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EFFECT OF INSTITUTIONAL GOVERNANCE ON SUSTAINABLE BUSINESS PRACTICES IN DANGOTE GROUP, LAGOS, NIGERIA.

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ABSTRACT

Strong institutional governance is widely regarded as essential for driving sustainability in today's corporate world, especially in developing economies like Nigeria. This paper examines how three aspects of governance, board oversight, compliance culture, and stakeholder engagement, shape sustainable business practices in Dangote Group, Lagos. A descriptive survey was employed to collect first-hand data from managers and officers who are actively involved in these areas. According to Dangote's HR office (March 2025), 161 staff members are working across governance, compliance, sustainability, and CSR functions. Using Taro Yamane's formula with a 5% margin of error, an initial sample of approximately 115 was calculated, with an additional 10% included to accommodate potential dropouts, resulting in a final sample of 127. Stratified random sampling ensured that all units were fairly represented. Data were collected through a structured questionnaire. The findings of descriptive statistics, correlation, and multiple regression analyses indicated that board oversight and stakeholder engagement exert the most significant influence on sustainability initiatives, whereas compliance culture offers further reinforcement. The research concluded that effective governance, combined with genuine stakeholder engagement, enables companies to achieve enduring sustainability. It is recommended for Dangote Group to enhance board oversight, reinforce

compliance measures, foster transparent communication, and interact with stakeholders to uphold its status as a sustainability leader in Nigeria's corporate sector.

Keywords: *Institutional governance, board oversight, compliance, stakeholder engagement, sustainability, Dangote Group, Nigeria.*

Introduction

Globally, institutional governance is a fundamental component in determining sustainable business practices, particularly in the manufacturing sector, where activities greatly affect social, environmental, and economic aspects. World Economic Forum (2023) reports show that good governance systems may improve manufacturing companies' long-term competitiveness, responsibility, and openness. With countries working towards the UN Sustainable Development Goals (United Nations, 2022), the sector, which makes around 16% of the world's GDP and roughly 20% of greenhouse gas emissions, faces increasing pressure to include sustainability in basic operations (OECD, 2022). Studies show that companies with strong governance systems are typically more committed to ethical behaviour and environmentally friendly manufacturing. For example, Asian enterprises with strong board control exceeded their rivals by 15% in achieving sustainable compliance criteria, Lee and Chen (2021) found. Comparably, Garcia- Sanchez et al. (2020) found that businesses encouraging stakeholder engagement had raised investor confidence and corporate transparency.

Contributing over 8.7% to GDP and sustaining over 5 million jobs in the African context, Nigeria's manufacturing sector is vital for both employment and economic growth (NBS, 2023). Notwithstanding this, governance issues still prevent the industry from aligning with global sustainability criteria (Eze et al., 2021). Often resulting in uneven sustainability reporting and operational breaches, including regulatory loopholes, insufficient compliance procedures, and low stakeholder involvement (Obi et al., 2022). Transparency International (2024) has pointed out that these governance flaws can make it difficult for Nigerian businesses to get green finance opportunities or access to foreign marketplaces. The key actor in this scene is Dangote Group, the biggest industrial giant in Africa. Operating in cement, sugar, salt, and refinery sectors, it has a major impact on Nigerian industrial output (Dangote Industries Limited, 2024). Its enormous scope and resource-intensive operations place it at the center of Nigeria's sustainability conversation. Corporate reports demonstrate that Dangote Group has gradually embraced governance measures meant to improve sustainability performance; nonetheless, concerns regarding the uniformity and depth of these practices among subsidiaries remain unresolved (Corporate Affairs Commission, 2023).

Generally speaking, institutional governance is the collection of institutions and procedures that control and manage organisational operations to promote responsibility, fairness, and conscientious decision-making (Aguilera & Jackson, 2022). In manufacturing, it describes three related elements: stakeholder engagement, compliance culture, and board oversight. Board oversight guarantees strategic congruence between corporate goals and environmental objectives (Ab Abdullahi & Shamsuddeen, 2021). Compliance culture reveals how committed a company is to adhering to ethical norms, laws, and regulations, therefore fostering corporate integrity (Adebayo et al., 2023). Through structured and meaningful interactions with both internal and external stakeholders, organisations are better positioned to ensure that corporate decisions reflect broader social and environmental concerns (Nnadi et al., 2024). Studies on these governance concerns inside Nigerian businesses provide contradicting findings. While Ibrahim and Musa (2023) reported that despite compliance procedures, failures frequently lead to shallow sustainability reporting and greenwashing, Okoye and Nwachukwu (2021) argued that strong board monitoring increases sustainability disclosures. Similarly, Eze et al. (2021) noted that corporate social responsibility activities typically replace thorough sustainability planning in stakeholder interaction. Using board oversight, compliance culture, and stakeholder engagement as fundamental proxies, this paper investigates the influence of institutional governance on sustainable business practices at Dangote Group, Lagos, Nigeria.

