



**CENTRE FOR PUBLIC
SECTOR GOVERNANCE**

Promoting Public Sector Governance

WHITE PAPER

**Public Sector Board Reform in
Nigeria: Transforming Governance for
Sustainable National Development**

*Prepared by Centre for Public Sector
Governance (CPSG) January 2026*

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The Centre for Public Sector Governance (CPSG) is a subdivision of the Society for Corporate Governance Nigeria (SCGN). CPSG is dedicated to promoting best practices in public sector governance. Our mission is to enhance institutional efficiency, transparency, and accountability across public institutions in Nigeria and beyond.



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Vision: To be a leading institution driving excellence in public sector administration and governance, contributing to a transparent, accountable, and effective public sector that meets the needs of society.

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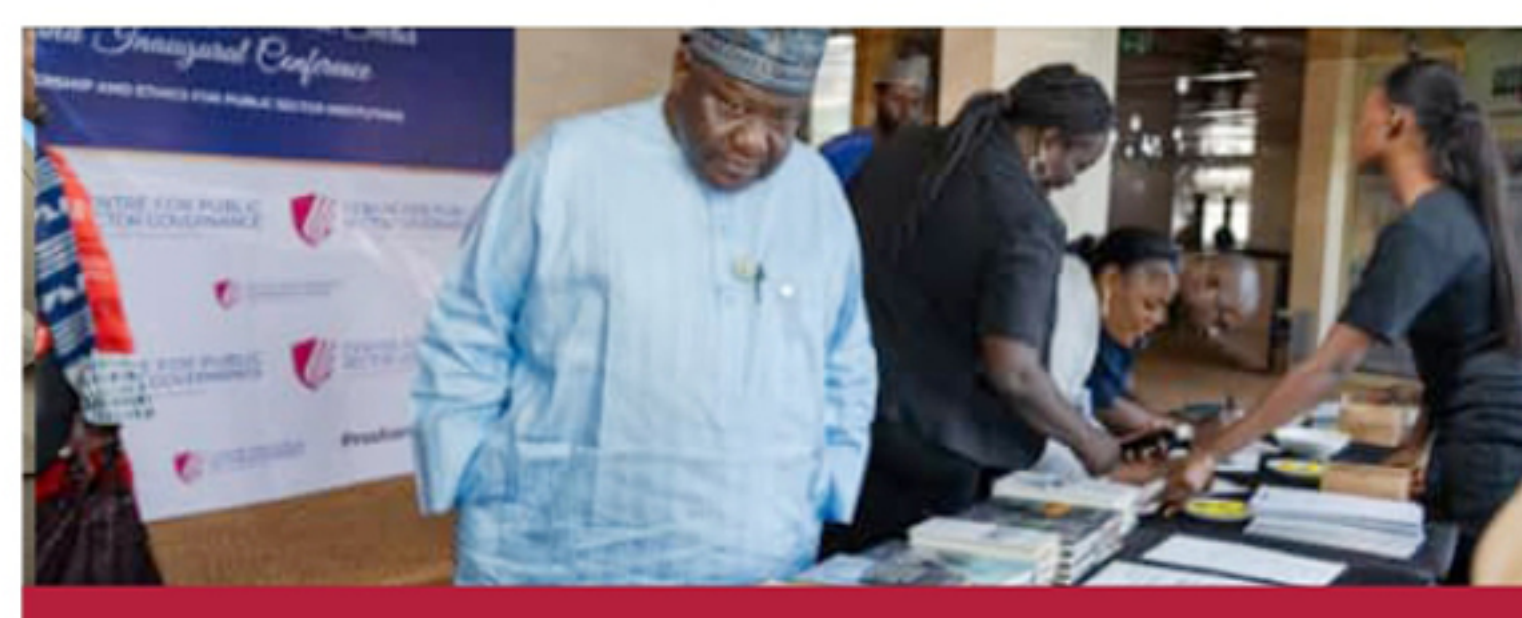
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EXECUTIVE SUMMARY

Nigeria's persistent governance and development deficits are rooted in the chronic underperformance of its public institutions. At the heart of this weakness lie the governing boards of Ministries, Departments, and Agencies (MDAs) and State-Owned Enterprises (SOEs). These boards are currently undermined by political patronage in appointments, inadequate competence, role overlap with management, weak accountability mechanisms, low diversity, and an outdated governance culture.

Drawing on global best practices (New Zealand, Singapore, Canada, South Korea, and the United Kingdom) and the consensus of leading experts at the Public Sector Directors' Symposium 2025, this White Paper presents a comprehensive, actionable reform framework to professionalise Nigeria's public sector boards.

The vision is clear: to replace ceremonial, politicised boards with strategic, competent, transparent, diverse, and performance-driven ones that actively steer institutions toward excellence.

Implementation of the proposed five-pillar reform agenda will deliver:

- Merit-based appointments and greater diversity
- Mandatory governance training and certification
- Robust performance contracts and independent evaluations
- Clear separation of governance and management roles
- A new ethical culture backed by enforceable standards and whistle-blower protection.

