

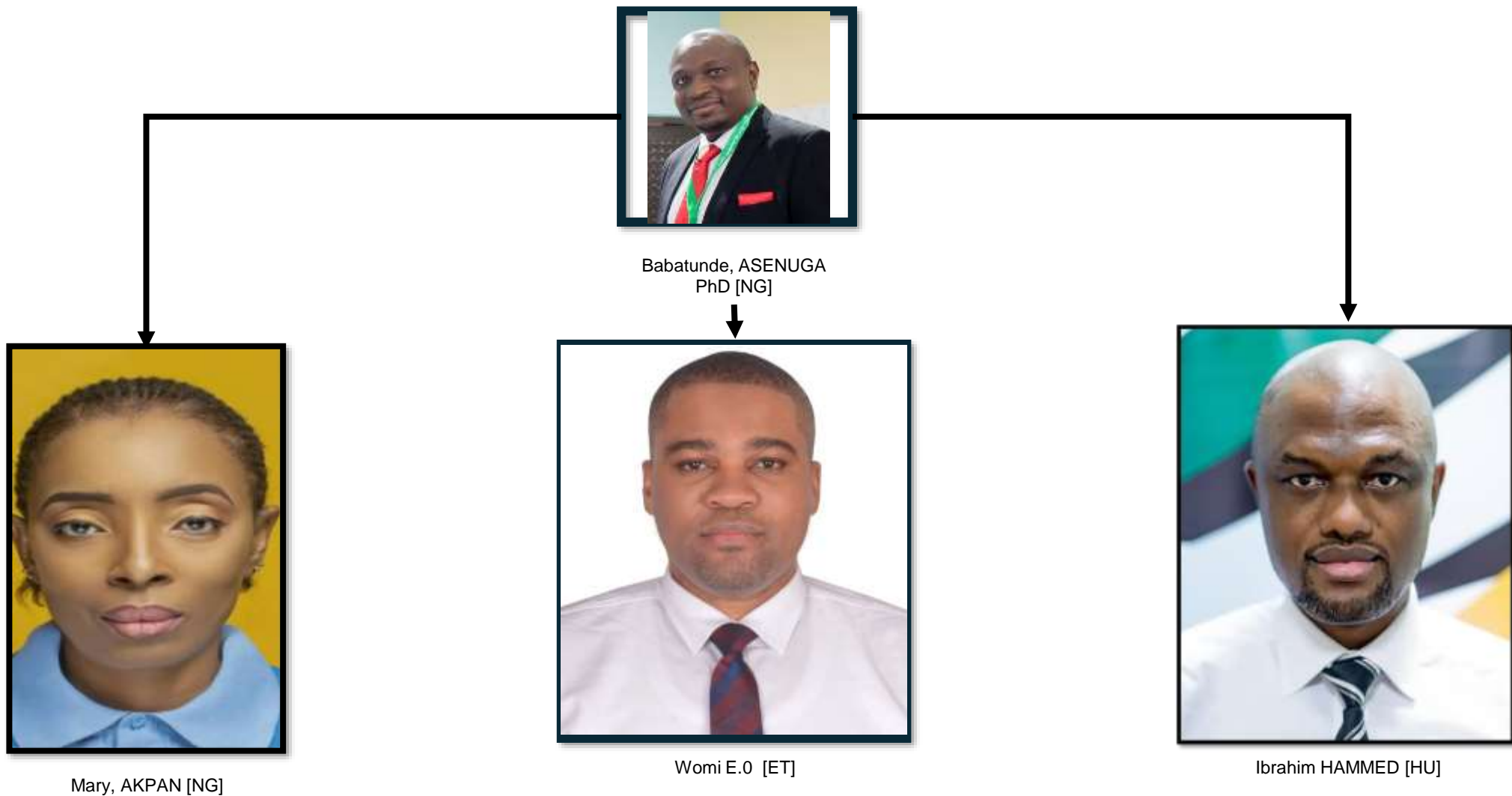
DOCTORAL SEMINAR PRESENTATION



# **A MODEL FOR EFFECTIVE LEADERSHIP, GOVERNANCE & ETHICS IN THE NIGERIAN PORTS AUTHORITY (NPA)**

Saturday 26<sup>th</sup> July 2025

# PROJECT TEAM



- Introduction
- Problem Statement
- Literature Review
- Findings
- Proposed Model
- Recommendations
- Conclusion
- References

# INTRODUCTION

“We care about every worker in our worldwide supply chain... what we will not do – and never have done – is stand still or turn a blind eye to problems in our supply chain. On this you have my word.”