Statement of the Research Problem

Even with growing worldwide support for environmentally friendly industrial methods, many large-scale manufacturing companies in underdeveloped countries still exhibit widespread sustainability-related misconduct. Over 45% of big firms still report events of non-compliance with environmental standards, resource waste, and inadequate waste disposal practices, according to recent figures from the Nigerian Corporate Governance Index (2024). These violations not only damage company reputations but also impede advancement towards national and worldwide sustainability goals. For instance, manufacturing giants greatly contribute to the 20% increase in recorded industrial pollution incidents over the past five years, identified by the National Environmental Standards and Regulations Enforcement Agency (NESREA, 2023). Although several legislative changes and sustainability strategies have been presented to handle such problems, their impact is yet questionable. Only 52% of members of the Manufacturing Association of Nigeria had completely functioning sustainability compliance units, suggesting discrepancies between policy development and practical application.

Moreover, empirical evidence suggests cases when sustainability pledges are recorded mostly for outside audits but are not effectively incorporated into everyday activities.

Scholarly studies of sustainable business practices in the industrial sector of Nigeria produce different and even contradictory results. For instance, according to Okoye and Nwachukwu (2021), sustainability projects are starting to show up in business cultures and improving environmental reporting and community participation. On the other hand, Ibrahim and Musa (2023) noted extensive evidence of surface compliance, implying that many businesses use sustainability terms more for branding than for practical need. This difference draws attention to the lack of agreement among the research on the depth and sincerity of environmental initiatives among big companies.

Leading market player Dangote Group has always shown its dedication to sustainable practices by means of policy statements and corporate social responsibility reports. Still, there are unresolved issues concerning how successfully these principles convert into observable and quantifiable actions throughout its many businesses. Recent community demonstrations near several of its plants, claiming environmental pollution and inadequate stakeholder input (Premium Times, 2024), show the discrepancy between stated aims and actual reality. Not only will addressing these contradictions help Dangote Group's sustainability credentials, but it will also guide more general governance changes in Nigeria's industrial sector. Thus, this study is conducted to close the empirical and contextual gap by providing updated insights on the ongoing sustainability malpractices despite existing governance structures and by providing evidence-based recommendations that could help better align policy and practice.

Research Questions

This study seeks to answer the following research questions:

1. To what extent does board oversight influence sustainable business practices in Dangote Group, Lagos?
2. How does compliance culture affect the adoption of sustainable business practices in Dangote Group, Lagos?
3. How does stakeholder engagement impact sustainable business practices in Dangote Group, Lagos?

Objectives of the Study

The objectives of this study are to:

1. Examine the influence of board oversight on sustainable business practices in Dangote Group, Lagos.
2. Assess the effect of compliance culture on the adoption of sustainable business practices in Dangote Group, Lagos.
3. Evaluate the impact of stakeholder engagement on sustainable business practices in Dangote Group, Lagos.

Research Hypotheses

Based on the objectives, the study proposes the following null hypotheses:

H01: Board oversight has no significant influence on sustainable business practices in Dangote Group, Lagos.

H02: Compliance culture has no significant effect on sustainable business practices in Dangote Group, Lagos.

H03: Stakeholder engagement has no significant impact on sustainable business practices in Dangote Group, Lagos.

Literature Review

The literature review explores and synthesises scholarly perspectives relevant to institutional governance and its influence on sustainable business practices. It critically examines conceptual understandings, dimensions such as board oversight, compliance culture, stakeholder engagement, and reviews empirical studies to contextualise the study focus within established theories and findings.

Institutional Governance

Modern corporate management is mostly based on institutional governance, which encompasses the systems and tools guiding and controlling companies. According to Aguilera and Jackson (2022), it is the framework that outlines rights and obligations among several business players, including boards, management, shareholders, and stakeholders. Within the industrial sector, this idea helps companies balance profitability with environmental and social obligations. Scholars present several points of view on institutional control. Shleifer and Vishny (1997) assert that good monitoring and responsibility help to protect investor interests. Solomon (2020) broadens this by underlining that ethical decision-making and stakeholder inclusiveness. Tricker (2022) claims that governance guarantees activities fit with regulatory criteria and society expectations by bridging business strategy with compliance and openness.

