

CORPORATE GOVERNANCE PRACTICES AND INTELLECTUAL CAPITAL ATTRACTION AND RETENTION IN A TYPICAL NIGERIAN POLYTECHNIC



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Abstract

The ability of a higher learning institution to attract and retain intellectual capital is a function of sound governance practices hence this study was conducted to examine the relationship between corporate governance and intellectual capital attraction and retention in higher learning institution. It also examined academic staff perception on intellectual capital management including the factors that determine intellectual capital attraction and retention. Questionnaires were distributed to a sample of 200 academic staff of the polytechnic under study intended to elicit responses on issues of importance of corporate governance, factors responsible for the attraction and retention of intellectual capital and their perception of intellectual capital management in the polytechnic. Analysis revealed that the polytechnic's competitive position improves with increase in its intellectual capital while 81 percent of the respondents agreed that they joined the polytechnic because of its value-added advantage. 80 percent agreed to the fact that their intellectual contributions improved at the polytechnic. Finally, the findings revealed that there is a positive correlation between sound corporate governance and intellectual retention because about 90 percent agreed that they are encouraged to take part in the decision making process. The study therefore concludes that not less than 70 percent agreed that the polytechnic is a well-governed higher learning institution. Despite the above results, this study recommends that the polytechnic should improve on its internal control mechanism and its reporting and disclosure mechanism.

Keywords: Intellectual capital, Corporate governance, Attraction, Retention, Higher learning institution, Management.

Background to the Study

For the long-term sustainability of organisations in particular and the economy in general, good corporate governance is imperative. Corporate governance is about setting rules of engagement for all stakeholders in business and non-business organisations. It is about the manner in which organisations; especially companies are directed, controlled and held to account. Its importance in the present corporate world is on the increase due to the recent spate of corporate frauds and scams that rattled the confidence and faith of the corporate stakeholders. Therefore, the interest attached to corporate governance practices is expected to increase (Sharma and Talwar, 2005). Recognition of corporate governance in Nigeria began with the issuance of corporate governance codes by the Security and Exchange Commission in 2003 for firms quoted on the stock exchange. This was then followed with the one issued by the Central Bank of Nigeria in the post-consolidation period in March 2006. The Financial Reporting Council (FRC) recently, in 2015, issued Exposure Drafts on National Code of Corporate Governance for the Private, Public and Not-for Profit organisations.

Though, interest in corporate governance has been heightened in the Nigerian Corporate environment, not much of this interest had been directed towards the governance of Nigeria's higher learning institutions (HLIs). What can be identified as efforts towards ensuring good governance practices in Nigeria's HLI had been provided by the Ministries of Education. This is further assisted by the Acts setting up the National Universities Commission (NUC), National Board for Technical Education (NBTE), National Commission for Colleges of Education (NCCE), Tertiary Education Trust Fund (TETFUND), and Nigerian Educational Research Council (NERC). All these were enacted to ensure the HLIs become more dynamic, competitive and have a good governance practice.

One of the features of a good HLI is its ability to attract and retain the best academic staff who can contribute to improvement in research (Yusof, 2008). This is consistent with Nelson and Phelps (1966) who consider the academic staff as intellectual capital and the most wanted and strategic resource in HLIs. This study therefore, intends to investigate the relationship between corporate governance and intellectual capital in the learning environment. The HLI's provide an effective area for such study since intellectual capital is the most important and strategic resource for HLI (Yusof, 2008). This study contends that without good governance practices, a HLI cannot attract and retain the best intellectual capital. This study is an adaptation of similar study carried out by Assem et al (2007).

In establishing the relationship between corporate governance and intellectual capital, a survey was conducted on academic staff in one government owned Polytechnic in Nigeria coded Poly Z. The expected findings from this survey will provide direction for the stakeholders on which governance practices that should be incorporated in Poly Z for it to be able to attract and retain its academic staff.

