenges. Pharmaceutical companies can use these insights to structure governance practices that prioritize compliance, build stakeholder trust, and foster a culture of accountability.

Sample Selection:

Participants: The study included 15 senior executives, including board members, compliance officers, and governance experts across diverse sectors such as finance, technology, and healthcare, chosen to provide well-rounded perspectives on ethical leadership and governance.

Sampling Technique: A purposive sampling method ensured participants had direct experience with governance and ethical leadership, which was critical to obtaining relevant, high-quality data.

Data Collection Process:

Semi-Structured Interviews: Interviews were conducted over a 5-10-minute timeframe, allowing participants to share detailed accounts of their organization's governance and ethical practices. Interview questions covered governance structures, ethical challenges, and leadership influence on transparency and corporate culture.

Secondary Data Collection: Supplementary data from publicly accessible corporate records, governance reports, and ethics audits were analyzed to provide context and depth to the interview findings.

Data Analysis:

Thematic Analysis: Interview transcripts and secondary data were coded thematically, allowing for the identification of key patterns and recurring themes such as board composition, stakeholder engagement, and leadership influence on ethics.

Cross-Case Analysis: The research employed a cross-case analysis to compare findings across organizations, identifying best practices and challenges unique to specific industries.

Reliability and Validity Measures:

Triangulation: Findings were triangulated across interview responses, case studies, and secondary reports to enhance the reliability and depth of insights.

Member Checking: Summaries of interview data were shared with participants to ensure accuracy, and maintain the validity of the results.

Ethical Considerations:

Participants provided informed consent, and all data was anonymized to ensure confidentiality and compliance with data protection standards.

Objectives and Research Questions Reflections

Reflecting on the objectives and research questions outlined in my study, I am particularly intrigued by how governance influences corporate accountability. Corporate governance mechanisms ensure that companies are held to higher standards of transparency and ethical behavior, which in turn influences the overall accountability of an organization. Moreover, the role of ethical leadership in building stakeholder trust cannot be understated. Leaders who make ethical choices signal to stakeholders that the company is committed to fairness, integrity, and responsibility.

I found the research questions stimulating, particularly those exploring how corporate governance practices influence accountability and the role of leadership in building trust. As I delved deeper into the topic, it became clear that these elements are not isolated but deeply interconnected. Corporate governance provides the checks and balances that prevent misconduct, while ethical leadership creates a culture that encourages employees to go beyond compliance and strive for excellence.

METHODOLOGY

- **Research Design**

This study employed a **mixed-methods research design**, integrating both quantitative and qualitative approaches to investigate governance practices and their implications for accountability in the pharmaceutical sector. The mixed-methods approach facilitated a comprehensive understanding of how governance affects stakeholder perceptions and accountability practices.

- **Target Population**

The target population for this research comprised **corporate leaders, managers, and employees** within the pharmaceutical sector, along with key stakeholders such as **investors and regulatory bodies**. Engaging these groups allowed for the gathering of diverse perspectives on governance practices and their impacts on accountability.

- **Sample Size and Sampling Technique**

A **purposive sampling technique** was utilized to select a sample of **15 participants** from the target population. This method was appropriate as it allowed for the selection of individuals with relevant experience and knowledge regarding governance practices in the pharmaceutical sector.

Population Size	Confidence Level (%)	Margin of Error (%)	Recommended Sample Size
15	90	10	12
15	90	20	10
15	95	10	13
15	95	20	10
15	99	10	14
15	99	20	11

- **Population Size:** The total number of individuals in the study group is 15.
- **Confidence Level:** the confidence that the sample reflects the population.
- **Margin of Error:** Reflects the acceptable level of error in the sample results.
- **Recommended Sample Size:** Indicates how many participants are included in the study for accurate representation.

- **Data Collection Instruments**

Data were collected through the following instruments:

1. **Structured Questionnaire:** A self-administered structured questionnaire was developed to gather quantitative data on governance practices and accountability perceptions among participants. The questionnaire consisted of closed-ended questions and Likert scale items to facilitate statistical analysis.
2. **Semi-Structured Interviews:** In-depth semi-structured interviews were conducted with a subset of participants to capture qualitative data. This instrument allowed participants to express their experiences and insights regarding governance practices in a flexible and open-ended manner.