Strong governance reduces the hazards of industrial regulatory penalties and environmental damage. Eze et al. (2021) underline how well Nigerian manufacturers with thorough governance structures follow waste management regulations and community involvement. Likewise, Garcia-Sanchez et al. (2020) discovered in industrial companies a favourable association between sustainability disclosure and governance quality. Using three dimensions: board oversight, compliance culture, and stakeholder engagement, this paper conceptualises institutional governance. While stakeholder engagement captures the level of connection with impacted groups and authorities, board oversight is strategic monitoring by directors, and compliance culture indicates adherence to laws and ethical standards. These elements taken together help to operationalize governance in a way that meets the particular challenges and expectations experienced by big firms like Dangote Group.

Board Oversight

A key component of institutional governance, board oversight guarantees that business plans complement environmental objectives and protect stakeholder interests. Boards of directors set budgets, give strategic direction, and track executive choices, therefore fostering responsibility by means of checks and balances (Tricker, 2022). According to Abdullahi and Shamsuddeen (2021), effective board oversight reduces managerial opportunism and promotes ethical behaviour, both of which are essential for advancing sustainable business practices. Recent research emphasises how directly better environmental and social results in the industrial sector follow from active board oversight. For instance, companies with diverse and independent boards showed better environmental compliance ratings than those with restricted board independence, Lee and Chen (2021) said. Furthermore, Solomon (2020) stated that boards that give sustainability top priority include social, environmental, and governance (ESG) factors into major decision-making procedures, fostering company resilience in unstable markets.

Evidence points to poor enforcement of sustainability rules, even when many boards in Nigeria embrace them. Although governance rules mandate boards to monitor environmental performance, Okoye and Nwachukwu (2021) observed that conflicts of interest and inadequate knowledge on sustainability issues usually cause implementation to suffer. This observation emphasises the need for open lines of reporting and capacity building within board structures. Board oversight for Dangote Group means making sure operational strategies include sustainability ideas and that performance indicators show adherence to environmental criteria. Being a big conglomerate in resource-intensive sectors, strong board oversight is essential to reduce regulatory violations and improve stakeholder

confidence. In this paper, board supervision is investigated as a crucial factor impacting the company's dedication to sustainable business practices.

Compliance Culture

Compliance culture reflects the collective commitment of an organisation to adhere to relevant laws, regulations, and ethical standards that govern its operations. It embodies the values, beliefs, and behaviours that influence how employees and management respond to compliance requirements (Adebayo et al., 2023). According to Parker (2021), a strong compliance culture goes beyond formal policies, embedding integrity and accountability into daily practices.

Maintaining compliance is vital given the sector's exposure to environmental, health, and safety regulations in manufacturing. Firms with mature compliance cultures typically exhibit lower instances of regulatory violations and benefit from improved stakeholder relationships (OECD, 2022). Bingham and Willis (2020) noted that companies with proactive compliance departments are more likely to integrate sustainability standards into procurement, production, and waste management processes, reducing operational risks. However, evidence from Nigeria suggests that many manufacturing companies face challenges in nurturing a compliance-driven workforce. Eze et al. (2021) highlighted frequent lapses in pollution control and hazardous waste disposal, often attributed to weak internal monitoring and inadequate employee training. Ibrahim and Musa (2023) similarly observed that compliance tends to be reactive, triggered by regulatory inspections rather than ingrained organisational values.

Stakeholder Engagement

Stakeholder engagement is the process by which a company communicates with people either directly impacted by or interested in its activities. Beyond simple communication, it includes active consultation, teamwork, and response to stakeholder issues (Nnadi et al., 2024). Effective participation, claims Freeman (1984), promotes mutual trust and strengthens a company's social licence to operate. Engagement of stakeholders is very important in the manufacturing sector for resolving social and environmental hazards. Businesses that have open lines of contact with communities, authorities, investors, and civil society are better equipped to see any problems early on and co-create sustainable solutions (Garcia-S Sanchez et al., 2020). Proactive involvement helps manufacturing companies control reputational risks, get regulatory clearances, and match operations with community expectations, Lee and Chen (2021) found.

