Title of Article: Central Bank of Nigeria (CBN), Corporate Governance and Bank Failure in Nigeria.

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Abstract:
Where good corporate governance exists the livelihood of bank failure is minimal. This study is a conceptual analysis of the role of Central Bank of Nigeria (CBN) in the prevention of bank failure with emphasis on the preventive measures adopted by CBN in regulating and supervising the banking sector in Nigeria. Predicting the potential of failure in the banking sector becomes essential if banks are to be rightly guided in their decision making because the impact of financial ill health in the banking sector affects the government, the regulatory authorities, the bankers as well as the general public. The objective of this study is to ascertain the role and steps taking by the Central Bank of Nigeria in curbing bank failure. To achieve this objective, ordinary least squares regression (OLS) was employed using data from 1986-2010. The result showed that the preventive measures adopted by CBN have been effective and there is a positive relationship between prevention of bank failure and the role of CBN. We thus recommend the enforcement of effective monitoring of bank operations, regular routine examination on banks and establishment of a committee of banking supervisory authorities. Also, banking institutions should be subjected to rigorous regulation laid down by CBN and sufficient measures should be put in place to control all the identified critical factors such as undue interference from board members, political crises, undercapitalization and fraudulent practices of the insiders that causes bank failure.

Key words: Banking Institutions, Central bank of Nigeria, Corporate Governance, Bank failure