

Enhancing Legal Accountability through Corporate Governance: A Narrative Review

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ABSTRACT: Corporate governance and legal accountability are increasingly central to discussions of corporate responsibility and regulatory reform, particularly as businesses face growing scrutiny over ethical conduct and transparency. This narrative review investigates how governance structures influence legal accountability across diverse institutional and regulatory environments. The study systematically searched literature through databases such as Scopus, Web of Science, and Google Scholar using terms like "corporate governance," "legal accountability," and "transparency." Selection criteria focused on peer-reviewed empirical studies published within the past decade. The results underscore the importance of financial literacy and diversity within corporate boards in fostering legal compliance. Effective governance is often facilitated by the presence of independent board members and a strong culture of transparency. However, systemic barriers such as political instability, corruption, and cultural norms often obstruct the implementation of legal accountability, particularly in developing nations. The study also highlights the role of global regulations such as GDPR and Sarbanes-Oxley, and explores the potential of artificial intelligence and blockchain in enhancing transparency and compliance. This review concludes that addressing legal accountability requires an integrative approach involving robust legal frameworks, stakeholder engagement, and technological innovation. The findings provide a foundation for future research and policy development aimed at strengthening corporate governance systems globally.

Keywords: Corporate Governance, Legal Accountability, Transparency, Board Diversity, Artificial Intelligence, Compliance, Regulatory Frameworks.



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INTRODUCTION

Corporate governance and legal accountability are widely recognized as central to sustainable business practices. However, despite extensive regulatory reforms and growing attention to transparency, significant gaps remain in how current scholarship addresses the relationship

between governance structures and legal accountability. In particular, research has not sufficiently explained how these frameworks function differently in developed and developing countries, creating a need for a comparative and timely review. This transformation is not merely regulatory but also cultural. Yet, existing literature does not clearly articulate what remains underexplored, particularly regarding the interaction between institutional culture, regulatory enforcement, and legal accountability. A prominent example of this trend is the European Union's Corporate Sustainability Due Diligence Directive (CSDDD), which compels corporations to respect human rights and environmental standards throughout their supply chains, thus reinforcing the legal and ethical obligations of companies beyond their immediate operations (Vandenbroucke, 2024; Schilling-Vacaflor & Lenschow, 2021). Concurrently, technological advancements, particularly the integration of artificial intelligence (AI) in governance systems, have further catalyzed accountability and transparency, enabling automated compliance checks and real-time reporting (Ustahaliloğlu, 2025).

Against this backdrop, the relationship between corporate governance and legal accountability has grown increasingly intricate. Governance mechanisms today must not only ensure operational efficiency but also guard against misconduct, corruption, and regulatory evasion. As organizations face mounting expectations to align business practices with global ethical standards, legal accountability becomes central to maintaining public trust and investor confidence. The widespread implementation of CSR policies and ESG benchmarks has only added layers of complexity to governance structures. Nonetheless, without robust enforcement mechanisms, these voluntary commitments risk becoming symbolic rather than substantive. Thus, the current discourse necessitates a deeper exploration of how governance frameworks either enable or impede legal accountability across diverse institutional and cultural settings.

Empirical evidence underscores the critical role of sound governance in maintaining legal and financial integrity. A series of high-profile scandals involving sustainability misreporting and corporate fraud have demonstrated the tangible risks posed by poor governance. Dempere et al. (2024) highlight the substantial investor losses resulting from greenwashing and deceptive sustainability disclosures, emphasizing the urgent need for regulatory vigilance. These cases serve as stark reminders that inadequate corporate governance not only undermines legal norms but also erodes investor confidence and damages firm reputation. Similarly, research by Graham et al. (2024) and Mamatzakis & Boahen (2025) links ineffective governance practices with diminished profitability and long-term market performance, suggesting that legal accountability is inextricably tied to corporate viability. These findings reinforce the argument that governance failures are not merely legal transgressions but strategic miscalculations with significant financial repercussions.