Polytechnic Z

The Polytechnic under study is located in South-west, Nigeria. It is about 38 years old and the oldest higher learning institution in the State where it is located. It is publicly-owned. The Polytechnic is currently managed by the 11th Governing Council and the 10th Rector. Its Executive management comprises of the Rector, Two (2) Deputy Rectors, Registrar, Bursar and the Polytechnic Librarian.

The Polytechnic's Academic staff strength is about 300 spread among courses of studies in the fields of Engineering, Technology, Applied sciences, Agriculture, Environmental sciences, Management sciences and Liberal studies. The average length of service of respondent is 17 years which is about half of the year of existence of the Polytechnic. It is against the background of this average length of service that this study is being undertaken.

The study's main aim is to examine the relationship between corporate governance and intellectual capital in this Poly Z. The specific objectives of the study are:

1. To examine the perception of the academic staff towards intellectual capital and governance practices in the Polytechnic.
2. To identify the factors that affects and retains qualified academic staff

Review of Related Literature

The going-concern of any organisation is at risk if it is not properly run. One of the reasons for the riskiness is due to the separation of ownership and management of an organisation. This creates agency problem as identified in the Agency theory. This problem emanates when managers pursue their own selfish interests at the expense of the interests of other stakeholders. To prevent such selfish behaviours, there should be in existence structures and processes that will checkmate this pursuit of self interest in managing the organisation. Laws or codes of best practices are established with the incorporation of mechanisms that ensure the accountability of directors and managers towards achieving maximum shareholders' wealth. Agency theory therefore assumes that corporate governance system of best practices will ensure that agent behaviour is geared towards the interests of the principals. (Fama & Jensen 1983a,).

Stewardship theory assumes that stewards are to be obedient servants/managers who will act in the best interest of the owner/principals. The theory is located within social psychology. It makes three key assumptions with respect to corporate governance and organisation's survival. Corporate governance practices should be able to identify individual's leading capacity in an organisation. This is to ensure the long-termed survival of the firm. The leadership role of management must be acceptable to members of organisation. It can further be argued that the leadership of an organisation should be a function of the interest of principals, with principal defined loosely to include internal and external stakeholders. This implies that the principals, who may not possess direct ownership rights over a firm, are those who have a direct interest in the organisation such as employees who rely on the organisation for regular wages (Donaldson, L & Davis

1991). Finally, the long term viability of the organisation requires its leaders to implement strategies and practices that provide value-added benefits to the organisation (Waduge, 2011). The three assumptions are the basis of the functions of the governing board of the Polytechnic. The board generally oversees the conduct of administration by the administrative officers and the conduct of teaching and research by the academic staff.

This study is also anchored on Institutional theory. This theory considers the processes by which structures, schemes, rules, norms and routines, become established as authoritative guidelines for social behaviour (Ritzer, 2004). Institutional corporate governance is linked with the theory and the latter had always been associated with path dependence and inertia. It attempts to explain the deeper and more salient aspects of social structure (Ritzer, 2004). It inquires into how these elements are created, diffused, adopted and adapted overspace and time, how they fall, decline and disuse (Waduge 2011). It relies on the belief that firms are bounded, independent to some extent and economically rational. Structure and procedures in organisations are instituted because those outside the organisations like them. Institutional networks are not merely control and coordinating mechanisms for economic transaction, they socially construct rules and beliefs, exert social pressures for conformity, and are founts of legitimacy and hence reward (Major & Hopper, 2004). It forces stakeholders of institutions to a consensus, conformity, conflict and change in the social structures.

Managing a business differs from governance. Management is about running a business whereas governance is about seeing that it is run properly. Corporate governance is a system by which businesses are directed and managed in the best interest of the owners and investors (Akinsulire 2010). It sets the rules for the relationship between stakeholders and the activities for creating and sharing value. As a result, it guides the efficient allocation and management of resources. It ensures that procedures are followed for effective attainment of goals. Good governance practices attract and retain high quality productive resources in an organisation. This translates a better competitive advantage hence the long-term growth and development.