~Tim Cook, CEO of Apple

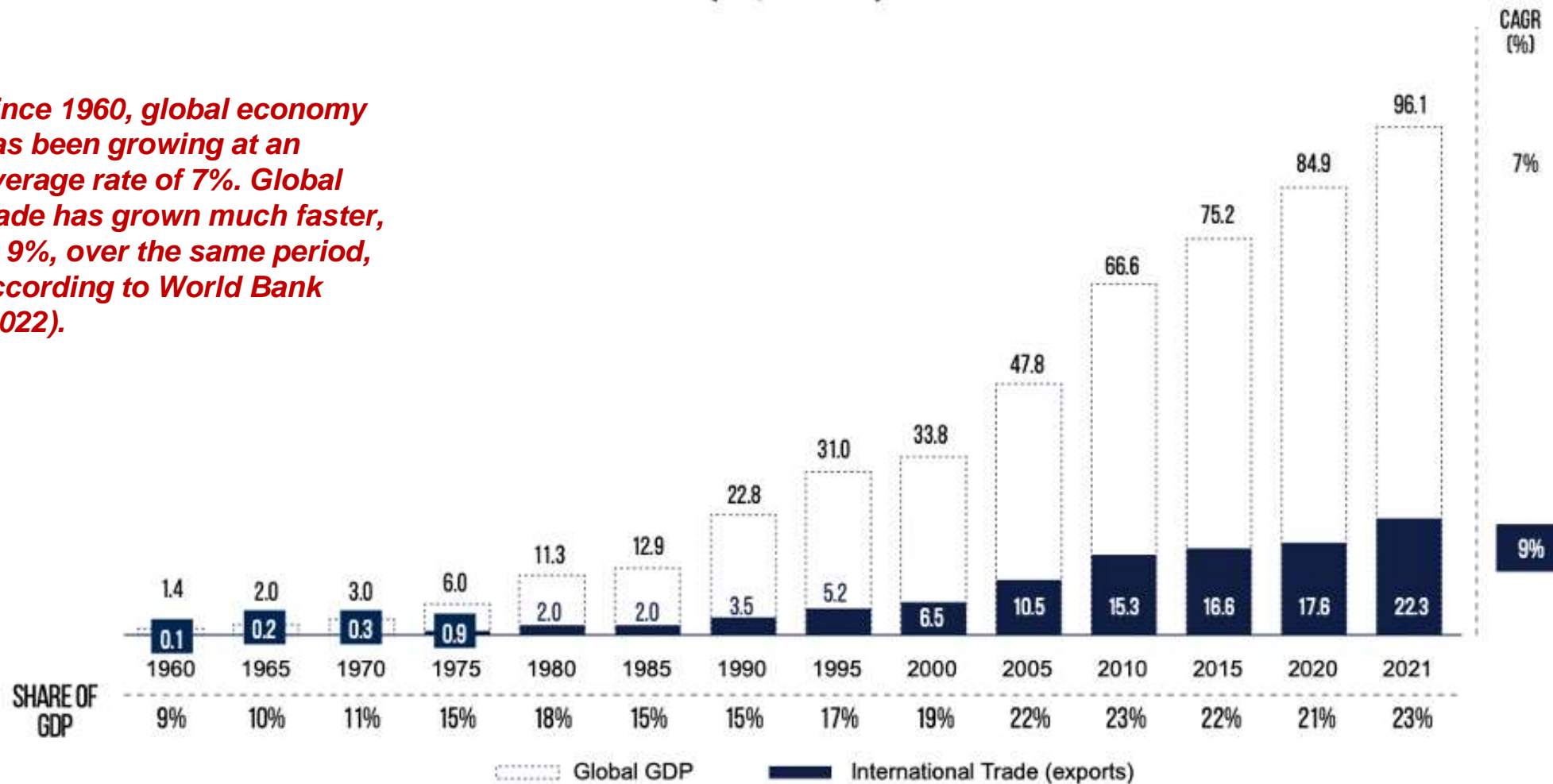




# GLOBAL ECONOMY SINCE 1960

**INTERNATIONAL TRADE (EXPORTS) IN RELATION TO GLOBAL GDP 1960-21; 5-YEAR INTERVALS**  
(US\$ TRILLION)

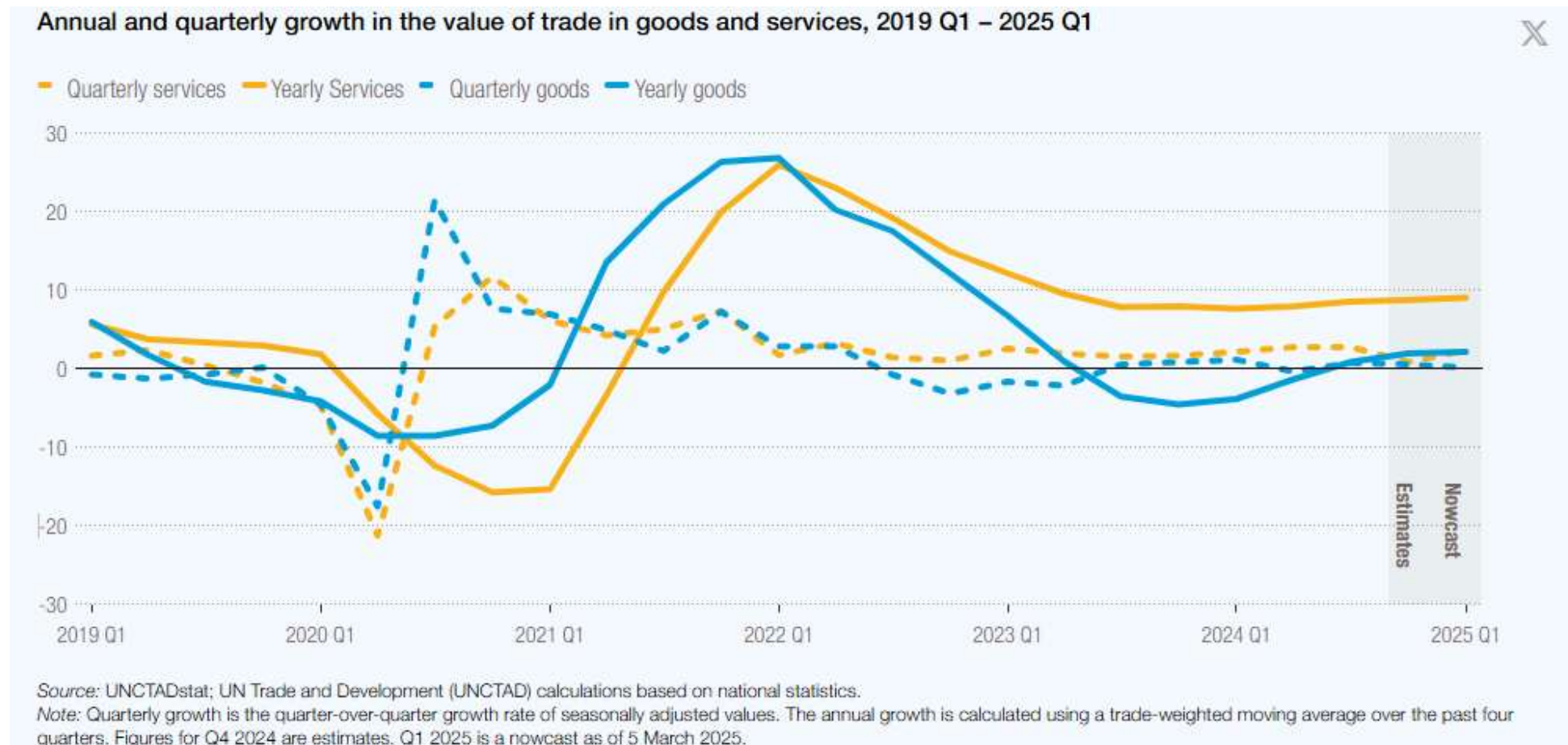
*Since 1960, global economy has been growing at an average rate of 7%. Global trade has grown much faster, at 9%, over the same period, according to World Bank (2022).*



Source: World Bank, Lucidity Insights Research

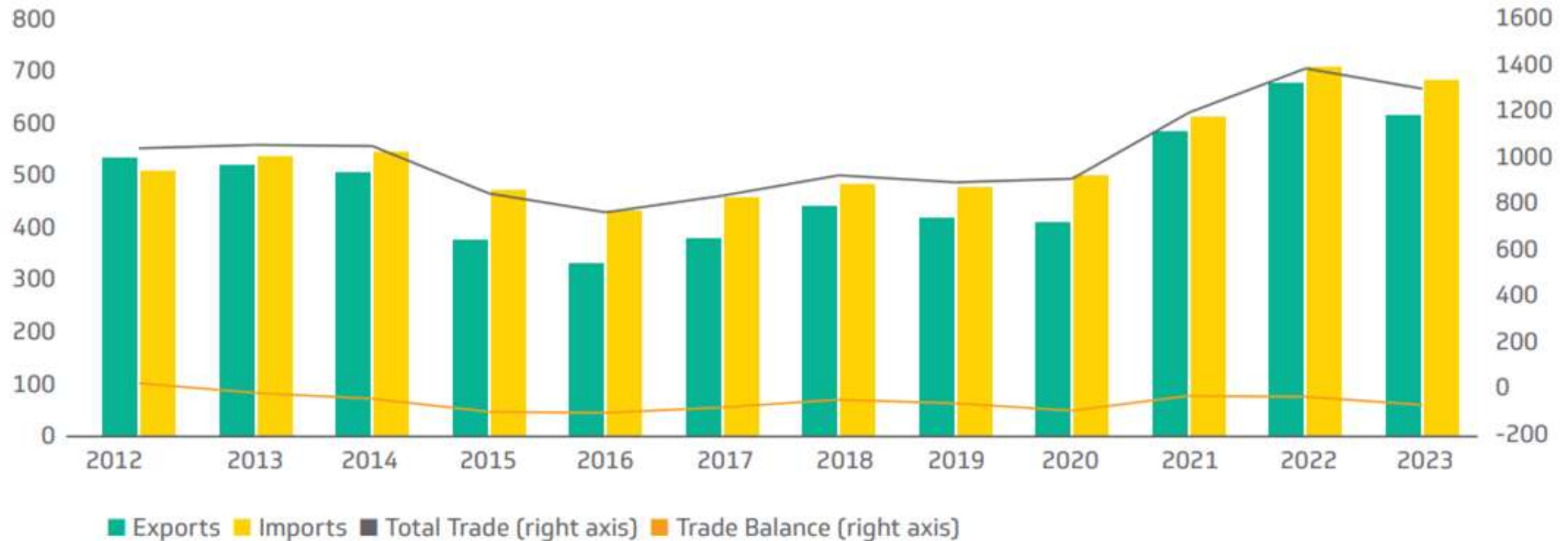
# Global trade overview

**Global trade reached a record \$33trillion in 2024 driven by 3.7% growth, with services leading the growth. Trade in services grew by 9% adding approximately \$700b. Trade in goods increased by 2%, contributing about \$500b (UNCTAD, 2024)**