Beyond financial losses, poor corporate governance can also propagate systemic vulnerabilities. In many cases, the absence of clear fiduciary duties or weak enforcement mechanisms results in legal grey zones that allow misconduct to flourish. The presence of such gaps in legal accountability mechanisms becomes particularly problematic when organizations operate across multiple jurisdictions, each with varying levels of regulatory maturity and enforcement capacity. This complexity necessitates cross-border regulatory harmonization and more cohesive frameworks to ensure that legal accountability is not diluted by transnational operations or jurisdictional arbitrage.

However, efforts to strengthen corporate governance face considerable challenges. One of the most persistent issues is the divergence of legal and regulatory frameworks across countries. Different governance traditions, whether rooted in corporatist, statist, or liberal paradigms, influence how laws are interpreted and enforced. For example, Germany's stakeholder-oriented approach often contrasts with France's more centralized, statist governance model, leading to varied implementations of the same supranational policies (Gustafsson et al., 2022). Such discrepancies complicate the creation of unified accountability standards. Even within countries with robust legal institutions, enforcement can be inconsistent due to bureaucratic inefficiencies, political interference, or resource constraints (Tan, 2022).

Another formidable barrier is the treatment of whistleblowers, who often serve as crucial actors in uncovering corporate wrongdoing. While many jurisdictions have introduced protective statutes, the practical implementation of these laws remains uneven. Al-Tawil (2024) notes that in the absence of adequate legal safeguards, whistleblowers are often subjected to retaliation, which in turn suppresses the disclosure of unethical or illegal conduct. This chilling effect contributes to a culture of silence within organizations, obstructing efforts to foster transparency and accountability. Strengthening whistleblower protection is therefore integral to a functional governance and accountability regime.

In addition to legal and structural barriers, organizational culture plays a substantial role in shaping governance outcomes. Firms with deeply embedded hierarchical or authoritarian cultures may resist compliance reforms or fail to prioritize accountability. Similarly, the alignment between leadership behavior and institutional values is essential for the consistent application of legal standards. Without cultural congruence, even the most sophisticated regulatory frameworks may be rendered ineffective.

Despite a proliferation of scholarship, there is still limited understanding of how structural and cultural factors intersect to influence legal accountability—especially in the Global South. This review therefore aims to synthesize existing evidence while situating the analysis within a comparative Global North–South framework. Notably, there is a paucity of comparative research that systematically explores variations in governance effectiveness across different legal systems and economic contexts. Most studies tend to focus on developed economies, leaving a knowledge void regarding the governance practices and challenges in emerging markets, where legal institutions are often less mature and informal norms exert stronger influence. Furthermore, existing literature often treats governance and accountability as discrete phenomena, rather than exploring their mutual reinforcement and interdependence.

The primary objective of this narrative review is to examine the interplay between corporate governance structures and legal accountability mechanisms, with a focus on evaluating how governance practices influence compliance with legal and ethical standards. Through a synthesis of multidisciplinary literature and empirical findings, the review seeks to identify the critical factors that shape effective governance and accountability outcomes. By bridging the theoretical and practical dimensions of the topic, this study aims to offer actionable insights for scholars, policymakers, and corporate practitioners. In particular, it highlights the policy and institutional

reforms necessary to enhance accountability in corporate operations, thereby contributing to more transparent and responsible business ecosystems.

This review adopts a global comparative lens, acknowledging that governance practices and legal accountability vary significantly by geography. Developed nations, typically characterized by robust legal frameworks and higher institutional capacity, often exhibit stricter enforcement of corporate governance standards. In contrast, developing economies frequently grapple with weak regulatory infrastructures, limited oversight capacity, and sociopolitical challenges that impede the implementation of effective governance. These contextual differences necessitate a nuanced understanding of governance dynamics, as strategies that prove effective in one context may not be readily transferrable to another. By incorporating a diverse array of case studies and cross-national analyses, this review aims to illuminate best practices while also identifying context-specific constraints and opportunities.