Intellectual capital is one of the prime sources of knowledge-based and knowledge-enabled organisations. Knowledge management therefore accepts that staff owns the tool of development through the knowledge they possess. OECD (1999) defines intellectual capital as the economic value of two categories of intangible assets of a company i.e. organisational or structural capital and human capital. The former refers to things like proprietary software system, distribution networks and supply chains while the latter includes human resources within the organisation. Intellectual capital is a subset of knowledge assets.

Academic staff are knowledge workers. They make use of ideas for the creation and use of knowledge. As higher learning institutions compete and seek to differentiate themselves, they must understand their core competencies in terms of their intellectual capital. Higher learning institution can gain a competitive advantage by identifying its

intellectual capital and integrating it with its strategies and goals. The success of higher education depends on the intellectual capital of staff and their ability to survive in a changing environment. Intellectual capital is a global resource that is highly in demand and it does not fit into geographical confines or rigid company boundaries due to its intangible nature (Bradley 1997). It is geographically mobile. Nowadays there is a need for higher learning institutions to adopt and incorporate structures and processes to effectively deploy, protect and retain human capital (Bontis, 1996, Bradley, 1997, Keenan and Aggestain, 2001). Investment in intellectual capital as prominent resources could therefore provide high returns to an organisation that can lead to competitive advantage and shareholder value (Tayles, Pike and Sofian, 2007).

It is therefore important for the management of higher learning institutions to create supportive and conducive atmosphere for its academic staff to be more productive. A set of working conditions should be provided to aid effective teaching and research. Srivastava and Bhatnagar (2008) indicate that the work environment should enable employees to do their best. It must also be noted that for productivity to increase, healthy, safe and practicable working conditions should be provided to employees. This study suggests that organisations should provide adequate resources for staff for better productivity. Besides, Kane-Urrabazo (2006) believes that employee's dissatisfaction is influenced by the corporate culture and it is the main reason behind staff turnover.

The development and maintenance of better corporate culture require top management to incorporate trustworthiness, empowerment, support, enforcement and consistency in their procedures and policies. In a higher learning institution, a supportive and conducive atmosphere for teaching and research work lead to job satisfaction among academic staff (Azmi, 2006). He further added that a higher learning institution has the responsibility to ensure that its academic staff has the autonomy to explore field of research and to share the findings freely without being threatened. In addition, management should facilitate the work of researchers by making resources available for them to carry out their duties. Azmi (2006) asserted that the availability of resources should not be accompanied by superfluous red tape for respective application that discourages one particularly in applying for research fund. Funding is key to embarking on research and other activities such as organizing and presenting research at conferences. It is not only to develop better research but also as an indicator of excellence (Canibano and Sanchez, 2009).

Another factor that affects the retention of intellectual capital in the higher learning institution is the opportunity for training and carrier development. Such opportunity, if available increases job satisfaction. Job satisfaction increases employees' commitment and become more open to new ideas (Bontis & Serenko, 2007). Training is defined as a planned effort by an organisation to help employee learn some skills while on the job. Such skills must be related to the job being done. The aim of training is for employees to master knowledge, skills and behaviours which are emphasised in training and apply them to their daily activities. Development on the other hands refers to formal

education, job experiences, relationships and assessment of personality and abilities that help employees to prepare for the future. Bontis and Serenko 1997 further added that in order to build employee capabilities and increase their job satisfaction, an organisation should provide an effective, appropriate and successful training. Also, a good salary and benefits package is important for better productivity, but an employee's professional growth must also be ensured by the organisation. In organisations with proper training, employees' turnover rate is lower. Several scholars have concluded that training activities are correlated with productivity and retention.

It is therefore necessary that an organisation aligns its career development policies with the growth goals of its employees. This improves productivity and ensures high retention rate. Higher learning institution should hence provide training and career development as it is a vital component in retaining and achieving an excellent intellectual capital while the benefits goes to both academic staff and the higher learning institution.