# Where is Africa in this growth story? [2012-2023] [\$bn]

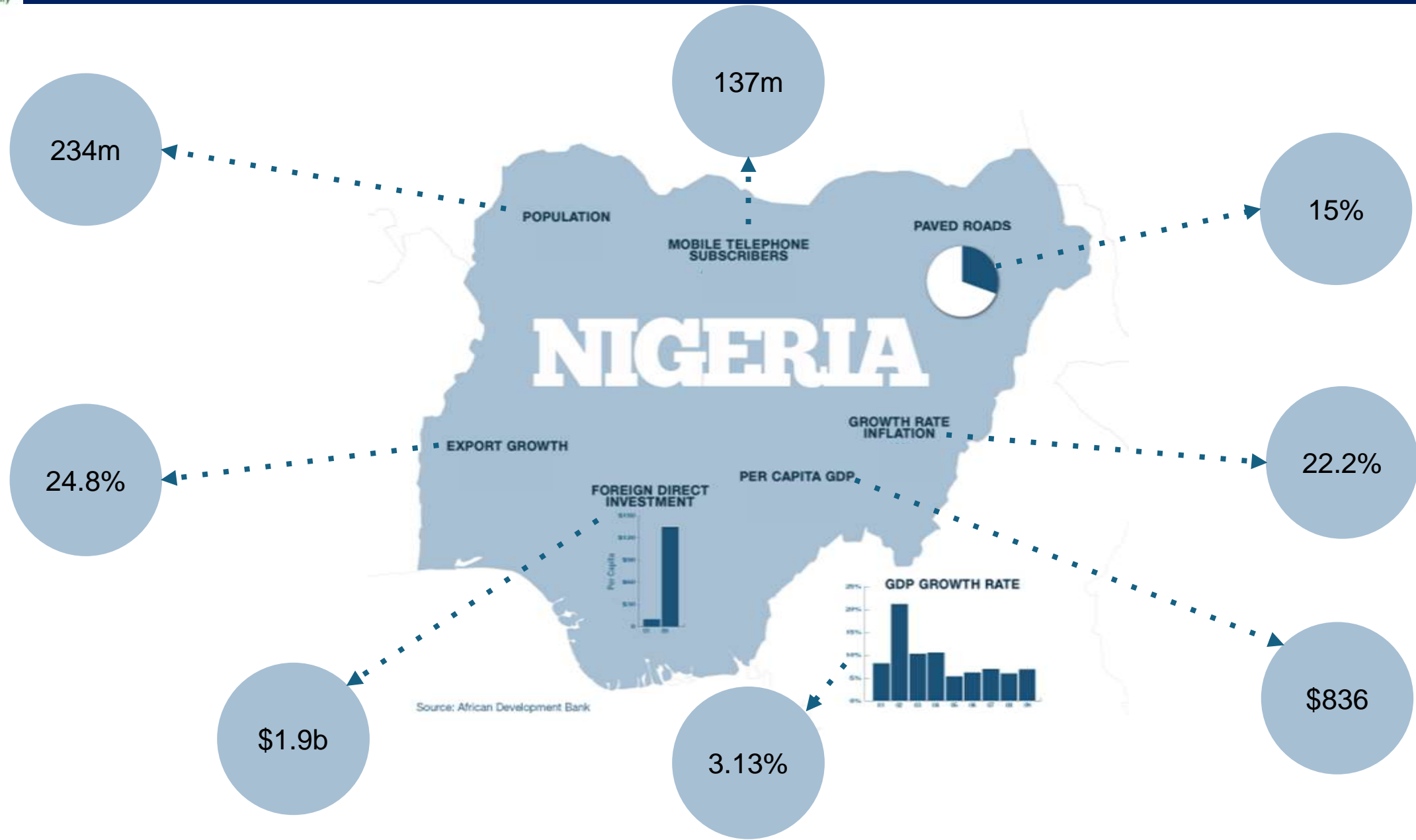
***Africa achieved an impressive growth of 15.93% in 2022 with \$1.4trillion value. This contracted by 6.3% in 2023 to \$1.3 trillion due to geopolitical tension and weak global demand (Afrexim, 2024).***



Source: Afrexim Africa Trade Report 2024

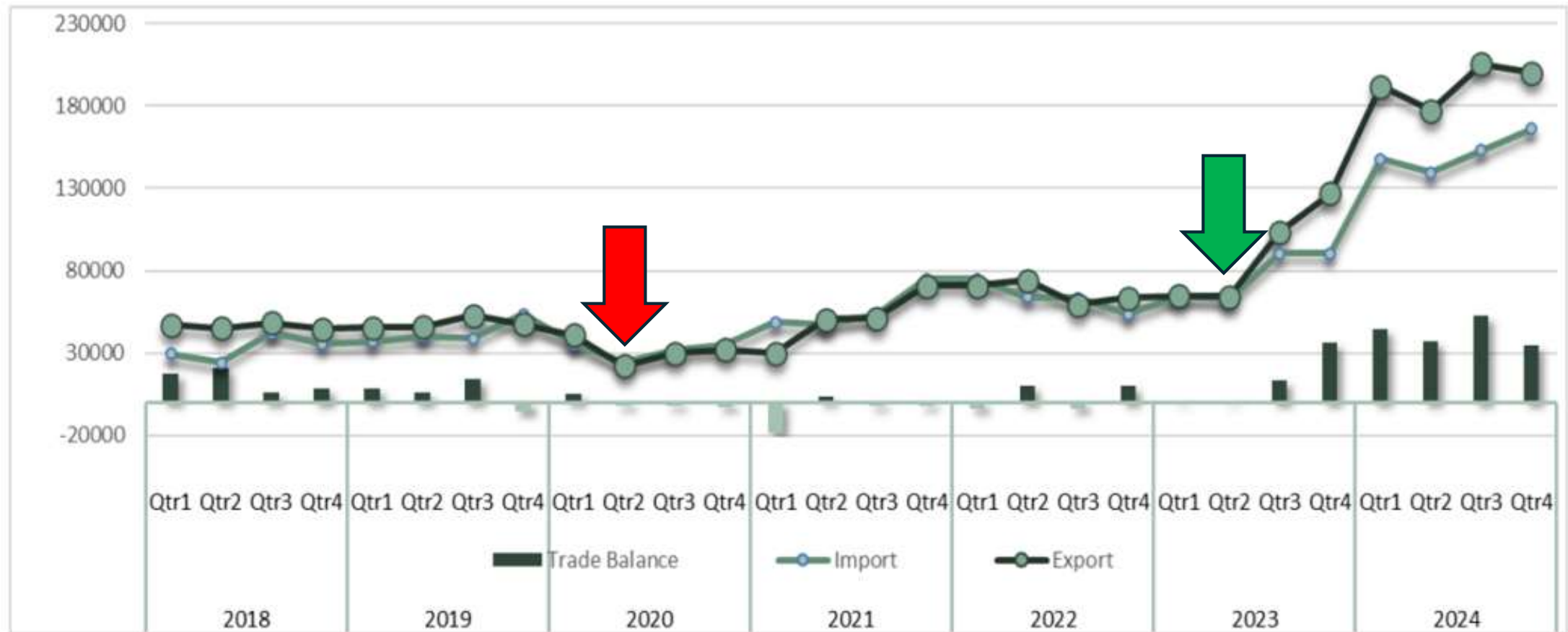


# What is the situation with Nigeria?



# Nigeria's Trade Summary in billion [NGN] [2018-2024]

*Trade momentum picked up despite the dip caused by COVID-19 pandemic which impacted global trades (NBS, 2025).*



# Nigeria's Trade Summary in trillion [NGN] [2008-2023]

- *Consistent growth despite external shocks e.g. global financial crisis, currency devaluation and COVID-19 pandemic*
- *Growth driven by citizens' resilience and government policies e.g. Export Expansion Grant (EEG) as a tactical way to diversify the economy.*