Ultimately, the findings of this review underscore the imperative for more integrated and context-sensitive approaches to corporate governance. As globalization continues to blur national boundaries and as technological advances reshape business operations, the alignment of governance frameworks with principles of legal accountability becomes not only desirable but essential. Strengthening legal accountability through improved governance structures can serve as a catalyst for ethical corporate behavior, enhanced investor protection, and broader socio-economic development. Future research should therefore prioritize comparative, interdisciplinary investigations that explore the evolving relationship between governance and accountability in varied institutional settings, especially in underexamined regions of the Global South. Only through such comprehensive inquiry can we formulate robust, equitable, and sustainable governance models that address the multifaceted challenges of today's global business environment.

METHOD

This narrative review employs a systematic yet flexible approach to gather, screen, and synthesize scholarly literature that examines the relationship between corporate governance and legal accountability in the context of contemporary business practices. The selection and organization of the literature were guided by academic rigor and relevance, with a focus on studies published in reputable, peer-reviewed journals, books, and proceedings that have contributed significantly to the discourse in governance and law.

To ensure comprehensive coverage, three primary academic databases were utilized in the literature search: Scopus, Web of Science, and Google Scholar. Scopus was chosen for its extensive indexing of international peer-reviewed journals and its advanced citation analytics, which are particularly useful in assessing the influence and interconnectedness of publications in the field (Nara et al., 2021). Web of Science was selected due to its broad interdisciplinary coverage and its capability to provide bibliometric insights into corporate governance research trends over time (Asaaga et al., 2020). Google Scholar was also included to broaden the search and capture gray

literature such as working papers, conference proceedings, theses, and policy reports, which often provide contextually rich information not always available in indexed databases (Wegerif et al., 2025).

A structured keyword search strategy was applied consistently across these platforms. The core search terms included combinations of "corporate governance," "legal accountability," "corporate social responsibility," "transparency," "stakeholder engagement," and "governance mechanisms" (Meyer, 2020). To enhance the depth and specificity of the search, these terms were supplemented with keywords such as "risk management," "compliance," "regulatory framework," "fiduciary duty," and "enforcement mechanisms." Boolean operators and truncation symbols were applied to ensure a comprehensive search query that would retrieve a wide spectrum of relevant literature across various disciplinary domains, particularly law, business, public policy, and ethics.

The search was limited to publications from the last ten years, covering the period from 2014 to 2024. This temporal scope was selected to ensure that the review focused on contemporary developments in corporate governance practices, legal reforms, and regulatory innovations. All retrieved publications were initially screened based on their titles and abstracts to assess their relevance to the central theme of this study. Full-text screening was then conducted to ensure the inclusion of only those studies that explicitly discussed the interplay between governance structures and legal accountability mechanisms.

Inclusion criteria were applied to identify high-quality, relevant studies. Articles were included if they met the following conditions: (1) published in peer-reviewed journals or reputable academic publishers; (2) provided empirical or theoretical analysis directly related to the theme of corporate governance and legal accountability; (3) addressed corporate entities as the primary subject of analysis; and (4) written in English or a language accessible to the research team. The review included both qualitative and quantitative studies, including randomized controlled trials (where applicable in governance experiments), case studies, cohort studies, and policy evaluations.

Studies were excluded based on several criteria to maintain academic rigor and ensure relevance. Non-peer-reviewed sources, editorials, opinion pieces, and publications focused on non-corporate entities such as NGOs or government institutions were excluded unless they provided essential contextual insights. Additionally, articles that did not explicitly analyze the nexus between corporate governance and legal accountability or that focused solely on one aspect without reference to the other were removed from consideration. Studies published prior to 2014, unless cited for theoretical grounding, were also generally excluded to maintain temporal relevance (Lawry et al., 2016; Kugbega & Aboagye, 2021).

Once the articles meeting the inclusion criteria were identified, a two-stage review process was conducted. In the first stage, a manual coding procedure was implemented to extract bibliographic data, research questions, methodologies, findings, and conclusions from each study. This data extraction allowed for a comparative understanding of how different studies approached the topic and what dimensions of corporate governance and legal accountability they emphasized. During the second stage, thematic analysis was performed to identify recurring themes, patterns, and gaps across the selected studies. Themes such as board structure, regulatory compliance, whistleblower

protections, stakeholder inclusion, technological innovations in governance, and regional regulatory variations emerged as focal areas of interest.