The need to involve employees in decision-making helps to improve governance in an organisation. Employee's involvement is a means of increasing their commitment to the organisation through a participative process. Employees should be involved in decision-making. Bhatnagar (2007) therefore recommends human resources interventions that treat employees as wealth co-creators and regard employees as partners in the business in order to help them achieve the satisfaction of creating and fulfilling new areas of business acumen.

Reward is another factor that encourages the attraction and retention of intellectual capital in higher learning institutions. Academic staff may not give much to their institution if much is not given or expected in return. Proper reward should be given to those who strive towards and achieve academic excellence. Remuneration may be defined as financial and non-financial rewards that are provided by an employer for the time, skill and efforts made available by employees in the fulfilment of job requirements which are aimed at organisational goals achievement (Swanepoel et al 2000).

Studies have found that highly competitive wages systems promote employee commitment which results in the attraction and retention of a superior workforce (Moncarz, 2009). Organisations offering better rewards tend to attract the most applicants and can recruit the best qualified staff. Good compensation package should therefore be encouraged so as to develop a real excellence in research and teaching.

Motivation is human psychological characteristics that contribute to a person's commitment. It includes such factors that cause, channel or sustain human behaviour in a particular committed direction. Motivated people may work harder for a lower wage. Motivation affects both productivity and willingness to work. Academic staff need to be sure that their efforts will be acknowledged and valued and that they will be rewarded fairly. European Commission (2003) further asserted that employees feel motivated when their contributions for the firm is documented, this consequently improve their

performance. Promotion based on academic merit of excellent research and competent teaching is another factor that leads to an increase in job satisfaction and simultaneously to attraction and retention of those in professional cadres. Other motivation factors include a sense of joy of life, a sense of well-being, and a sense of contribution.

The need for transparency, disclosure and adequate reporting are part of the ingredients of corporate governance so that an organisation can cultivate integrity and trust. Organisation should clarify and make publicly, the roles and responsibility of the board and management. An organisation's financial reporting integrity must be protected and independently verifiable. This integrity also involves timely disclosure of material information to enable stakeholders have access to clear, factual information. In order to cope with multiple missions and fulfil their accountability duties, management and reporting mechanism should be improved (Cambano and Sanchez, 2009).

The evaluation system of higher learning institution should be accessible to academic staff. This can be exercised simply by publishing the curriculum vitae of those who are promoted (Azmi, 2006). The higher learning institution community should be able to ascertain whether there is a fair evaluation process in the system. Where this is difficult, problem arises in decision-making for resources allocation and research assessment.

OECD places special emphasis on protecting employees' rights and directing companies' efforts towards better serving employees' needs. Offending the employees' rights and needs would lead to feeling insecure, lack of confidence and motivation about their work. Eventually, they are least likely to become cooperative towards knowledge sharing, innovative and creative and even making a wise decision, as a result, increase turnover (Fre'mond and Capaul, 2002).

This study aims to examine the academic staff perceptions of higher learning institution general corporate governance and intellectual capital management as they relate to policies and procedures, disclosure and transparency, reporting, integrity and corruption. It will also determine the factors that can possibly affect the attraction and retention of intellectual capital as they relate to the effective management of the Polytechnic under study.

Design of the Study

The aim of this study is to determine the relationship between corporate governance and intellectual capital attraction and retention in Higher learning institutions. This aim is intended to be achieved by eliciting responses from lecturers through questionnaires on their perceptions of some identified aspects of corporate governance. This questionnaire is in 6 parts: Part 1 collects personal data bothering on current academic position, year of joining the institution as academic staff, position at point of entry, gender, age and number of journal publications. Part 2 addresses the importance of intellectual capital, Part 3 is on factors considered in joining the institution, and those considered for the continued stay in the institution are assessed in Part 4. Part 5 elicits responses of

perceptions of lecturers on the institution's general governance practices while Part 6 considers lecturers' views on intellectual capital management in the institution.

A sample of 200 lecturers, comprising of Lecturer II equivalents and above, were involved in the study and the respondents were 62 or 31 percent of the sample size. The questionnaire was constructed using the 5-point Likert scale. The study adopts descriptive statistical analysis technique and percentages of those that agree and those that disagree to the proposed statements were obtained and analysed.