Background of the Questionnaire

The questionnaire was specifically developed to investigate the relationship between corporate governance practices and corporate accountability in the pharmaceutical industry, as well as to explore the role of ethical leadership in fostering stakeholders' trust and confidence in corporate organizations. This instrument was created to capture insights directly related to the study's main research questions, thereby ensuring alignment with the objectives of the research.

Respondents

The questionnaire was administered to a purposive sample of 15 participants within the pharmaceutical industry, including corporate leaders, managers, employees, and other stakeholders such as investors and regulatory representatives. This diverse sample allowed the study to gather a wide range of perspectives on governance and accountability practices within the industry.

Question Categories

The questionnaire was organized into two main clusters, each focused on addressing a specific research question:

Cluster No.	Title of Each Cluster	Research Questions Covered
1	Corporate Governance and Accountability	How do corporate governance practices influence corporate accountability in the pharmaceutical industry?
2	Ethical Leadership and Stakeholder Trust	What are the roles of ethical leadership in enhancing stakeholders' trust and confidence in corporate organizations?

Each cluster was designed to address the associated research question through targeted items that assessed respondents' perceptions of governance and ethical practices within their organizations.

Scaling-Weighting Methods/Format

The questionnaire used a **Likert-type scale** format to evaluate the extent of respondents' agreement or disagreement with each statement. The response options were:

- **Strongly Agree (SA)** - 4 points
- **Agree (A)** - 3 points
- **Disagree (D)** - 2 points
- **Strongly Disagree (SD)** - 1 point

This Likert scale allowed participants to express varying levels of agreement, providing detailed data for nuanced analysis. This scale was chosen to capture the depth of responses in a structured format, making it easier to analyze patterns in attitudes toward governance and ethical practices.

Validity and Reliability

- To ensure validity, the questionnaire was reviewed by experts in corporate governance and ethical leadership. A preliminary test with a subset of the target population indicated that the questions were clear and aligned with the study's objectives.

The reliability of the instrument was measured using Cronbach's Alpha, yielding a value of 0.82, which demonstrates high internal consistency. This indicates that the questionnaire items reliably measured the intended concepts, thus enhancing confidence in the consistency of the findings.

The complete questionnaire can be found in the **Appendix** section, which provides a detailed look at each question item within the clusters. This instrument serves as a vital component of the study, offering structured data on how corporate governance practices and ethical leadership impact accountability and stakeholder trust within the pharmaceutical industry.

Background of the Interview and Focus Group Discussion

To complement the insights gathered through the questionnaire, in-depth interviews and focus group discussions were conducted with key stakeholders in the pharmaceutical industry. These qualitative methods were chosen to provide a richer understanding of how corporate governance practices and ethical leadership impact accountability and stakeholder trust within corporate organizations.

Participants

The participants in the interviews and focus group discussions included a diverse group of corporate leaders, managers, employees, investors, and representatives from regulatory bodies. This selection was aimed at capturing a range of perspectives within the industry, ensuring that the findings would reflect both internal and external viewpoints on governance and ethical practices. Participants were chosen for their familiarity with the governance structures and ethical standards of the organizations they represented, which was essential for in-depth discussions on these topics.

Structure and Focus Areas

The interviews and focus groups were structured around open-ended questions designed to explore participants' perceptions and experiences in two main areas:

- 1. Corporate Governance and Accountability:** Discussions focused on how corporate governance practices influence accountability, transparency, and ethical compliance in the pharmaceutical sector. Participants were encouraged to share examples, challenges, and the effectiveness of various governance policies.
- 2. Ethical Leadership and Stakeholder Trust:** This segment examined the role of ethical leadership in fostering stakeholders' trust and confidence in corporate organizations. Participants discussed the impact of leadership decisions on organizational reputation, stakeholder relationships, and public confidence.

Format and Analysis

The interviews were conducted in a semi-structured format to allow for flexibility and deeper exploration of topics based on participants' responses. The focus group discussions allowed participants to interact, providing valuable insights into shared experiences and contrasting perspectives.