These reforms will strengthen institutions, reduce corruption, restore investor confidence, improve service delivery, and place Nigeria on a sustainable development trajectory.

1. BACKGROUND AND PROBLEM DIAGNOSIS

Nigeria's public sector boards remain largely shaped by colonial-era structures designed for control rather than performance. Sixty-five years after independence, the appointment and operating model of these boards has seen only marginal evolution, leaving them ill-equipped for 21st-century challenges.

KEY SYSTEMIC WEAKNESSES INCLUDE:

1. Appointments driven predominantly by political patronage rather than merit or sectoral expertise
2. Absence of mandatory governance training or certification for board members
3. Persistent confusion and overlap between board oversight and executive management functions
4. Weak performance measurement and negligible consequences for failure
5. Opaque recruitment processes and limited public disclosure
6. Severe under-representation of women, youth, and digital-era competencies
7. Governance practices misaligned with modern public financial management and digital transformation requirements.

These deficiencies have repeatedly undermined national development plans from Vision 20:2020 to the Economic Recovery and Growth Plan (ERGP) and the current Renewed Hope Agenda demonstrating that visionary policies without strong implementation architecture are destined to fail.

***Strong boards build strong institutions.
Strong institutions drive national prosperity.***

2. POLICY OBJECTIVE

To establish a modern, merit-based, transparent, and performance-oriented public sector board governance system that enables Nigeria's public institutions to deliver efficient, ethical, and sustainable outcomes in service of citizens and the economy.



3. THE FIVE-PILLAR REFORM FRAMEWORK



PILLAR 1

Professionalisation of Board Appointments

Problem Political considerations routinely override competence, resulting in skill mismatches and institutional capture.

RECOMMENDATIONS

1. Establish an Independent Public Appointments Commission (IPAC) with statutory authority to oversee all federal MDA and SOE board appointments, modelled on the UK Commissioner for Public Appointments.
2. Develop and publish a Public Sector Board Competency Framework specifying required technical, financial, governance, leadership, and digital skills for each entity.
3. Mandate open, competitive, and transparent recruitment processes, with vacancies, criteria, shortlists, and appointment rationales published on a dedicated federal portal.
4. Enforce diversity quotas: minimum 35 % women, at least one member under 40, and mandatory digital/transformation expertise on every board.
5. Limit tenure to two four-year terms with staggered rotation to balance renewal and institutional memory.



PILLAR 2

Institutionalised Governance Training and Certification

Problem Many board members assume office without adequate understanding of governance principles, fiduciary duties, or sector-specific challenges.

RECOMMENDATIONS

1. Establish a National Governance Academy (NGA) in partnership with NIPSS, the Administrative Staff College of Nigeria (ASCON), and international institutes of directors.
2. Require pre-appointment certification covering governance principles, financial oversight, risk management, ethics, procurement integrity, sector orientation, and digital governance.
3. Mandate annual continuing professional development and periodic board-level retreats aligned with emerging national priorities and global standards.



PILLAR 3

Strengthened Accountability and Performance Management

Problem Absence of objective metrics and consequences allows persistent underperformance and impunity.

RECOMMENDATIONS

1. Introduce binding performance contracts for chairpersons, board members, and chief executives, with KPIs linked to service delivery, financial sustainability, and citizen satisfaction.
2. Institute annual independent board evaluations (following South Korea's model), with graded results published publicly.
3. Enforce consequences: dissolution or reconstitution of consistently failing boards; recognition and enhanced autonomy for high-performing ones.
4. Strengthen mandatory annual audits and real-time disclosure requirements through the Office of the Auditor-General for the Federation (OAUFG), Fiscal Responsibility Commission, and Bureau of Public Procurement.



PILLAR 4

Clear Separation of Governance and Management Roles

Problem Board interference in operational and procurement decisions breeds inefficiency and corruption.

RECOMMENDATIONS

1. Amend relevant legislation (Public Service Rules, Fiscal Responsibility Act, and SOE enabling laws) to explicitly delineate ministerial policy direction, board strategic oversight, and management execution.
2. Prohibit direct board involvement in procurement and day-to-day operations; restrict board role to policy approval and high-level oversight.
3. Require fully independent audit and risk committees reporting directly to the board.
4. Adopt elements of New Zealand's Crown Entities model, which clearly defines "no-go zones" for governing bodies.



PILLAR 5

Ethical Leadership and Cultural Transformation

Problem A pervasive culture of impunity undermines integrity and discourages ethical conduct.

RECOMMENDATIONS

1. Require every board member to sign and adhere to a binding Public Sector Board Ethics and Integrity Charter.
2. Enact robust whistle-blower protection legislation with financial rewards for credible disclosures.
3. Mandate annual independent ethics and culture audits by accredited corporate governance firms.
4. Implement zero-tolerance enforcement: automatic dismissal, debarment from future public office, and referral to ICPC/EFCC for established breaches.