The questionnaire was adapted from a similar study conducted by Assem *et al.* (2007) which was to identify important factors responsible for attracting and retaining academic staff to an institution. It will also allow the identification of the use of strong corporate governance principles in the institutions under study.

Findings

Reliability and Normality Tests

A reliability test was conducted to measure the internal consistency between the items in the questionnaires. The reliability test statistic in Table 1 shows a Cronbach's alpha value of .919, suggesting a very good internal consistency and reliability of the corporate governance practices scale. This suggests that all the items in the questionnaire are strongly related to each other.

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
.919	48

The normality test was conducted on the distribution of total governance scores and the results of the Kolmogorov-Smirnov and Shapiro-Wilk indicated a significant result (Sig. = .000). This value suggests a potential violation of the assumption of normality; hence the study adopts non-parametric statistical techniques for further data analysis.

Characteristics of the Respondents

A total of 62 responses were collected from across academic staff at Polytechnic Z. 62 percent of the respondents are in the age group 31-50 years old, which represented the most common age group in the survey. 66 percent of the respondents are currently between Senior and Chief Lecturer positions. This signifies that a better percentage of the respondents are senior and experienced lecturers. In terms of publications, 71 percent of respondents have 10 and below number of publications, signifying lower tendency for research activities. 77 percent of the respondents are male lecturers.

Importance of Intellectual Capital

The result in Table 2 shows the summary of the responses on academic staff of the polytechnic under study with respect to the importance of intellectual capital provides to the academic institution. 91 percent of respondents reported that polytechnic's

reputation and improvement relies on its human capital. A total 93 percent agree that the polytechnic's competitive position improves with the increase of its IC. Furthermore, 92 percent believe that the success of the polytechnic depends on its academic staffs. Respondents, however, were not as affirmative as to whether the polytechnic capitalizes on its recognition of its existing scholars in attracting new members as just 63 percent of the respondents agreed to the statement. These findings stress the importance of the human element and IC for academic institutions to survive and prosper. These findings align with Tayles, Pike and Sofian (2007).

Table 2: The overall perception of respondents toward the importance of IC to a polytechnic

S/N	Statements	Agree		Disagree	
		N	%	N	%
1	The success of polytechnic depends on contribution from academic staff.	56	91.8	5	8.2
2	The Polytechnic's reputation and improvement relies on its academic staff.	55	91.2	6	8.8
3	The Polytechnic's competitive position improves with the increase in its intellectual capital.	57	93.5	3	4.9
4	The Polytechnic recognizes its existing scholars attract new ones.	35	62.5	11	19.7

Source: Field survey, 2015

Factors considered in joining the Polytechnic

The second part of the analysis is devoted to the findings on the factors that influence the academics' decision to join the Polytechnic. The results in Table 3 show that the most important factors considered by the academic staff when joining the polytechnic are the possibility of academic advancement, the Polytechnic's reputation, and governance at the polytechnic.

The results show that 80 percent of the sample agreed that they joined the Polytechnic because they believe it will add value to their academic advancement. This is indeed synonymous with IC development and reflects the emphasis that academic staff of the polytechnic place on their progress within the institution. 64 percent of the respondents agreed that reputation, of which existing IC is a contributory factor, was an important factor considered when joining the Polytechnic. 61 percent also agreed that governance at the Polytechnic is certainly related to attracting new academic staff to the polytechnic. The findings are thereby generally consistent with Azmi (2006), Bontis and Serenko (1997) and Cambano and Sanchez (2009).

The least likely factor to be considered is the remuneration package offered by the institution, with only 27 percent of the respondents who strongly agree and agree to have joined the polytechnic because of its salary.