Though it is crucial, stakeholder involvement in Nigerian manufacturing still lacks development. Consultations, according to Eze et al. (2021), usually happen mainly when projects are in progress or during crises, therefore reducing the impact of stakeholders on important choices. Ibrahim and Musa (2023) pointed out that many companies view participation as a must rather than a strategic advantage, which results in shallow contacts and unaddressed community issues. Given the scope and social influence of its activities, Dangote Group finds great value in the active participation of significant stakeholders. Reports of environmental issues and community demonstrations highlight the importance of open communication and cooperative solutions for problems (Premium Times, 2024). Examining how stakeholder involvement affects the Group's adoption of sustainable business practices and its capacity to create strong community ties, this paper sees it as a basic component of institutional governance.

Sustainable Business Practices

Sustainable business practices are those policies and activities that help businesses to run in a way that supports social welfare, preserves the environment, and ensures long-term economic viability. Elkington (1998) argues that business sustainability calls for juggling the "triple bottom line"—people, environment, and profit. Because of the sector's high resource consumption and possibility for environmental damage, this idea has become somewhat well-known in manufacturing. Manufacturers worldwide are using circular economy models, greener manufacturing techniques, and green technology to lower carbon footprints (OECD, 2022) and waste. Companies embedding sustainability into core operations get competitive benefits, including cost savings, innovation, and better stakeholder confidence (Lee and Chen, 2021). Transparency in sustainability reporting, according to Garcia- Sanchez et al. 2020, also boosts regulatory compliance and investor trust.

International pressure and domestic laws like the National Environmental Regulations in Nigeria (NESREA, 2023) have driven a more intense push towards sustainable corporate practices. Still, execution is uneven. Often resulting from resource limitations and poor governance frameworks, Eze et al. (2021) highlighted areas of energy efficiency, waste management, and pollution control lacking in local manufacturing companies. Leading industrial giant Dangote Group comes under close examination for its environmental imprint. From cement to refining to food processing, its activities have significant social and environmental effects. Stakeholders still voice worries about air and water pollution and community relocation, even though the Group has released sustainability reports and embraced corporate social responsibility programmes (Premium Times, 2024).

Review of Empirical Studies

Lee and Chen (2021) investigated how board oversight and stakeholder engagement affect sustainable practices in large manufacturing firms in Southeast Asia. Using a survey design, they collected data from 300 senior managers and analysed it through structural equation modelling. Their findings indicated a significant positive relationship between active board committees and improved environmental compliance, but noted that stakeholder engagement's impact varied across countries due to cultural factors. The study recommended more context-specific governance frameworks but lacked insights into firms operating in developing African economies.

Okoye and Nwachukwu (2021) explored governance factors influencing sustainability adoption among Nigerian manufacturers. They employed a cross-sectional survey with 200 respondents drawn from various manufacturing sub-sectors. The results showed a positive correlation between board involvement and sustainability initiatives. Nonetheless, they acknowledged inconsistencies in policy implementation and a lack of dedicated sustainability experts on boards, which often undermined long-term sustainability goals.

Ibrahim and Musa (2023) examined the relationship between compliance culture and environmental performance in Nigeria's cement manufacturing firms. Their quantitative study involved a sample of 120 compliance officers using structured questionnaires. They discovered that while compliance units existed, weak enforcement mechanisms and occasional regulatory capture reduced their effectiveness. They highlighted a need for stricter monitoring and training to instill a compliance-driven mindset across all staff levels.

Eze et al. (2021) provided insights into stakeholder engagement within Nigeria's large manufacturing enterprises. Through qualitative interviews with 50 community leaders and plant managers, they found that engagement was often superficial and reactive, largely aimed at crisis management rather than proactive partnership building. This shortcoming often resulted in community dissatisfaction and reputational risks for firms. They recommended embedding stakeholder input into strategic planning, but did not assess how governance structures could support this integration.

Theoretical Framework

The theoretical framework provides a foundation for interpreting the relationship between institutional governance and sustainable business practices. This section discusses three relevant theories: Agency Theory and Stakeholder Theory, highlighting their principles, empirical support, and relevance to the present study.

Agency Theory

Agency theory, first proposed by Jensen and Meckling (1976), holds that different interests could cause conflicts between principals (owners) and agents (managers). The argument for governance structures, including board supervision, is that they help to match management decisions with shareholder objectives. Empirical research, such as that of Lee and Chen (2021), confirms that active boards help reduce management opportunism, thereby improving responsibility and sustainable practices. Agency Theory informs the analysis of board supervision in this study, thereby emphasizing how alert boards can ensure compliance with sustainability goals and mitigate manager self-serving actions.