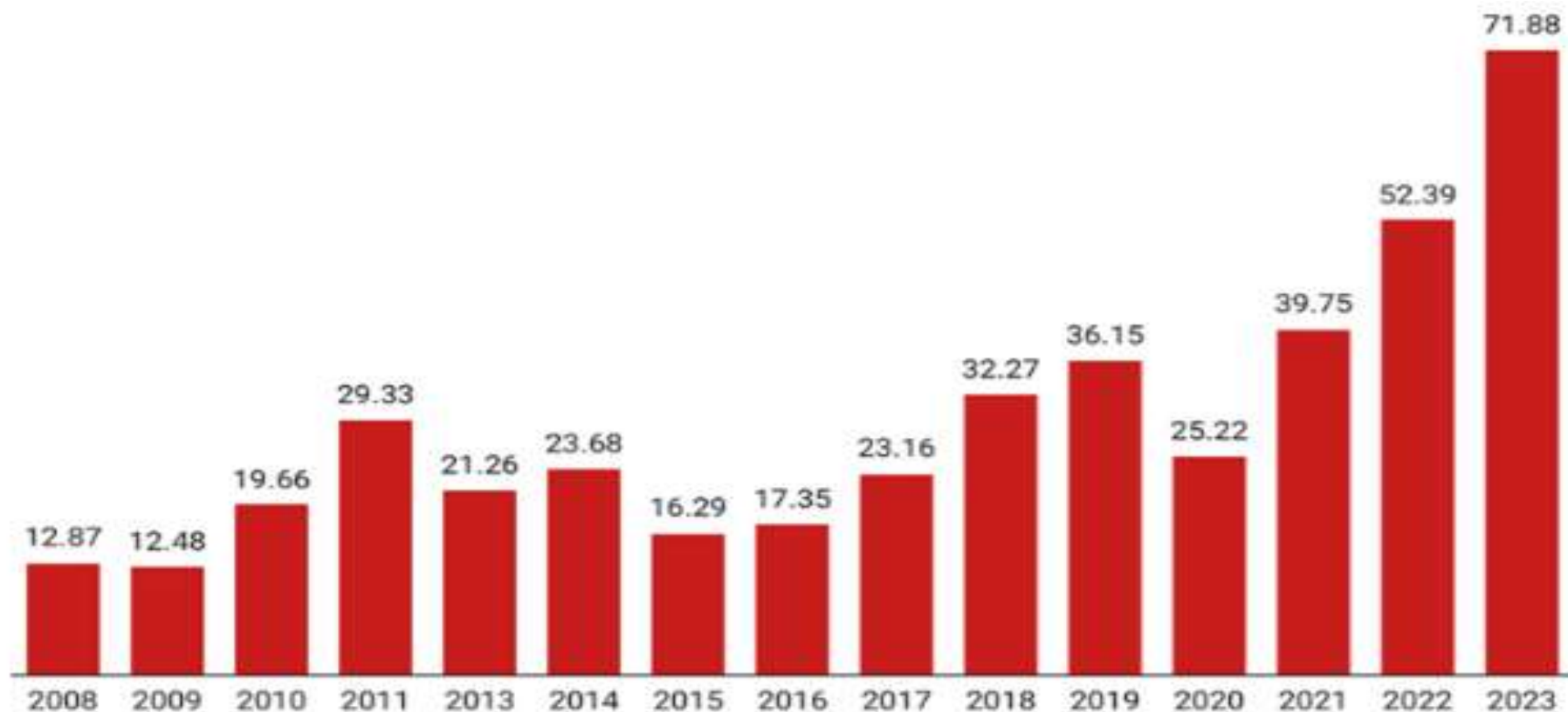
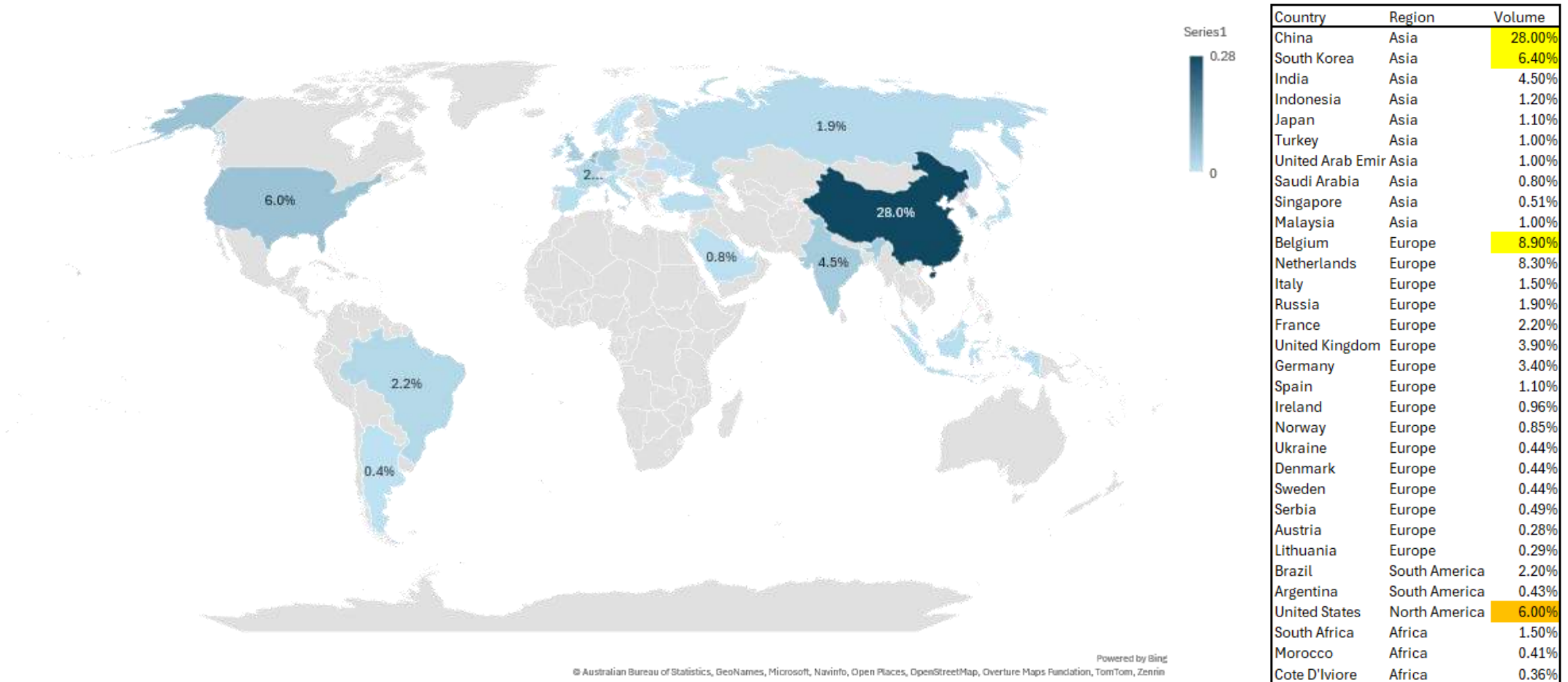


Chart: BusinessDay • Source: NBS • Created with Datawrapper

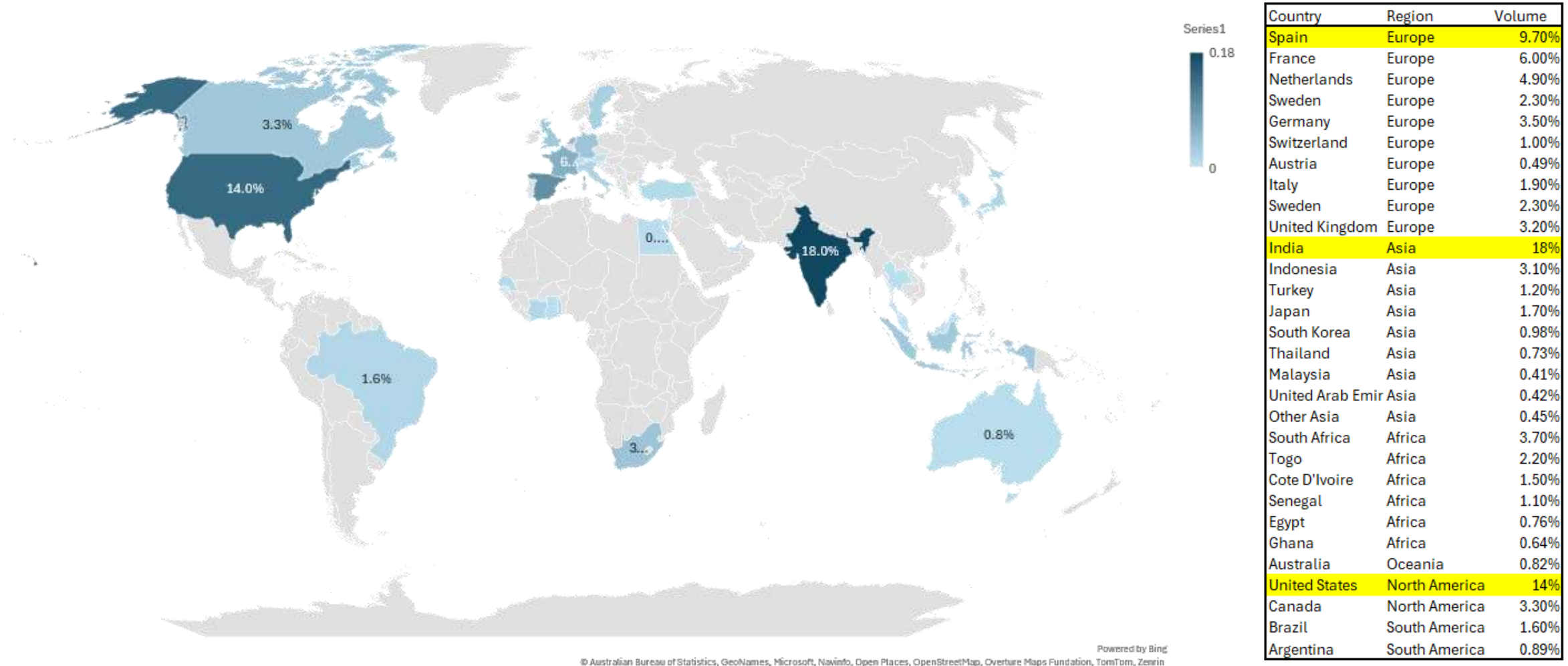
# Nigeria's top import sources

**China remains Nigeria's biggest trade partner by a wide margin. Both countries have signed bilateral deals with a view to developing infrastructure in Nigeria through Chinese institutions.**