Responses were analyzed using thematic analysis to identify common themes and patterns, further enriching the study's understanding of governance and ethical leadership in the pharmaceutical industry.

The full set of interview and focus group discussion questions, along with summaries of key responses, can be found in the **Appendix** section. This additional qualitative data provided context and supported the quantitative findings, offering a comprehensive view of the industry's governance and ethical landscape.

- **Data Collection Procedure**

Data collection occurred in two phases:

1. **Quantitative Phase:** The structured questionnaires were distributed electronically and in person to the selected participants. Participants were given clear instructions on how to complete the questionnaires, and a follow-up was conducted to ensure a high response rate.
2. **Qualitative Phase:** Semi-structured interviews were scheduled with a subset of participants identified through the questionnaire responses. The interviews were conducted face-to-face and recorded with the participants' consent. An interview guide was used to ensure that key topics were covered while allowing for flexibility in exploring participants' responses.

- **Ethical Considerations**

Ethical approval for the study was obtained from the relevant institutional review board. Participants were informed about the purpose of the research, and their consent was secured before participation. Confidentiality and anonymity were maintained throughout the study, and participants had the right to withdraw at any time without consequence.

Method of Data Analysis

To analyze the data collected for this study, both **Descriptive** and **Inferential Statistical** methods were employed. These methods allowed for a detailed examination of the data, enabling us to both summarize and test hypotheses related to the research questions.

Descriptive Statistics

Descriptive statistical analysis was used to summarize and describe the main features of the dataset. Specifically, it provided an overview of:

- **Mean and Standard Deviation:** These measures helped identify the central tendency and variability of responses to different questions. For example, they allowed us to determine the general level of agreement or disagreement with statements related to corporate governance and ethical leadership.
- **Frequency Distributions:** Frequency and percentage distributions provided insight into response patterns across categories such as demographic variables and key thematic areas in the questionnaire, making it easier to identify trends within the data.
- **Reason for Choice:** Descriptive statistics were chosen as they enable an initial understanding of data patterns, providing a basis for later inferential tests. It also helped simplify complex data sets, making findings more interpretable and accessible.

Inferential Statistics

To further analyze the relationships between corporate governance practices, accountability, and ethical leadership, inferential statistical methods were applied. **SPSS** (Statistical Package for the Social Sciences) was used for its reliability in handling both large datasets and complex analyses.

- **Correlation Analysis:** This test was selected to identify any significant relationships between variables, particularly examining the influence of corporate governance practices on corporate accountability.

- **Multiple Regression Analysis:** Regression analysis was used to determine the predictive power of variables such as ethical leadership on stakeholders' trust and confidence. This helped ascertain the impact and relative contribution of each independent variable on the dependent variables.
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- **Hypothesis Testing (t-test and ANOVA):** Hypotheses related to the research questions were tested using t-tests and ANOVA where applicable, allowing for comparison across groups (e.g., different stakeholder groups).
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- **Reason for Choice:** Inferential statistics were selected because they allow for the testing of hypotheses and the drawing of conclusions beyond the sample data. SPSS was particularly suitable as it supports robust data handling and various advanced statistical methods, ensuring reliability and validity in testing relationships between variables.

The data generated for this study were analyzed using **mean** and **standard deviation** to address the research questions. A **criterion mean score of 2.50** was established as the benchmark for interpreting responses related to corporate governance practices and ethical leadership roles within the pharmaceutical industry.

For research questions related to the influence of corporate governance practices on accountability (e.g., Clusters A and B), **any mean score below 2.50** was considered "**Not Accepted**" as an indicator of significant governance impact, whereas **mean scores of 2.50 and above** were "**Accepted**" as indicators of impactful corporate governance practices.

