

ABSTRACT

Corporate governance is a subject that has come to the fore front because of the recognition that it helps protect the reputation and enhances the effectiveness and efficiency of various entities both in the public and private of a given economy thereby increasing the value to the shareholders and other stakeholders. Another issue that has made corporate governance very important today is the need to avoid significant losses that are incurred by the shareholders and other stakeholders after the company has failed. This can normally translate in huge debt and the payment of severing to redundant employees. It is no secret that corporate failures have caused significant losses around the world with examples like the Lehman brothers, Enron, AIG and General motors and also in Liberia where bad management of some State-Owned Enterprises have led to government intervention. This is therefore an area that requires research to create a body of knowledge that will be used to protect stakeholders' rights and benefit of the country's continued economic prosperity. The objective of this study took a two-headed approach of first determining the corporate governance practices in State-owned enterprises and second to establish the challenges of corporate governance in state-owned enterprises in Liberia. To facilitate the study, the researcher surveyed 10 of the 15 state-owned enterprises in Liberia. The researcher used primary data collected through structured questionnaires with closed ended questions. They were conducted using information on the best code of corporate governance practices. The information obtained were analyzed using statistical tool of analysis including, percentage, frequencies, mean and standard deviations. The result of the study shows that to a moderate extent most SOEs in Liberia practice corporate governance with an overall grand mean of 3.61 for corporate governance practices. The study findings also show that challenges do exist in state-owned enterprises in relations to the practice of corporate governance but at a moderate level with a grand mean of 3.40. The research revealed that government has a 100% holding in all SOEs that were surveyed and 40% of the SOEs surveyed are still under line ministries.

LIST OF ABBREVIATIONS

BOD	-	Board of Directors
CMA	-	Capital Market Authority
CPA	-	Comprehensive Peace Agreement
CG	-	Corporate Governance
EC	-	European Commission
EU	-	European Union
ECOWAS	-	Economic Community of West African States
FDA	-	Forestry Development Authority
GEMAP	-	Governance Economic Management Assistance Program
NPA	-	National Port Authority
NTGL	-	National Transitional Government of Liberia
OECD	-	Organization for Economic Cooperation and Development
PFML	-	Public Financial Management Act of Liberia
RIA	-	Roberts International Airport
SOEs	-	State Owned Enterprises
UN	-	United Nations

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