# Nigeria's top trade destinations

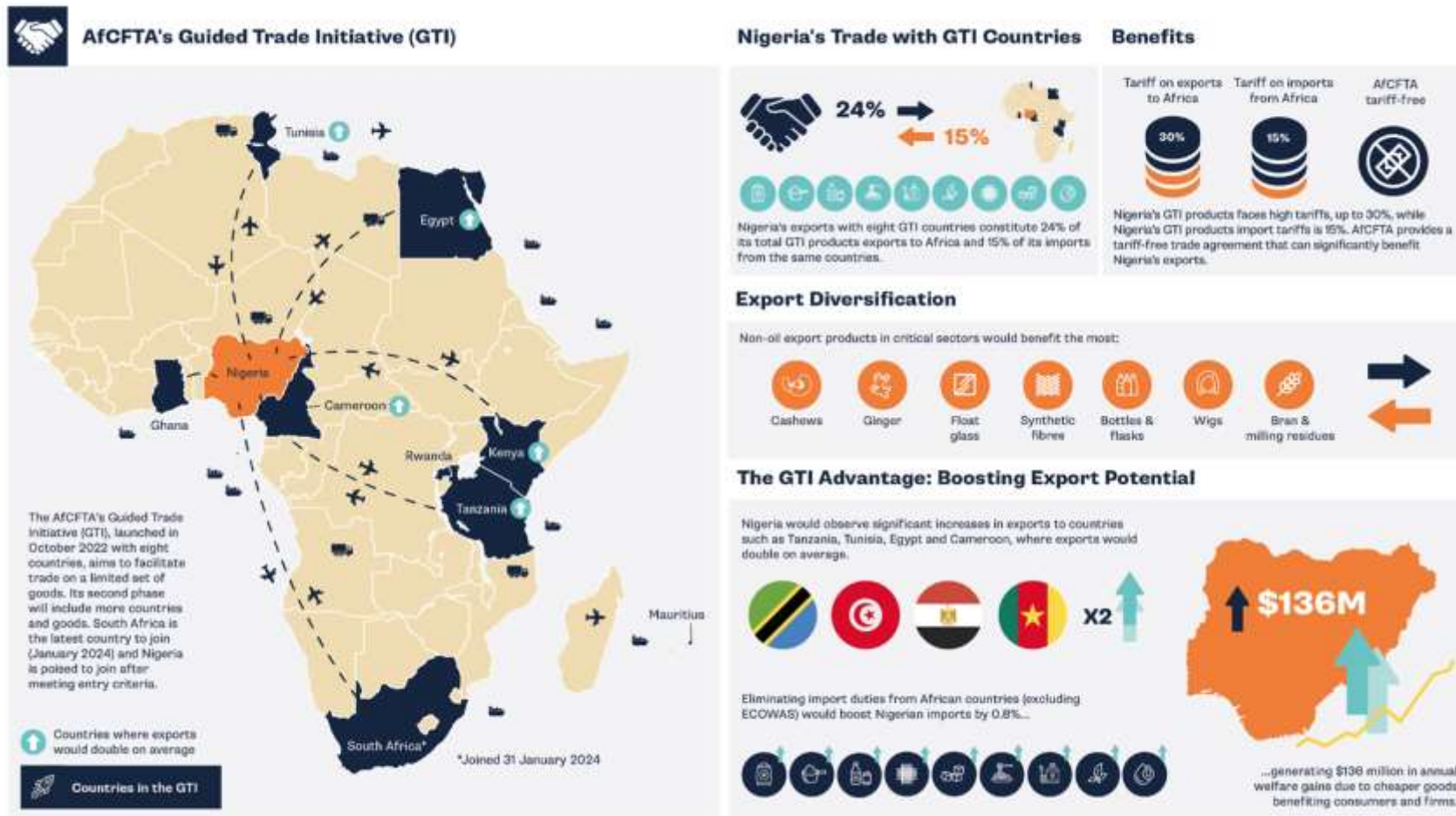
**India is the largest export destination of goods from Nigeria. 70% of this is crude oil!**





# How strategic is Nigeria to global trade?

**Immediate impact is minimal based on trade volume and value. Future impact will be huge based on population growth, increased regional trade and strategic location. Nigeria is projected (by various international organizations) to be 3<sup>rd</sup> most populous nation on earth behind China and India by 2050.**



# Significance of Sea Ports

***Our seaports are strategic to trade activities. Nigerian Bureau of Statistics (2025) reports 99.2% of export in Q4, 2024 was via the maritime route while 90.2% of import in Q4, 2024 was via the maritime route.***





# Significance of Sea Ports

*Cargo ships have capacity between 10,000-21,000TEU. A total of 4,100 berthed in Nigeria in 2022 (NPA Website). That gives 11.2 vessels/day.*



# ABOUT NIGERIAN PORTS AUTHORITY (NPA)

# Nigerian Ports Authority (NPA)

- Established in 1954 through Ports Act with the objective of centralizing ports administration and improving efficiency needed to support trade activities.
- It is central to trade facilitation, infrastructure development, and regulatory oversight.
- Managed all port operations directly until 2003 when the Federal Government adopted the landlord model, leading to the concession of 25 terminals to private operators under lease agreements ranging from 10 to 25 years.
- Currently manages 6 ports located exclusively in the southern part of the country. It also supervises operation of 8 Inland Dry Ports 5 of which are in the northern part of the country.

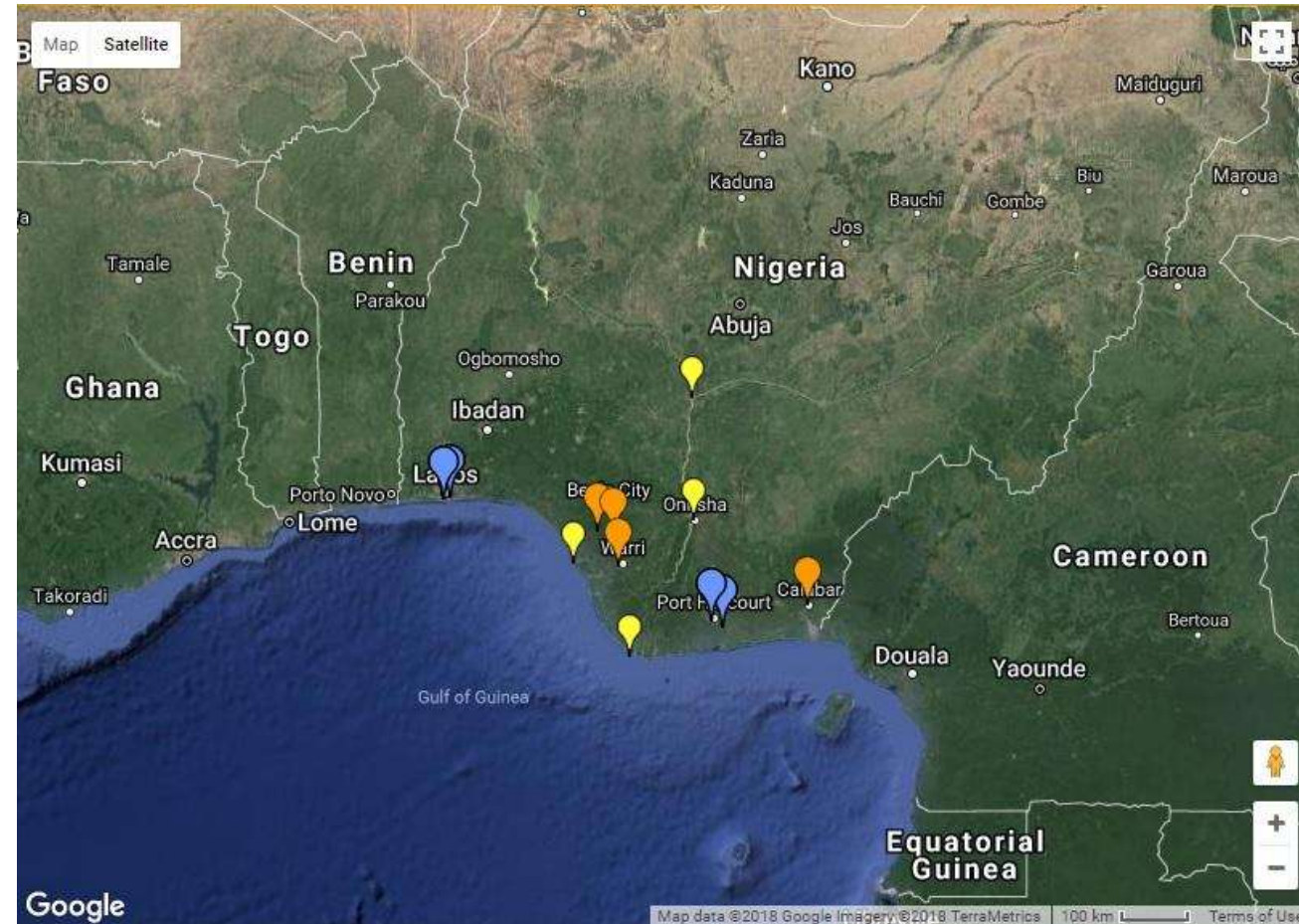




# NPA's Core Processes

The NPA's core responsibilities include:

- ☐ Port Infrastructure Development: Planning, constructing, and maintaining port facilities.
- ☐ Regulatory Oversight: Enforcing maritime laws and ensuring compliance with international standards.
- ☐ Pilotage and Towage Services: Providing navigational assistance to vessels.
- ☐ Harbour Management: Overseeing berthing, cargo handling, and safety operations.
- ☐ Revenue Collection: Charging dues and tariffs for port services.