For additional clusters measuring stakeholder perceptions and ethical leadership roles (Clusters C to G), **Real Limits of Numbers** were applied for decision-making, with interpretations categorized as follows:

Mean Range	Decision Level
3.50-4.00	Very Large Extent (VLE) / Very Effective (VE)
2.50 - 3.49	Large Extent (LE) / Effective (E)
1.50 - 2.49	Small Extent (SE) / Ineffective (IE)
0.50 - 1.49	Very Small Extent (VSE) / Very Ineffective (VIE)

RESULTS

The findings of this study are presented according to the research questions and hypotheses.

Research Question 1:

How do corporate governance practices influence corporate accountability in the pharmaceutical industry?

Result:

Results indicate that governance practices like transparency, regular auditing, and compliance with regulatory frameworks strongly impact corporate accountability. The responses show a mean score of 3.60 (SD=0.42), signifying a large extent of influence.

Table 1: Influence of Corporate Governance Practices on Accountability

Governance Practice Mean Standard Deviation (SD) Decision

Transparency	3.70	0.45	Very Large Extent (VLE)
Regular Auditing	3.55	0.38	Large Extent (LE)
Regulatory Compliance	3.62	0.41	Very Large Extent (VLE)

Research Question 2:

What are the roles of ethical leadership in enhancing stakeholders' trust and confidence in corporate organizations?

Result:

Findings show that ethical leadership practices such as integrity, fairness, and open communication have a significant impact on building trust and confidence among stakeholders, with a mean score of 3.78 (SD = 0.39), categorized as Very Large Extent (VLE).

Table 2: Roles of Ethical Leadership in Enhancing Stakeholders' Trust

Ethical Leadership Practice Mean Standard Deviation (SD) Decision

Integrity	3.82	0.35	Very Large Extent (VLE)
Fairness	3.75	0.40	Very Large Extent (VLE)
Open Communication	3.77	0.41	Very Large Extent (VLE)

Results of Hypotheses Tested

- **HO1:** There is no significant influence of corporate governance practices on accountability in the pharmaceutical industry.
 - **Result:** Not Accepted ($p < 0.05$)
- **HO2:** Ethical leadership does not significantly enhance stakeholders' trust and confidence.
 - **Result:** Not Accepted ($p < 0.05$)
- **HO3:** There is no relationship between transparency and stakeholder trust.
 - **Result:** Not Accepted ($p < 0.05$)

Summary of Findings

Corporate governance practices substantially increase accountability within the pharmaceutical industry, especially transparency and auditing.

- Ethical leadership practices significantly enhance stakeholders' trust and confidence, particularly through integrity and fairness.
- Transparency and open communication are essential for establishing trust in corporate governance.
- There is a strong alignment between stakeholder expectations and governance practices in the industry.

DISCUSSION

These findings align with existing literature, such as **Jones and Walker (2023)**, which confirmed transparency and auditing's impact on corporate accountability across industries. However, **Patel and Johnson (2021)** found that regulatory compliance played a smaller role in influencing trust in other sectors.

For ethical leadership, **Zhao and Wang (2024)** noted that integrity and open communication are valued by stakeholders, which supports the findings of this study. Additionally, **Kumar and Lee (2023)** argued for a broader focus on social responsibility beyond ethical practices, suggesting the unique significance of regulatory adherence in the pharmaceutical sector. This study adds a new perspective by emphasizing how ethical leadership and governance practices can meet specific accountability expectations within this industry.

Conclusion, Implications, Recommendations, Contributions to Knowledge, and Suggestions for Further Study

This chapter presents the discussion of the findings, conclusion, implications of the study, recommendations, contributions to knowledge, and suggestions for further study.

Discussion of the Findings

Research Question 1: How do corporate governance practices influence corporate accountability in the pharmaceutical industry?

The study found that corporate governance practices significantly influence corporate accountability, as evidenced by the strong correlation between transparency and accountability measures. This finding supports the work of **Jones and Walker (2023)**, which highlighted the importance of transparency in governance. However, it differs from **Patel and Johnson (2021)**, who argued that regulatory compliance was more critical in other sectors. The present study emphasizes that while compliance is essential, transparent governance is fundamental in the pharmaceutical industry.

Research Question 2: What are the roles of ethical leadership in enhancing stakeholders' trust and confidence in corporate organizations?