Table 3: Factors considered in joining the polytechnic

S/N	Statements	Agree		Disagree		U	
		N	%	N	%	N	%
1	I joined this Polytechnic because of its reputation.	40	64.5	16	25.8	6	9.7
2	I joined this Polytechnic because it pays better.	17	27.4	35	56.5	10	16.1
3	I joined this Polytechnic because I believe it will add value to my academic advancements.	50	80.6	8	12.9	4	6.5
4	Governance at this Polytechnic is a key factor in attracting new academic staff.	38	61.3	19	30.6	5	8.1
5	I joined this Polytechnic because of its location.	21	33.9	35	56.4	6	9.7

Source: Field survey, 2015

Factors considered for continued stay in the Polytechnic

This study was also aimed at examining the effect of corporate governance on intellectual capital retention. Therefore, the study examined the factors that make academic staff of the polytechnic decide to stay at the polytechnic. Table 5 shows the summary of the responses of the academic staff of the polytechnic in respect of their decision to stay in the polytechnic.

The results show that the most important factors considered by the academic staff for their continued stay at the polytechnic are availability of opportunities for getting to the top of their careers and governance practices implemented by the Polytechnic. Also, a sizable proportion of academic staff of the Polytechnic (84 percent) affirmed that they will recommend friends and relations to work at the Polytechnic at any given opportunity, 81 percent does not mind a change in location and 79 percent will continue to stay because there are opportunities to get to the top of their career. The results above align with the positions of Azmi (2006) and Bontis and Serenko (2007) on job satisfaction. Surprisingly, the responses as regard continued stay at the Polytechnic despite availability of opportunities in other organizations showed a lower rate as 47 percent disagreed as against 34 percent who agreed to stay in the Polytechnic irrespective of outside opportunities.

The response to the statement as to their determination to continue to work with the polytechnic of its pay revealed that 45 percent of the respondents disagreed, while another 45 percent agreed to being encouraged. Also, 58 percent agreed to the fact that their decision to continue working at the Polytechnic is because their promotion is assured, while 34 percent disagreed.

Table 4: Factors considered for continued stay at the polytechnic

S/N	Statements	Agree		Disagree		U	
		N	%	N	%	N	%
1	I am encouraged to continue working at the Polytechnic because of its pay.	28	45.2	28	45.2	6	9.6
2	I am continuing my work with the Polytechnic because my Promotion is assured.	36	58.0	21	33.9	5	8.1
3	I shall recommend a qualified friend/relation to work at the Polytechnic at any given opportunity.	52	83.8	5	8.1	5	8.1
4	I am ready to remain in the polytechnic even if its location is changed.	50	80.6	7	11.3	5	8.1
5	There are opportunities for getting to the top of my career at this Polytechnic.	49	79.0	8	12.9	5	8.1
6	I will remain in the Polytechnic irrespective of available opportunity in other organizations.	21	33.9	29	46.8	12	19.3
7	I continue to work at the Polytechnic because of its governance practices.	34	54.9	19	30.6	9	14.5

Source: Field survey, 2015

Perception of Respondents toward the Polytechnic's General Governance Practices
 This section reveals the academic staff perceptions of governance practices at the Polytechnic. The findings which are shown in Table 6 reveal that 83 percent agreed that the Polytechnic policies clarify responsibility and accountability of all academic staffs. 84 percent agreed that policies and procedures are clearly defined. 84 percent agreed that the Polytechnic emphasizes collaboration between colleagues. 90 percent agreed that they partake in the decision-making. Overall, a majority of the respondents perceive the Polytechnic as a properly governed institution in the context of enforcement of the rules and regulations, policies and procedures, and with an information system which includes the dissemination of information and access to accurate and relevant information. It is also generally agreed that the polytechnic disciplines its staff for wrongful conduct.

The findings also reveal the institution's transparency and the protection of the rights of its academic staff. Therefore, there is a clear acceptable view of governance at the Polytechnic, possibly anchored on the innovative governance system practiced by the management of the polytechnic.

73 percent agreed that the Polytechnic is transparent in their evaluation system. This refers to how the academic staff are promoted and the kind of rewards offered to them with regard to their performance. Another 71 percent agreed that the Polytechnic is transparent in its financial allocation while 70 percent agreed that the Polytechnic is transparent in its provision of facilities.