Port icons are color coded by size.



# PROBLEM STATEMENT

# NPA: Governance & Ethics Issues

Despite its strategic importance, the NPA has faced persistent challenges related to ethics and governance:

- Corruption and Lack of Transparency
- Political Interference
- Weak Oversight and Accountability
- Labour and Ethical Concerns
- Inefficient infrastructure architecture and operation



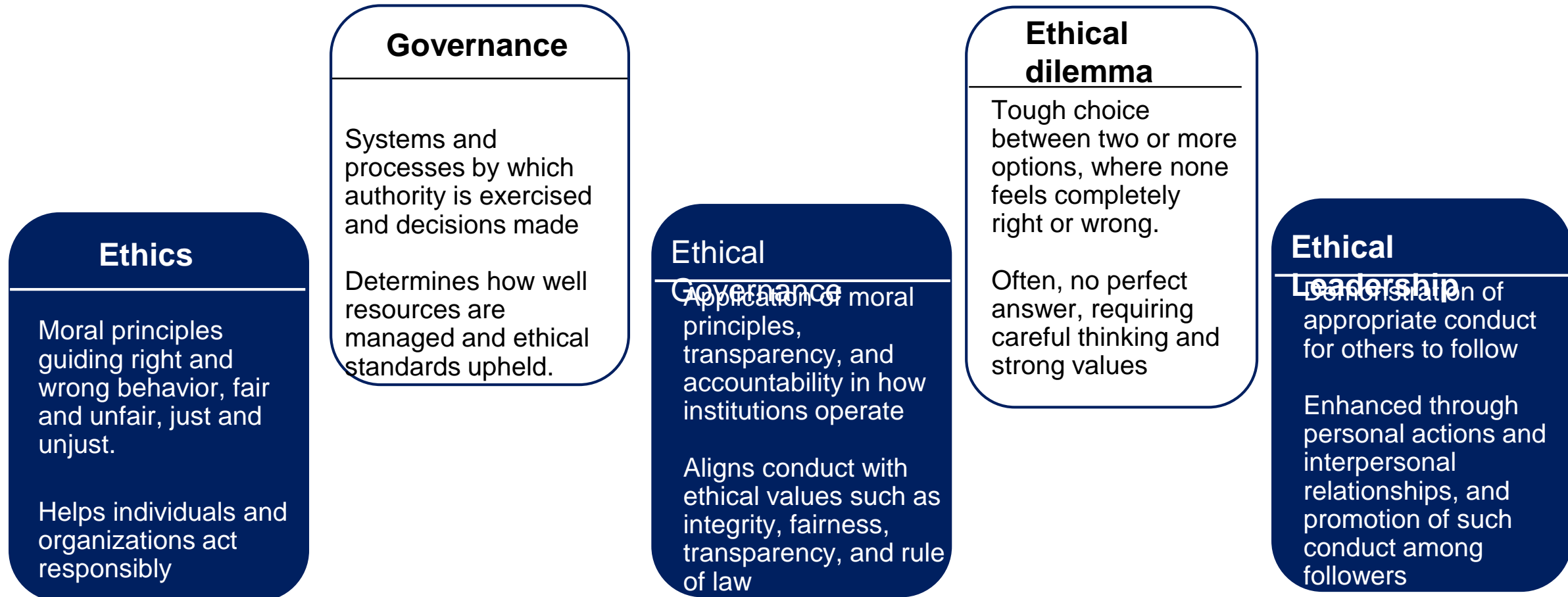
This presentation highlights key ethics, governance and leadership issues at NPA and the impact such have on supply chain activities in Nigeria. We propose a model to address the challenges presented and discuss the merit of the proposed model.

# LITERATURE REVIEW



# Foundational Ethics for Leadership & Governance

- Ethical leadership is the cornerstone of both personal integrity and institutional accountability. We explore key literature, frameworks, and real-world cases to show how leadership shapes governance and embeds ethics into organizational culture.



# Ethical theories and frameworks

These frameworks guide how leaders justify actions.

## Utilitarianism

1

Actions that maximize overall welfare.

Encourages leaders to choose actions that maximize overall welfare, balancing benefits against potential harms.

## Deontology

2

focuses on duties and obligations, urging leaders to act according to principles regardless of outcomes.

## Virtue

3

emphasizes moral character, encouraging leaders to embody values such as honesty and courage in the governance.

# Ethical Decision-making models

## 1. Hosmer's Six-Step Model:

Identifies issues, stakeholders, values, and evaluates options.

1. Identify the Moral Issue
2. Identify additional facts helpful to making a decision
3. Identify the alternatives available to apply to the problem
4. Identify the personal impacts to the decision maker
5. Apply three leading contemporary theories of business ethics: shareholder, stakeholder, and virtue
6. Conclude with a decision

## 2. Kidder's Nine Checkpoints:

Tests right vs. wrong and explores resolution principles.

1. Recognize there is a ethical/moral issue
2. Determine the actor
3. Gather the relevant facts
4. Test for right vs. wrong issues
5. Test for right vs. right paradigms
6. Apply the resolution principles
7. Investigate the "trilemma" option
8. Make the decision
9. Revisit and reflect on the decision

# Ethical Decision-making models

## More on

### Kidder's Nine Checkpoints:

Recognize

- Recognize there is a ethical/moral issue
- Identify issues needing attention and decide if it's an ethical issue or just a social conflict or poor manners.

Determine

- Determine the actor
- Whose dilemma is it? Who is responsible?

Gather

- Gather the relevant facts
- Distinguish the facts from assumptions

Test

- Test for right vs. wrong issues
- Was it against the law? Does it go against your moral principles?

Test

- Test for right vs. right paradigms
- The paradigms describe ethical problems and are presented as an "either/or", such as Truth vs. Loyalty, or Justice vs. Mercy.

Apply

- Apply the resolution principles:
- Ends-based, Rules-based, or Care-based?

Investigate

- Investigate the "trilemma" option
- Look for common ground or compromise

Make

- Make the decision
- It is important to come to a conclusion, decide, and act.

Reflect

- Revisit and reflect on the decision

# Fostering Ethical Leadership in Public Institutions



## **Mechanisms:**

Training, Mentorship, Ethical Codes, Appraisals.



## **Barriers:**

External (often political) Interference, Lack of Institutional Support.



## **Opportunities:**

Sector-specific Programs, Performance Incentives.





# Principles of Ethical Decision-Making

## Long-Term Self-Interest

Choose actions that promote the organization's sustainable success.

## Personal Virtue

Act only in ways you'd be proud to have publicly known.

## Religious Injunctions

Promote kindness, compassion, and community.

## Government Requirements

Comply with the law as the minimal ethical standard.

## Utilitarian Benefits

Seek the greatest good for the greatest number.

## Individual Rights

Respect legal and moral rights of all stakeholders.

## Distributive Justice

Protect less powerful individuals from exploitation.



# Ethical Dilemma: When Values Collide

## Insights

- Occurs when choices involve conflicting moral values, none of which lead to a perfectly right or wrong outcome.
- Common in leadership when duties, loyalty, and justice compete.
- Require moral reasoning, empathy, and clear ethical frameworks.
- Challenges a leader to balance competing obligations.
- In public institutions, often involves conflicts between personal values, institutional ethics, and external pressures.

## Scenarios

- A procurement officer must choose between awarding a contract to a highly qualified foreign company or to a less qualified local firm for local content representation.
- #EndSARS protest –you are a security officer under direct command. You receive an order to use force against demonstrators. You must decide whether to comply with the order or refuse

Goal is not perfection but integrity, transparency, and consistency in ethical decision-making.

# Global Perspectives on Ethics and Governance

Ethical governance is intentional. Thrives where strong systems, transparent rules, and ethical leadership culture align to build public trust.

## **Scandinavian Success Stories**

- Countries like Sweden, Norway, and Finland rank among the least corrupt globally.
- Achieved through open governance (e.g., public budgets, FOI laws, citizen participation).
- Strong legal frameworks and independent oversight reinforce leader accountability.
- Ethical culture rooted in fairness, equal treatment, and predictable enforcement.