Stakeholder Theory

Stakeholder Theory, developed by Freeman (1984), expands corporate responsibility beyond shareholders to encompass all those impacted by company operations. The idea stresses the significance of companies keeping open communication with their employees to build credibility and legitimacy. Strong stakeholder involvement increases sustainability disclosure and social acceptance, according to empirical studies including Garcia- Sanchez et al. (2020). This theory relates to the emphasis of this study on stakeholder involvement, as it shows how proactive contact may help Dangote Group to promote sustainable business practices.

Methodology

This study adopted a survey research design in the form of a descriptive design, which is appropriate for business research that seeks to gather quantifiable information directly from respondents to describe existing conditions (Saunders et al., 2021). The design enables the systematic collection of primary data regarding governance mechanisms and sustainability practices within Dangote Group. According to the Dangote Human Resources Office (March 2025), the population for this study comprises 161 staff members working across governance, compliance, sustainability, and corporate social responsibility functions.

To determine a representative sample size, Taro Yamane's formula was used: $n = N / (1 + N(e)^2)$. With a confidence level of 95% and a 5% margin of error, the calculation is as follows: $n = 161 / (1 + 161(0.05)^2) = 161 / (1 + 0.4025) = 161 / 1.4025 \approx 115$. To cater for potential non-responses, a 10% attrition rate was added as recommended by Mugenda and Mugenda (2020), resulting in an adjusted sample size of 127 respondents. Stratified random sampling was employed to ensure proportional representation of respondents across key functional units within Dangote Group. The population was

stratified based on departmental roles, namely governance, compliance, sustainability, and corporate social responsibility units. Respondents were then randomly selected from each stratum in proportion to their population size, ensuring balanced coverage of perspectives relevant to institutional governance and sustainability practices. Data was collected using a structured questionnaire. A pilot test was conducted using 10% of the sample size to ascertain the reliability of the instrument for both independent and dependent variables. The Cronbach's Alpha coefficients, all exceeding 0.70, demonstrate acceptable internal consistency (Hair et al., 2021). This methodology ensures robust and reliable data collection for addressing the study objectives.

Method of Data Analysis and Model Specification

Data collected were analysed using descriptive and inferential statistics with the aid of SPSS version 28. Descriptive statistics summarised the distribution of responses, while multiple regression analysis determined the influence of institutional governance proxies on sustainable business practices.

The model is specified mathematically as:

$SBP = \alpha + \beta_1 BDO + \beta_2 COC + \beta_3 STE + \varepsilon$

where:

SBP = Sustainable Business Practices, BDO = Board Oversight, COC = Compliance Culture, STE = Stakeholder Engagement, α = Constant term, β_1, β_2, β_3 = Coefficients of independent variables, ε = Error term.

This specification allows assessment of the individual and collective effects of governance dimensions on sustainability outcomes.

Data Analysis and Results

A total of 127 questionnaires were administered to selected respondents within Dangote Group. Of these, 121 were returned, yielding a response rate of 95.3%. After data cleaning, 118 responses were deemed valid for analysis, indicating a valid response rate of 92.9%.

Descriptive Statistics

Variable	N	Minimum	Maximum	Mean	Std. Deviation
BDO	118	1.0	5.0	3.85	0.62
COC	118	1.0	5.0	3.72	0.75
STE	118	1.0	5.0	3.94	0.67
SBP	118	1.0	5.0	4.03	0.58

Table 1 presents the descriptive statistics for the key variables. Board oversight had a mean of 3.85 (SD = 0.62), compliance culture averaged 3.72 (SD = 0.75), stakeholder engagement recorded a mean of 3.94 (SD = 0.67), and sustainable business practices had the highest mean at 4.03 (SD = 0.58).

Correlation Matrix

Variables	BDO	COC	STE	SBP
BDO	1.000	0.655	0.702	0.768
COC	0.655	1.000	0.648	0.645
STE	0.702	0.648	1.000	0.775
SBP	0.768	0.645	0.775	1.000

Source: SPSS version 28 Output 2025

The correlation matrix in Table 2 shows positive associations among the variables. Board oversight had a correlation of 0.768 with sustainable business practices, compliance culture correlated at 0.645, and stakeholder engagement showed the strongest correlation at 0.775.