4. A MODERN RECRUITMENT FRAMEWORK FOR BOARD CHAIRS, CEOS, AND BOARD MEMBERS

One of the deepest structural problems weakening Nigeria's public institutions is the opaque, informal, and politically driven appointment process for chief executives and board members of MDAs and SOEs. Appointments are often made without advertising vacancies, assessing competence, verifying track records, or subjecting candidates to any competitive process.

This is in sharp contrast to global benchmarks New Zealand, Singapore, Canada, the UK, South Africa, and Kenya where recruitment into top public sector roles is handled with the same rigour as the private sector: advertisement, verification, examination, interview, assessment, and onboarding.

To address these gaps, this White Paper proposes a standardised, transparent, competitive recruitment model for all public sector leadership positions.

VACANCY DISCLOSURE AND PUBLIC ADVERTISEMENT

All vacancies for:



Board chairs



Board members



Managing Directors/Chief Executives

must be openly advertised with clear job descriptions, required skills, sectoral competencies, governance experience, tenure, and expected performance standards.

Vacancies should be published:

- On a new Federal Public Appointments Portal,
- In at least two national newspapers,
- On MDA/SOE websites, and
- Through professional bodies relevant to the sector.



STANDARDISED APPLICATION AND ELIGIBILITY SCREENING

A uniform application process should include:

- Submission of detailed CVs, reference letters, and evidence of prior achievements
- Declaration of assets and conflict-of-interest disclosures
- Eligibility checks for integrity, financial probity, criminal records, and past performance in public or private institutions



COMPETITIVE ASSESSMENT AND EXAMINATION

To ensure meritocracy, candidates should undergo structured competency assessments including:

- Written governance and ethics examinations
- Case-study assessments relevant to the sector
- Aptitude and leadership tests
- Technical interviews conducted by independent panels

This ensures that even recommended or nominated candidates demonstrate fitness to serve. This approach does not eliminate federal character or political recommendations, it simply ensures that candidates apply, sit for assessments, and the best emerge through a fair process.



STRUCTURED INTERVIEWS AND PUBLIC SHORTLISTS

A multi-stage interview process should be conducted by the Independent Public Appointments Commission (IPAC) with observers from:

- Bureau of Public Service Reforms
- Office of the Head of the Civil Service
- Relevant professional bodies
- Civil society (for transparency)

Shortlisted candidates (minimum of three) should be published with interview outcomes summarised for public transparency.



FINAL SELECTION AND APPOINTMENT RATIONALE

After interviews and examinations, IPAC should submit recommended candidates ranked by performance to the appointing authority (President or supervising Minister).

The appointing authority may exercise discretion but must publish a written appointment rationale tied to:

- Competence
- Diversity
- Federal character
- Sectoral experience

This protects transparency while allowing constitutional discretion.



MANDATORY PRE-APPOINTMENT ONBOARDING AND INDUCTION

Before assumption of duty, newly appointed board chairs, members, and CEOs must complete:

- Governance certification (through the National Governance Academy)
- Ethics and anti-corruption modules
- Sector orientation
- Performance contract signing
- Digital governance training
- Financial oversight and audit training

This ensures board members are prepared from day one.

5. IMPLEMENTATION ROADMAP

Lead Institutions

Presidency (Office of the Secretary to the Government of the Federation), Independent Public Appointments Commission (new), Bureau of Public Service Reforms, National Governance Academy (new), Federal Ministry of Finance, Budget and National Planning, National Assembly, Code of Conduct Bureau, ICPC, EFCC, OAuGF.

PHASED TIMELINE

Phase	Timeline	Key Deliverables
Phase 1	0–6 months	Establish IPAC; launch vacancy portal; publish competency framework; roll out mandatory induction training
Phase 2	6–12 months	Operationalise National Governance Academy; implement performance contracts; launch annual evaluation
Phase 3	12–24 months	Secure legislative amendments; begin public scorecards; enforce diversity and tenure rules
Phase 4	24+ months	Embed cultural change; institutionalise ethics audits; conduct comprehensive review and recalibration

6. EXPECTED OUTCOMES

Successful implementation will yield:

- Institutional: Higher efficiency, profitability, and sustainability of SOEs; significant reduction in governance-related leakages.
- Governance: Meritocracy in appointments; standardised, world-class board practices across the public sector.
- Economic: Restored investor confidence; improved Ease of Doing Business ranking; increased productivity
- Social: Faster, higher-quality service delivery in power, education, health, transport, and security.
- National: Renewed citizen trust and a solid foundation for Nigeria to achieve upper-middle-income status.

7. CONCLUSION

Nigeria possesses abundant human and natural resources yet remains constrained by weak institutions. Reforming public sector boards is not merely administrative housekeeping, it is the single most powerful lever available to the current administration to deliver transformational governance.

Professional, competent, and accountable boards will turn public institutions from obstacles into engines of progress.

The time for incremental adjustment has passed. The time for bold, systemic reform is now.

Strong boards build strong institutions. Strong institutions build prosperous nations.

Nigeria's future begins with this reform.



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