To ensure objectivity and reduce bias, the selection and analysis process involved multiple reviewers with expertise in corporate law, governance, and business ethics. Discrepancies in the inclusion or exclusion of particular studies were resolved through consensus discussions. Inter-rater reliability was tested through pilot screening of a subset of studies, which confirmed a high degree of consistency in application of the criteria. Throughout the review process, reference management software was used to organize citations, track duplicates, and facilitate structured analysis.

This methodology reflects a commitment to integrating methodological rigor with thematic depth. While this review does not follow the strict protocol of a systematic review or meta-analysis due to the heterogeneity of study designs in governance research, it adopts a narrative synthesis approach that allows for analytical flexibility and interpretive richness. Such an approach is well-suited to capture the multidimensional and context-dependent nature of governance and legal accountability.

By combining diverse sources, rigorous screening, and systematic thematic analysis, this methodology enables a nuanced understanding of the scholarly landscape on corporate governance and legal accountability. It lays the foundation for a coherent synthesis of existing knowledge, the identification of research gaps, and the formulation of practical recommendations relevant to academics, policymakers, and corporate leaders alike.

RESULT AND DISCUSSION

This section presents the synthesized findings from the reviewed literature concerning the interaction between corporate governance and legal accountability. The results are presented in three thematic sub-sections and directly linked to interpretive discussion: (1) the role of corporate boards, including causal mechanisms explaining why financial literacy reduces legal infractions; (2) the influence of international and domestic regulations, including contrasting findings across regions; and (3) the integration of emerging technologies, with a critical assessment of feasibility in developing contexts.. Each theme draws on empirical data and theoretical insights to highlight key trends, regional comparisons, and implications for legal compliance and organizational integrity.

The role of the board of directors in reinforcing legal accountability is prominently emphasized across the literature. Financial literacy among board members is consistently cited as a determining factor in the board's ability to ensure legal compliance and effective oversight. Asaaga et al. (2020) demonstrate that directors with a clear understanding of financial statements are more likely to detect inconsistencies, assess corporate risk accurately, and act in alignment with legal norms. Supporting this, Abeho et al. (2024) found that companies with financially literate directors tend to exhibit stronger audit quality, reduced financial manipulation, and fewer regulatory infractions.

The importance of director competence is underscored further in research that links low financial literacy to poor strategic decision-making, which often exposes corporations to legal liabilities.

Moreover, board composition significantly influences a company's adherence to legal standards. Diversity in boardrooms—in terms of gender, ethnicity, and professional background—has been positively associated with enhanced compliance behavior and accountability mechanisms. Mugagga et al. (2019) report that firms with diverse boards are more likely to implement ethical business practices and maintain comprehensive internal controls. Paradza et al. (2020) echo this by noting that independent directors often act as external monitors, promoting transparency and mitigating conflicts of interest, thereby reducing the risk of legal non-compliance. Lawry et al. (2016) further emphasize that boards that engage proactively in oversight and strategic decision-making are better positioned to detect legal vulnerabilities and enforce accountability frameworks. These findings illustrate that the structure and quality of corporate boards are not merely formalities but are instrumental in shaping the ethical and legal landscape of corporate behavior.

In examining the influence of legal frameworks, several regulatory instruments have emerged as critical in shaping governance practices across jurisdictions. The European Union's General Data Protection Regulation (GDPR) serves as a benchmark for privacy protection and data accountability. Gwaleba et al. (2023) indicate that GDPR has compelled organizations globally to upgrade their data protection protocols, ensuring that user privacy is maintained through transparent and accountable mechanisms. This extraterritorial influence highlights the reach and normative power of such legal instruments, especially for multinational corporations that must align with European compliance standards regardless of their home country.