Generally, the findings on the polytechnic's governance practices supports the views of Srivastava and Bhatnagar (2008) on supportive work environment for best performance, Bhatnagar, (2007) on employees involvement in decision-making, Cambano and Sanchez (2009) & Azmi (2006) on transparency of the reporting and evaluation systems.

An area of concern was integrity and trust. This is an important factor in determining the level of job satisfaction of employees. When there is no trust, employees may believe that the Polytechnic is not worthy of their loyalty (Brooks, 2009). In this case less than half, (43 percent) of the respondents believe that there is no opportunity to be corrupt in the polytechnic.

Table 6: The overall perceptions of the Polytechnic's general governance practices

S/N	Statements	Agreed		Disagreed		U	
		N	%	N	%	N	%
1	There are guidelines to clarify the responsibility of all academic staffs.	52	83.8	5	8.1	5	8.1
2	The Polytechnic is a transparent organization.	45	72.6	9	14.5	8	12.9
3	The Polytechnic has a proper system for dissemination of information.	51	82.3	8	12.9	3	4.8
4	The Polytechnic's policies and procedures are clearly defined for all academic staffs.	51	82.3	9	14.5	2	3.2
5	The Polytechnic's policies and procedures are the same for all academic staffs.	44	71.0	16	25.8	2	3.2
6	The Polytechnic takes the necessary corrective action in case of wrongful behaviour committed by its academic staffs.	49	79.0	9	14.5	4	6.5
7	The Polytechnic is a well governed institution.	51	82.3	8	12.9	3	4.8
8	My rights at the Polytechnic are well-protected.	42	67.7	13	21.0	7	11.3
9	Accurate and relevant information in the Polytechnic is easy to access.	38	61.2	20	32.3	4	6.5
10	There is no chance of being corrupt in this Polytechnic.	26	41.9	26	41.9	10	16.2
11	This Polytechnic emphasizes inter-organizational relationships.	45	72.6	9	14.5	8	12.9
12	This Polytechnic emphasizes collaboration between colleagues.	52	83.9	7	11.3	3	4.8
13	Academic staffs are encouraged to take part in the decision making process.	56	90.3	5	8.1	1	1.6
14	Academic staffs are encouraged to give suggestions on how to improve the operations within this Polytechnic.	46	74.2	6	9.6	10	16.2

15	Our work supports the mission and vision of this Polytechnic.	51	82.3	8	12.9	3	4.8
16	This Polytechnic is transparent in its evaluation system.	48	77.4	9	14.5	5	8.1
17	This Polytechnic is transparent in its financial allocation.	42	67.7	8	12.9	12	19.4
18	This Polytechnic is transparent in imposing new rules.	41	66.1	14	22.6	7	11.3
19	This Polytechnic is transparent in its provision of facilities.	42	67.8	11	17.7	9	14.5

Source: Field survey, 2015

Perception of Respondents as Regard Intellectual Capital Management at the Polytechnic

Table 7 reveals the efficiency of IC management in the polytechnic as it further reinforces the observations of CG in the Polytechnic. The results show that 87 percent agreed that their performance improved when their efforts were appreciated, and they also believe that their intellect (knowledge, skills and competencies) improves at the Polytechnic. Also, the Polytechnic also encourages the research work of the academic staff (83 percent) and also provides the necessary resources for them to achieve their research targets (64 percent). Furthermore, 84 percent of respondents agreed that the Polytechnic has a fair reward system, a reflection of the perception that motivation is high.

67 percent of respondents agreed that the Polytechnic encourages creativity and innovation among its IC. In line with that, a majority of the academic staff (66 percent) agree that the Polytechnic provides appropriate and adequate training for their career development, consequently, encouraging them not to search for job in other institutions.