Model Summary

R	R Square	Adjusted R-Square	Std. Error of Estimate	Durbin-Watson
0.827	0.684	0.677	0.334	1.876

a. Predictors: (Constant), Board Oversight, Compliance Culture, and Stakeholder Engagement

Source: SPSS version 28 Output 2025

Table 3 shows the regression model summary with an R value of 0.827, indicating a strong relationship. The R Square value of 0.684 suggests that approximately 68.4% of the variance in sustainable business practices can be explained by the three governance proxies. The Durbin-Watson statistic of 1.876 indicates no significant autocorrelation.

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	29.411	3	9.804	87.804	0.000
Residual	13.619	122	0.112		
Total	43.03	125			

a. Dependent Variable: Sustainable Business Practices

ANOVA results in Table 4 reveal an F-statistic of 87.804 ($p < 0.05$), confirming the model's overall significance.

Coefficients

Variables	Unstandardized B	Std. Error	Standardized Beta	t	Sig.
(Constant)	1.002	0.234	—	4.281	0.00
BDO	0.392	0.072	0.414	5.306	0.00
COC	0.211	0.065	0.229	3.092	0.002
STE	0.425	0.075	0.437	5.533	0.005

a. Dependent Variable: Sustainable Business Practices

Coefficients in Table 5 indicate that board oversight ($B = 0.392$, $p < 0.05$), compliance culture ($B = 0.211$, $p < 0.05$), and stakeholder engagement ($B = 0.425$, $p < 0.05$) each significantly influence sustainable business practices.

Discussion of Findings

The findings show that sustainable business practices in Dangote Group are much influenced by board oversight. This result is consistent with Lee and Chen (2021), who showed that enforcing sustainability compliance in manufacturing companies depends much on active and independent boards. Though actual enforcement remains a difficulty in some situations, Okoye and Nwachukwu (2021) noted that boards that give sustainability top priority promote greater reporting and policy adherence.

Compliance culture's positive effects on sustainability help to support Bingham and Willis's (2020) contention that companies with strong compliance policies are more successful in incorporating sustainability into regular operations. Weak compliance enforcement compromises environmental performance in Nigerian cement industries, Ibrahim and Musa (2023) confirm. The high mean score and substantial regression coefficient of Dangote Group's quite strong compliance culture point to continual attempts to close policy and practice gaps, even if staff training and regular monitoring are still absolutely vital.

Consistent with Stakeholder Theory, engagement with stakeholders turned up as the best indicator of sustainable business operations (Freeman, 1984). This is consistent with Garcia-Sanchez et al. (2020), who discovered that companies actively involving stakeholders show greater results on sustainability

and community acceptance. Eze et al. (2021), however, observed that stakeholder participation within Nigerian manufacturing firms is often reactive rather than proactive. The strong correlation and regression coefficient for stakeholder engagement in this study highlight the importance of moving beyond superficial interactions towards meaningful partnerships that address community and environmental concerns.

The findings of this study have important practical implications for corporate management and policy formulation. For Dangote Group, the results underscore the need to strengthen board oversight by integrating sustainability expertise into board deliberations and performance monitoring frameworks. Management should also institutionalise compliance culture through continuous staff training, internal audits, and incentive-based adherence mechanisms. Furthermore, proactive stakeholder engagement strategies, including structured dialogue with host communities and regulatory agencies, can help mitigate environmental conflicts and enhance corporate legitimacy. At the policy level, regulators may leverage these findings to promote governance-driven sustainability frameworks within Nigeria's manufacturing sector.

Conclusion and Recommendations

The study finds that adoption and efficacy of sustainable business practices at Dangote Group, Lagos, are much influenced by institutional governance, especially board oversight, compliance culture, and engagement of stakeholders. Strong governance systems not only guarantee regulatory compliance but also increase stakeholder confidence and help the company to be positioned for long-term expansion in a market motivated by sustainability.

Based on the results, Dangote Group should improve board capability by giving directors continuous sustainability training so they may better fulfil their monitoring responsibility.

The Group should additionally strengthen its compliance culture by means of regular internal audits and staff adherence to social and environmental norms through appropriate incentive mechanisms.

Moreover, established conversation forums involving community leaders, authorities, and civil society organisations will help to transform stakeholder involvement from reactive communication to proactive cooperation.

Despite its contributions, this study has certain limitations. The use of self-reported data may introduce response bias, while the focus on a single industrial conglomerate limits generalisability. Future

research could adopt a longitudinal design to examine governance–sustainability dynamics over time or extend the analysis to multiple manufacturing firms across different regions. Qualitative approaches may also provide deeper insights into governance practices and stakeholder relationships

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