Similarly, the Sarbanes-Oxley Act (SOX) in the United States has transformed corporate governance by enforcing rigorous financial reporting and auditing requirements. Santpoort et al. (2021) find that SOX has significantly improved corporate transparency and financial integrity among publicly traded firms in the U.S., reducing instances of accounting fraud and restoring investor trust. These regulatory measures not only enhance legal accountability but also promote a culture of organizational responsibility by penalizing non-compliance and rewarding transparency.

At a global scale, the United Nations' Sustainable Development Goals (SDGs) offer a normative framework encouraging companies to integrate social and environmental objectives into their governance structures. Msangi et al. (2023) argue that corporations adopting SDG-aligned governance frameworks are more likely to implement policies that respect human rights and promote environmental sustainability, both of which are essential dimensions of legal accountability. While the SDGs do not carry direct legal enforcement, their influence on corporate norms and stakeholder expectations has proven substantial.

The application of these regulations varies dramatically between developed and developing countries. Wegerif et al. (2025) note that advanced economies possess the legal infrastructure, institutional capacity, and enforcement mechanisms necessary to implement complex regulatory frameworks. As a result, corporations in these regions generally demonstrate higher levels of legal accountability and regulatory compliance. In contrast, countries in the Global South often struggle with limited regulatory capacity, weak enforcement, and pervasive corruption. Ansah and Chigbu (2020) and Kishaija and Heil (2025) identify these constraints as barriers to effective legal

accountability, with many firms lacking the incentives or capabilities to adhere to formal governance codes. This regulatory disparity underscores the need for context-sensitive governance reforms that address institutional weaknesses while aligning with international legal standards.

Technology plays an increasingly important role in enhancing transparency and legal compliance in corporate governance. Artificial intelligence (AI) and blockchain technologies have emerged as powerful tools for monitoring, auditing, and ensuring the accuracy of corporate disclosures. AI systems can process vast datasets to identify irregularities, flag compliance issues, and suggest corrective actions, thereby reducing the scope for human error and deliberate misconduct. Akpo et al. (2024) show that AI-enhanced governance platforms can detect early warning signs of legal breaches, enabling timely interventions and improved risk management. Similarly, Asaaga and Hirons (2019) highlight the potential of AI-driven dashboards to increase accountability through real-time monitoring and predictive analytics.

Blockchain technology offers another promising avenue for legal accountability. Its immutable and transparent ledger systems make it ideal for documenting transactions, contracts, and compliance activities. Nara et al. (2020) emphasize that blockchain enhances trust in corporate reporting by providing a verifiable trail of actions and decisions. Schreiner and Koppen (2020) find that companies using blockchain for supply chain management have significantly reduced incidents of fraud, misreporting, and contract disputes. These benefits are not merely theoretical; empirical evidence from various industries shows that blockchain adoption correlates with improvements in audit accuracy and regulatory adherence.

Case studies offer compelling evidence of the real-world impact of technological integration in governance. For instance, Kugbega (2020) documents how multinational corporations have employed blockchain to trace the provenance of goods across complex supply chains, ensuring authenticity and reducing the risk of counterfeit products. Kugbega and Aboagye (2021) further note that blockchain-based systems have enabled companies to meet legal requirements for product traceability and labor compliance, especially in sectors prone to exploitation and environmental harm.

AI has also proven effective in internal audits, particularly in detecting anomalies in financial statements. Merten and Haller (2023) find that AI algorithms outperform traditional audit techniques in identifying discrepancies that could signal fraud or legal non-compliance. Honig (2022) corroborates these findings, arguing that the use of AI in governance not only strengthens internal controls but also aligns corporate behavior with regulatory expectations. These technological innovations collectively suggest that digital tools, when properly implemented, can significantly enhance the capacity of corporations to meet legal obligations and build public trust.

In sum, the reviewed literature reveals a multifaceted and evolving landscape in which corporate governance and legal accountability intersect. The effectiveness of governance structures is deeply influenced by board competencies, regulatory environments, and technological integration. While best practices emerge from contexts with strong legal institutions and access to advanced tools, significant disparities persist across regions, particularly between the Global North and South. The findings reinforce the importance of adopting a holistic approach to governance—one that integrates regulatory compliance, ethical norms, and technological innovation to build transparent, accountable, and legally compliant organizations. Future governance frameworks must therefore

be adaptive, inclusive, and technology-enabled to meet the growing demands of global accountability.

