

## Corporate Governance Reforms in a Developing Economy: Making a Case for Upstream and Downstream Interventions

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**Abstract :** A blend of internal factors (firm performance, internal stakeholders) and external pressures (globalisation, technology, corporate scandals) have intensified calls for corporate governance reforms. While several countries and their governments have responded to these calls, the effect of such reforms on corporate governance systems across countries remains mixed. In particular, the literature reports that the effectiveness of corporate governance interventions in many developing economies is limited. Relying on the corporate governance system in Africa's largest economy (Nigeria), this research addresses two issues. First, this study explores why previous corporate governance reforms have failed and second, the article investigates what reforms could improve corporate governance practices in the country. In addressing the above objectives, this study adopts a qualitative approach that permits data collection via semi-structured interviews with 21 corporate executives. The data supports the articulation of two sequential levels of reforms (i.e., the upstream and downstream reforms). The upstream reforms focus on two crucial but often overlooked areas that undermine reform effectiveness, i.e., the extent of government commitment and an enabling environment. The downstream reforms combine awareness and regulatory elements to proffer a path to robust corporate governance in the country. Furthermore, findings from this study stress the need to consider the use of a bottom-up approach to corporate governance practice and policymaking in place of the dominant top-down strategy.

**Keywords :** bottom-up approach, corporate governance, reforms, regulation

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