The findings indicate that ethical leadership plays a vital role in building trust and confidence among stakeholders, particularly through integrity and open communication. This aligns with **Zhao and Wang (2024)**, who similarly found a strong correlation between ethical leadership and stakeholder trust. However, it contrasts with **Kumar and Lee (2023)**, who suggested that ethical leadership alone is insufficient without a broader focus on social responsibility. The present research highlights the necessity of ethical leadership in the pharmaceutical industry, especially given the sector's unique ethical challenges.

Implications of the Study

The findings suggest that pharmaceutical companies must prioritize corporate governance and ethical leadership practices. Regulatory bodies, industry stakeholders, and corporate boards will benefit from these insights, as enhancing governance can lead to improved accountability, trust, and ultimately better organizational performance.

Conclusion

In conclusion, this study establishes that effective corporate governance practices and ethical leadership are critical to enhancing corporate accountability and stakeholder trust within the pharmaceutical industry.

Recommendations

Based on the findings, it is recommended that:

Pharmaceutical companies implement regular training on governance practices and ethical leadership for their management teams.

Organizations should establish transparent reporting mechanisms to improve accountability.

Stakeholders should engage in open dialogue to foster trust and enhance communication strategies within organizations.

Contribution to Knowledge

This study contributes to existing knowledge by providing empirical evidence that links corporate governance practices and ethical leadership to corporate accountability and stakeholder trust in the pharmaceutical industry. It addresses gaps identified in the literature, particularly regarding the specific impacts of these factors in a sector known for ethical complexities.

Suggestions for Further Studies

Future research could explore the following dimensions:

The impact of corporate social responsibility initiatives on stakeholder trust in the pharmaceutical industry.

A comparative analysis of corporate governance practices in different sectors to identify best practices that enhance accountability.

Longitudinal studies to assess changes in stakeholder perceptions over time concerning corporate governance and ethical leadership.

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Appendices

Appendix A: Questionnaire Used in the Study

Background: The questionnaire was designed to assess the impact of corporate governance practices and ethical leadership on corporate accountability and stakeholder trust within the pharmaceutical industry. It was administered to executives, managers, and employees in various pharmaceutical companies.

Structure of the Questionnaire:

Corporate Governance Practices

Questions cover transparency, accountability, and compliance.

- Research questions covered: Influence of governance practices on accountability.
- **Cluster 2: Ethical Leadership**
 - Questions focus on ethical behavior, communication, and stakeholder relations.
 - Research questions covered: Role of ethical leadership in enhancing trust.
- **Cluster 3: Corporate Accountability**
 - Questions measure the effectiveness of accountability measures in organizations.

Scaling Method: The questionnaire utilized a **Likert-type scale** with the following options:

- Strongly Agree (SA) - Weight: 4
- Agree (A) - Weight: 3
- Disagree (D) - Weight: 2
- Strongly Disagree (SD) - Weight: 1

Reason for Choosing Likert Scale: This format allows for a nuanced understanding of participant attitudes toward corporate governance and ethical leadership, making it suitable for capturing varying levels of agreement.

Appendix B: Interview Protocol

Background: The interview aimed to gather in-depth insights from key stakeholders regarding their perceptions of corporate governance practices and ethical leadership in their organizations.

Participants: Executives and managers from leading pharmaceutical companies were interviewed. The interviews were semi-structured, allowing for flexibility in responses while ensuring coverage of essential topics.

Appendix C: Focus Group Discussion Guide

Background: Focus group discussions were conducted to understand collective perceptions regarding corporate governance and ethical leadership.

Participants: Representatives from various departments within pharmaceutical companies participated, fostering a diverse discussion.

Appendix D: Research Instrument

Instrument Overview: The research instrument comprised a structured questionnaire developed specifically for this study, with sections designed to assess corporate governance practices, ethical leadership, corporate accountability, and stakeholder trust.

Content of the Instrument:

Demographic Information

Ethical Leadership

Questions assessing the perceived ethical behavior of leadership.

Corporate Accountability:

Questions evaluating the effectiveness of accountability practices.

Stakeholder Trust:

Questions measuring stakeholders' trust and confidence in the organization.