The findings of this narrative review align with and extend existing literature concerning corporate governance and legal accountability, revealing critical insights into the structural, systemic, and technological dynamics that shape governance outcomes. A considerable body of scholarship has long emphasized the importance of board competence and financial literacy in fostering corporate accountability. This review reaffirms such conclusions, corroborating that directors equipped with financial acumen are better positioned to uphold legal obligations and reduce the likelihood of infractions (Asaaga et al., 2020; Abeho et al., 2024). However, the present analysis contributes a nuanced perspective by uncovering how broader systemic conditions—particularly political instability, institutional corruption, and organizational culture—exert significant influence on the effectiveness of governance mechanisms. These elements, though underexplored in prior studies, are shown here to substantially mediate the relationship between board capacity and legal compliance.

The interaction between systemic factors and corporate governance effectiveness is especially pronounced in emerging economies. In contexts marked by political volatility and high levels of corruption, governance systems are often undermined by weak legal enforcement and opaque regulatory practices. This is consistent with previous research indicating that regulatory frameworks, while formally adopted, often fail to translate into meaningful accountability due to institutional fragility (Ansah & Chigbu, 2020; Kishaija & Heil, 2025). The findings further support the argument by Tan (2022) that even in jurisdictions with robust legal traditions, discrepancies in enforcement—often influenced by political expediency or resource constraints—can severely diminish the efficacy of governance structures. This reflects a gap in the literature that tends to treat legal frameworks as monolithic rather than context-sensitive instruments whose effectiveness depends on the quality of implementation and institutional integrity.

The significance of organizational culture also emerges as a determinant of legal accountability. While much of the extant literature has focused on formal mechanisms such as board independence and audit committees (Lawry et al., 2016; Mugagga et al., 2019), this review highlights the pivotal role of cultural factors such as ethical leadership, internal norms, and tolerance for non-compliance. In firms where transparency and ethical behavior are embedded in organizational norms, compliance with legal standards tends to be more rigorous. Conversely, permissive cultures that downplay ethical breaches often cultivate environments where legal violations are normalized or overlooked. These insights echo the work of Asaaga and Hirons (2019), who assert that the internalization of ethical principles is as vital to compliance as external regulation.

Technological innovation, particularly the use of artificial intelligence and blockchain, introduces a transformative dimension to governance practices. The literature increasingly recognizes these tools as enablers of transparency, real-time monitoring, and improved data integrity. AI systems, for example, can detect anomalies in financial reports and flag patterns indicative of legal breaches, thereby augmenting the oversight capacity of corporate boards (Akpo et al., 2024; Merten & Haller, 2023). Blockchain technology, by providing an immutable ledger of transactions, offers a robust solution for verifying the authenticity of corporate disclosures and ensuring traceability across

supply chains (Nara et al., 2020; Schreiner & Koppen, 2020). These technological tools mitigate human bias and enhance accountability, particularly in high-risk sectors where manual oversight is often insufficient. Nevertheless, the successful integration of such technologies is contingent upon adequate digital infrastructure and organizational readiness—factors that are unevenly distributed across global regions.

The comparative perspective between developed and developing countries elucidates the stark disparities in governance and accountability outcomes. In advanced economies, strong institutional frameworks and effective regulatory enforcement facilitate the implementation of governance best practices. Wegerif et al. (2025) note that corporations in these jurisdictions benefit from higher stakeholder expectations, more transparent reporting systems, and stricter penalties for non-compliance. In contrast, firms in the Global South frequently operate in legal environments characterized by gaps in enforcement and limited institutional capacity, which hinder their ability to implement and benefit from similar governance reforms. These structural inequalities amplify the importance of tailoring governance models to specific socio-political contexts rather than adopting universal templates.