## **Post-Enron Reforms in the U.S.**

- ~~Enron scandal early 2000 revealed widespread accounting fraud to hide debt and inflate profits, \$74 billion share value and job losses~~
- Led to the Sarbanes-Oxley Act (2002): strict reporting rules, executive accountability, whistleblower protection.
- Showed the importance of clear regulation and consequences for violations.

## **OECD Guidance on Ethical Leadership (2017)**

- ~~Ethical systems require more than rules, people with values~~ are needed.
- Leadership development, ethics training, and integrity frameworks are critical.
- Emphasis on rewarding transparency and accountability—not just technical skills.

**Lessons for Developing Economies:** Global literature reveals a convergence on the importance of leadership integrity, institutional checks and balances, and ethical culture in achieving good governance.

# The Nigerian Ethical and Governance Context

Ethical leadership is needed to restore public trust and improve service delivery.



**Challenges:** Corruption, weak enforcement, patronage politics.



**Reforms:** Single Treasury Account, Open Government Partnership, EFCC & ICPC, Freedom of Information Act.

# Governance and Ethical Issues in the Nigerian Ports Authority (NPA)



## Political Interference and Regulatory Capture

Port reforms and concessioning processes at the NPA have been repeatedly undermined by political influence, allowing elite interests to shape policy outcomes at the expense of transparency and fair competition (Sani, 2022); (Iwuoha & Ifeadike, 2022).



## Corruption and Rent-Seeking Behavior:

Corruption remains endemic in various facets of NPA operations—from port clearance procedures to procurement—resulting in inflated service charges, bureaucratic delays, and reputational damage (Sani, 2022).



## Discriminatory Tariff and Service Access:

Small and mid-sized port users often experience biased treatment in access to services and tariffs, compared to larger operators. This violates principles of equity and fairness central to ethical public service (Abubakar et al., 2024).



## Contract Opacity:

A persistent ethical issue is the lack of transparency in contract awarding and concession agreements. Stakeholders have raised concerns over non-disclosure of terms, irregular bidding processes, and discretionary decision-making in awarding major contracts (Badejo, 2021).



The NPA's dual function as both landlord and regulator creates ethical risks. It compromises impartiality in overseeing private terminal operators, creating conditions for regulatory bias and unchecked behavior (Badejo, 2021).



## Environmental Negligence and Accountability G

Outsourced marine waste management and poor enforcement of environmental standards result in pollution and long-term harm to port communities. Ethical accountability in environmental stewardship remains weak (Onwuegbuchunam et al., 2017).

**Issues centered around systemic ethical challenges in governance, transparency, and environmental stewardship within the NPA's operations.**



# Key Themes & Scholarly Debates



## 1 Rule-Based Compliance vs. Values-Based Ethics

- **Debate:** Should ethical leadership rely primarily on formal rules and codes of conduct, or on internalized moral values and character?
- **Scholarly Insight:** While rule-based systems are essential for setting minimum standards, scholars argue that these are often insufficient in high-pressure or politically exposed environments (Kaptein, 2008; OECD, 2017). Values-based ethics, emphasizing integrity, transparency, and service, are increasingly promoted as the sustainable foundation of ethical governance.
- **Relevance to NPA:** Despite having policies and codes, the NPA faces recurring ethical breaches, suggesting a gap between written rules and internalized ethical norms ([Akagha et al., 2023](#)).

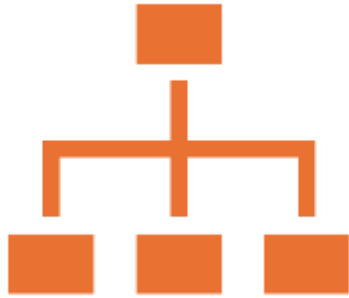
# Key Themes & Scholarly Debates\_/2

## 2 Individual Ethics vs. Systemic Constraints

- **Debate:** Is unethical behavior more a function of individual failings, or of systemic, structural weaknesses?
- **Scholarly Insight:** Nnabuike (2010) and Kure (2020) argue that even ethical individuals can falter in corrupt systems lacking institutional support, while others emphasize personal moral courage. Leadership effectiveness is increasingly seen as both a personal and organizational capacity.
- **Relevance to NPA:** Leadership decisions at the NPA are often shaped by political pressures, conflicting oversight roles, and lack of accountability mechanisms—highlighting the tension between personal ethics and institutional dysfunction.



# Key Themes & Scholarly Debates \_/3



## 3. Centralization vs. Decentralization of Authority

Does concentrated power enhance leadership efficiency, or does it increase ethical vulnerability?

**Scholarly Insight:** Tricker (2015) and Hope (2005) emphasize that while centralized leadership may speed decision-making, it often reduces transparency and stakeholder inclusion. Ethical governance thrives in systems that allow distributed decision-making with checks and balances.

**Relevance to NPA:** The NPA's dual role as landlord and regulator concentrates significant power within one body, which has raised concerns over oversight independence and ethical neutrality ([Badejo, 2021](#)).

# Key Themes & Scholarly Debates\_/4

## 4. Regulatory Oversight vs. Market-Based Self-Governance

- **Debate:** Should ethical conduct be enforced through external regulation or encouraged through private sector self-regulation and incentives?
- **Scholarly Insight:** Studies support hybrid models. Regulation provides a safety net, while self-governance and performance incentives foster ethical ownership (Kaptein, 2008; OECD, 2017).
- **Relevance to NPA:** The port concession model relies heavily on private terminal operators, but oversight lapses suggest that self-regulation alone is insufficient ([Sani, 2022](#)).



# Key Themes & Scholarly Debates\_ /5



## 5. Ethical Leadership as a Development Imperative

- **Debate:** Is ethical leadership a secondary concern after operational efficiency, or is it foundational to sustainable development?
- **Scholarly Insight:** Ethical leadership is now widely viewed as a driver of development outcomes, not just a moral preference. Unethical leadership breeds corruption, erodes service delivery, and deters investment (Nwagbara, 2012; Olufem, 2013).
- **Relevance to NPA:** As a critical economic institution, the NPA's leadership must prioritize ethics to ensure long-term efficiency, stakeholder trust, and contribution to national development.