Moreover, 67 percent of the respondents agreed that the Polytechnic rewards new ideas and outstanding output and 67 percent supported the notion that the Polytechnic has the necessary tools to evaluate academic competencies. However, 72 percent agree that everyone takes credit for his/her own work, a result negated by the 61 percent who agreed that somebody else takes credit for others' work.

The results showed that intellectual capital management is on the average considering the perceptions of staff on the governance practices in the polytechnic. This results still align with European commission (2003) assertion that workers are motivated when their contributions are documented, Azmi (2006) assertion that resources availability for researchers should not be accompanied by red-tapism and that research findings should be an indicator of excellence.

Table 7: Overall perceptions of respondents from the polytechnic toward intellectual capital management in the Polytechnic

S/N	Statements	Agreed		Disagreed		U	
		N	%	N	%	N	%
1	The Polytechnic encourages my research work.	48	77.4	8	12.9	6	9.7
2	The Polytechnic provides the necessary resources to achieve my research work.	39	62.9	18	29.0	5	8.1
3	The Polytechnic's management system facilitates the work of academic staff.	45	72.6	11	17.7	6	9.7
4	The Polytechnic rewards new ideas and outstanding output.	40	64.6	11	17.7	11	17.7
5	The Polytechnic encourages creativity and innovation.	45	72.6	9	14.5	8	12.9
6	The Polytechnic has the necessary tools to evaluate my competency.	40	64.6	17	27.3	5	8.1
7	The Polytechnic has a fair reward system.	51	82.3	8	12.9	3	4.8
8	At the Polytechnic, everyone takes credit for his/her own work.	43	69.3	14	22.6	5	8.1
9	If my work is appreciated, my performance improves.	52	83.8	5	8.1	5	8.1
10	My intellectual (knowledge, skills and competencies) contributions improved at the Polytechnic.	52	83.8	8	12.9	2	3.3
11	I am motivated to do research because other academic staffs do.	34	54.8	22	35.5	6	9.7
12	The Polytechnic provides appropriate and adequate training for my career development.	40	64.6	15	24.2	7	11.2
13	At The Polytechnic, nobody takes credit for your own work.	36	58.0	14	22.6	12	19.4

Source: Field survey, 2015

Conclusions

This study intended mainly to examine the relationship between Corporate Governance and Intellectual Capital Attraction and Retention in a polytechnic and by further examining the perception of the academic staff towards intellectual capital management and the polytechnic governance practices. It also identified the factors that attract and retain qualified academic staff because intellectual capital is the most important resources in a knowledge-based organisation. Its importance is increasingly appreciated in the world of business (Bontis, 1996; Bradley, 1997; Keenan and Aggestam, 2001)

From the analyses above, it can be concluded that the polytechnic under study is a well-governed institution and that there is a positive relationship between the governance practices of the polytechnic and the intellectual capital attraction and retention.

The findings supported the view that intellectual capital can be attracted and retained when governance practices encourages staff participation in decision making processes, provides conducive and supportive working environment, promotes intellectual

development and motivates staff to be more productive.

The results also revealed that academic staff increases their productivity where they have the opportunities to understand the rules and policies of their organisation, are provided the opportunity to reach the top of their career, have access to information and are able to appreciate that resources are not only provided, they can be equitably accessed by every deserving staff.

The variables stated above are indicators of good corporate governance practices in any organisation. Proper management and sound corporate governance tend to capitalize on and retain intellectual capital (Abu and Dol, 2012).

Recommendations

It should be noted that the polytechnic under study should improve on its internal control mechanism for the prevention of fraudulent practices and also take steps to promote trust within the system by improving its reporting and disclosure mechanism. The polytechnic reward system should also be more transparent to ensure that credit is given to whom it is due.

The findings of the study must be taken with caution because the demographic result revealed that over 50 percent of the respondents are older staff members and on the higher positions hence the findings may not be the generalised views of the entire academic staff of the polytechnic especially those of lower cadre. Also, the polytechnic is just one of the publicly-owned, hence a different result may be obtained if the number is increased or a privately-owned polytechnic is used for the study.

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