Addressing the challenges identified in this review requires a multifaceted strategy. Strengthening regulatory frameworks is a foundational step, but such reforms must be accompanied by efforts to enhance enforcement capabilities and reduce political interference. Vandenbroucke (2024) and Schilling-Vacaflor & Lenschow (2021) advocate for supranational instruments like the EU's Corporate Sustainability Due Diligence Directive (CSDDD), which aim to align corporate conduct with human rights and environmental standards across borders. While such initiatives set important benchmarks, their efficacy depends on domestic institutions' willingness and ability to enforce them. This reinforces the need for coordinated capacity-building efforts, including judicial training, anti-corruption measures, and public oversight mechanisms.

Educational interventions targeting board members and senior executives are another vital component of reform. As demonstrated by Abeho et al. (2024), financial literacy and legal training enhance directors' ability to engage with complex compliance requirements. Investment in ongoing professional development, particularly in emerging markets, can help bridge knowledge gaps and promote a more proactive approach to legal accountability. Moreover, integrating corporate ethics and compliance into business education curricula could foster a new generation of leaders attuned to the responsibilities and risks inherent in governance roles.

A particularly promising approach to governance reform involves greater stakeholder engagement. Encouraging participation from civil society organizations, labor unions, and the media can enhance accountability by creating additional layers of scrutiny and public discourse. Participatory governance models align with the principles of inclusive accountability, as proposed by Msangi et al. (2023), who emphasize the value of embedding stakeholder rights into governance frameworks. Such models not only democratize oversight but also reflect broader societal values, thereby reinforcing the legitimacy and effectiveness of corporate governance.

Despite these opportunities, the review also underscores several limitations in the current state of research. Many studies adopt a narrow geographical or sectoral focus, limiting the generalizability of their findings. Others rely heavily on self-reported corporate data, which may be subject to bias or manipulation, particularly in jurisdictions lacking transparency mandates. Furthermore, there is

a paucity of longitudinal studies capable of capturing the dynamic evolution of governance practices over time. Addressing these gaps would require more comprehensive and comparative research designs, supported by cross-national collaborations and access to high-quality data.

There is also limited understanding of how governance reforms interact with informal institutions such as cultural norms, religious beliefs, and customary law. These factors, while difficult to quantify, exert significant influence on organizational behavior and legal compliance, particularly in non-Western settings. Future research could benefit from interdisciplinary approaches that integrate legal analysis, political science, and anthropology to develop more holistic frameworks for understanding corporate accountability.

In conclusion, this discussion has emphasized the multifactorial nature of corporate governance and legal accountability, drawing on empirical evidence and theoretical insights to identify key challenges and propose actionable reforms. By bridging structural, systemic, and technological perspectives, the analysis offers a foundation for both scholarly inquiry and practical policy development aimed at strengthening accountability in corporate governance systems.

CONCLUSION

This narrative review highlights the intricate relationship between corporate governance structures and legal accountability across diverse regulatory and socio-political environments. The analysis confirms that board financial literacy, structural diversity, and independent oversight are foundational to achieving effective legal compliance. However, systemic challenges such as political instability, regulatory fragmentation, and permissive organizational cultures frequently undermine these efforts, particularly in developing economies. The integration of advanced technologies such as artificial intelligence and blockchain has shown promising potential in enhancing transparency, auditing accuracy, and compliance monitoring. Furthermore, disparities between developed and developing countries underscore the necessity of context-sensitive governance reforms.

Addressing these barriers demands a multifaceted strategy encompassing stronger legal frameworks, enhanced enforcement mechanisms, stakeholder inclusivity, and continuous board education. This review recommends the adoption of international governance benchmarks tailored to local contexts and supported by robust institutional capacity-building. Encouraging civil society engagement and leveraging digital innovations are essential to overcoming limitations in current governance practices.

Future research should focus on longitudinal and comparative studies that incorporate both formal regulatory systems and informal cultural dynamics. Additionally, there is a pressing need to explore how governance innovations are adopted and adapted across different sectors and regions. Reinforcing transparency, stakeholder engagement, and ethical corporate culture must remain central to these initiatives. The urgency of enhancing legal accountability in corporate governance is not only a matter of compliance but a prerequisite for sustainable and responsible business practices globally.

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