# FINDINGS

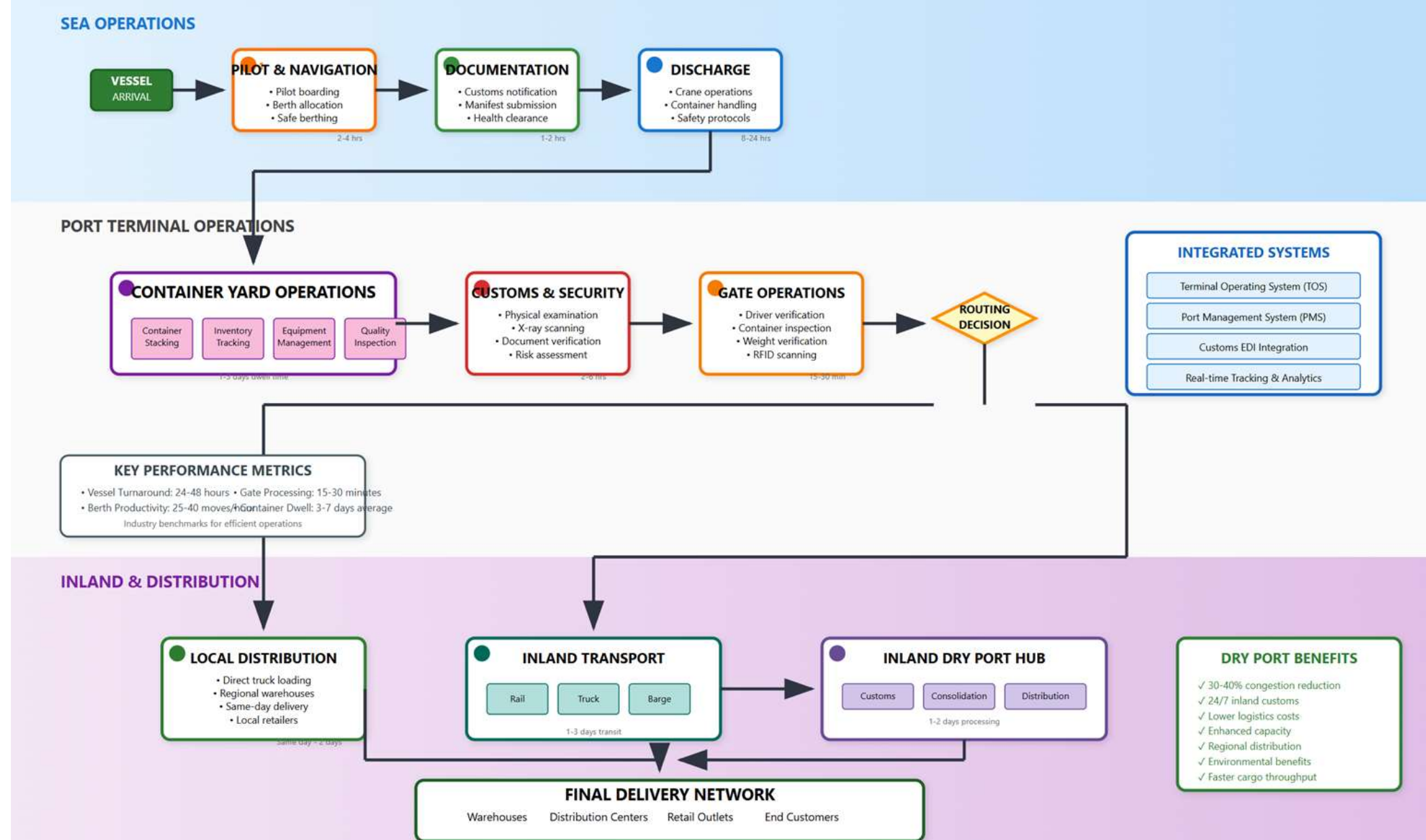
# Findings

- i. **Absence of Terminal Operating System (TOS)**
- ii. **Manual inspection of containers**
- iii. **Manual custom clearing**
- iv. **Manual gate operation**
- v. **Poor road network**
- vi. **Weak inland distribution network**
- vii. **Poor documentation**
- viii. **Undocumented cases of bribery**



# PROPOSED MODEL

# Proposed Model





# PORT OPERATIONS: PROBLEM ANALYSIS & TECHNICAL SOLUTIONS

Problems & Financial Impact

Technical Solutions

Problem Flow

Solution Implementation

## LEVEL 1: PILOT & BERTHING PROBLEMS

### COMMON PROBLEMS

- Weather delays
- Pilot unavailability
- Berth congestion
- Communication failures

### FINANCIAL IMPACT

- \$50K-100K/day vessel delay
- \$15K-25K demurrage costs
- \$5K-10K pilot overtime
- Lost productivity revenue

### TECHNICAL SOLUTIONS

- AI-powered berth scheduling
- Real-time weather monitoring
- Automated pilot dispatch
- VTS integration systems

### IMPLEMENTATION DETAILS

- Cost: \$2-5M for full VTS upgrade
- ROI: 18-24 months through efficiency
- Tech: IoT sensors, ML algorithms
- Integration: 6-12 months timeline

### SUCCESS METRICS

- 30% reduction in delays
- 25% berth utilization gain
- \$2M annual savings
- 95% on-time berthing

### RISK FACTORS

- Staff training requirements
- System integration risks
- Weather dependency
- Change management



## LEVEL 2: DOCUMENTATION & CLEARANCE PROBLEMS

### COMMON PROBLEMS

- Document errors/missing
- Customs processing delays
- Manual data entry errors
- Regulatory compliance

### FINANCIAL IMPACT

- \$25K-75K detention costs
- \$10K-20K penalty fees
- Cargo release delays
- Customer penalty clauses

### TECHNICAL SOLUTIONS

- Blockchain documentation
- AI document verification
- Single Window systems
- Automated compliance checks

### IMPLEMENTATION DETAILS

- Cost: \$3-8M for digital transformation
- ROI: 12-18 months from error reduction
- Tech: Blockchain, AI/ML, API integration
- Timeline: 8-15 months full deployment

### SUCCESS METRICS

- 80% error reduction
- 60% faster processing
- \$5M annual savings
- 99% compliance rate

### RISK FACTORS

- Regulatory approval time
- Legacy system integration
- Data security concerns
- Multi-agency coordination



## LEVEL 3: CONTAINER YARD OPERATIONS PROBLEMS

### COMMON PROBLEMS

- Container misplacement
- Equipment breakdowns
- Yard congestion
- Inventory inaccuracies

### FINANCIAL IMPACT

- \$200-500/TEU search costs
- \$100K-300K equipment repair
- \$5K-15K/day productivity loss
- Insurance claims increase

### TECHNICAL SOLUTIONS

- RFID/GPS container tracking
- IoT equipment monitoring
- AI yard optimization
- Automated guided vehicles

### IMPLEMENTATION DETAILS

- Cost: \$10-25M for smart yard upgrade
- ROI: 24-36 months via productivity gains
- Tech: IoT, AI, autonomous systems
- Phased rollout: 18-30 months

### SUCCESS METRICS

- 50% faster container location
- 90% equipment uptime
- 40% space optimization
- \$8M annual savings

### RISK FACTORS

- High upfront investment
- Technology obsolescence
- Operational disruption
- Skill gap requirements



## LEVEL 4: GATE OPERATIONS PROBLEMS

### COMMON PROBLEMS

- Long truck queues
- Document verification delays
- Security screening time
- Peak hour congestion

### FINANCIAL IMPACT

- \$150-300/hour truck waiting
- Driver overtime costs
- Customer complaints
- Appointment slot penalties

### TECHNICAL SOLUTIONS

- Automated gate systems
- Truck appointment systems
- OCR/RFID automation
- Mobile app integration

### IMPLEMENTATION DETAILS

- Cost: \$1-3M per automated gate lane
- ROI: 6-12 months from efficiency gains
- Tech: OCR, RFID, mobile apps
- Implementation: 3-6 months per lane

### SUCCESS METRICS

- 70% faster gate processing
- 90% reduction in queues
- \$3M annual savings
- 98% appointment accuracy

### RISK FACTORS

- System reliability needs
- Driver adaptation time
- Backup system requirements
- Peak load management

## CRITICAL SUCCESS FACTORS FOR IMPLEMENTATION

### CHANGE MANAGEMENT

- Staff training programs
- Stakeholder buy-in
- Phased implementation

### TECHNOLOGY INTEGRATION

- Legacy system compatibility
- API standardization
- Data migration strategy

### PERFORMANCE MONITORING

- Real-time dashboards
- KPI tracking systems
- Continuous optimization

### RISK MITIGATION

- Backup systems
- Cybersecurity measures
- Business continuity plans

## TOTAL COST ANALYSIS

### Investment Required:

- Level 1 (Pilot/Berthing): \$2-5M
- Level 2 (Documentation): \$3-8M
- Level 3 (Yard Operations): \$10-25M
- Level 4 (Gate Operations): \$3-9M

### Expected Returns:

- Annual savings: \$18-25M
- Productivity gain: 35-50%
- Customer satisfaction: +40%
- Overall ROI: 18-30 months

## IMPLEMENTATION ROADMAP

### PHASE 1

Gate automation  
Quick wins  
3-6 months

### PHASE 2

Documentation  
systems  
6-12 months

### PHASE 3

Smart yard &  
berthing  
12-30 months

### PHASE 4

Full integration  
& optimization  
24-36 months

## PROBLEM ESCALATION INDICATORS & TRIGGER POINTS

IMMEDIATE ACTION (RED)

ATTENTION NEEDED (AMBER)

NORMAL OPERATIONS (GREEN)

RED: >48hr delays, >\$100K daily losses, <70% berth utilization  
AMBER: 24-48hr delays, \$50-100K losses, 70-85% utilization  
GREEN: <24hr delays, <\$50K losses, >85% utilization

## EXPECTED ROI TIMELINE

Phase 1: 6-12 months ROI

Phase 2: 12-18 months ROI

Phase 3: 24-36 months ROI

Full System: 18-30 months ROI



# RECOMMENDATIONS

# Recommendations

- We recommend the adoption of our proposed model by all sector stakeholders to enhance service delivery and optimize economic outcomes.
- Organizations operating within or interacting with the NPA should uphold the highest ethical standards.
- Management should encourage stakeholders to utilize the NPA's established feedback and whistleblowing mechanisms.
- Stakeholders should collaborate with the NPA on joint training programs related to ethical conduct, transparency, and compliance for all personnel involved in port operations.

# Recommendations

- Civil society and the Nigerian citizens should hold the NPA and its leadership accountable for their commitments to ethical governance.
- Individuals Actively engage in feedback sessions, surveys, and public consultations.

# CONCLUSION

# Conclusion

Effective leadership provides the vision and drives the change; robust governance creates the structures for transparency and accountability; and unwavering ethics forms the bedrock of trust and sustainable development. Implementing this model will require political will, a sustained commitment from all stakeholders, and a fundamental shift in organizational culture. Our ports can become major trade hubs in the world!



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Thank You!