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Corporate Governance Structure and Performance Evaluation in Banking Companies: A Systematic Review of Literature

ABSTRACT

Objective: Evaluate the state of the art of studies on the relationship between corporate governance structure and performance evaluation in the banking industry companies.

Method: A systematic literature review was conducted using the Knowledge Development Process-Constructivist (ProKnow-C) instrument in the Scopus and Web of Science databases. A total of 37 articles published between 2006 and 2024 were selected.

Originality/Relevance: The study highlights gaps in the literature on corporate governance in the banking sector, such as the lack of integration between performance indicators and governance practices, as well as the scarcity of studies on decision-making processes. By proposing new research directions, it contributes to the academic debate and offers insights to strengthen financial resilience of financial, emphasizing the importance of the topic in the current economic context.

Results: The study revealed growing interest in the topic between 2018 and 2021, with a predominance of positivist and empirical methodologies, while also identifying gaps in the integration of performance metrics and the qualitative exploration of decision-making processes and underlying motivations in governance practices.

Theoretical contributions: The study enriches the literature by proposing new research directions, suggesting integrating performance indicators into a unified framework and investigating specific decision-making processes, thereby enhancing the understanding of corporate governance practices across various organizational contexts.

Keywords: Performance evaluation, corporate governance, banking sector, systematic review, ProKnow-C.

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1 INTRODUCTION

Performance evaluation is relevant for measuring the effectiveness of corporate governance practices in banks. Benvenuto et al. (2021) highlight that this evaluation allows for determining whether financial institutions with good governance practices achieve superior financial development, reflected in metrics such as Return on Assets (ROA) and Return on Equity (ROE). These metrics are widely used to assess the financial efficiency of banks and the effectiveness of management in generating profit, as noted by AlSagr et al. (2018).

Corporate governance has become an essential topic in analyzing banking performance, especially during financial crises. During recent events, traditional governance practices have shown insignificant or negative relationships with stock returns and the ROE of banks, highlighting the need to explore how specific risk governance practices can strengthen the financial resilience of institutions (Aebi et al., 2012).

Corporate governance aims to enhance long-term value for shareholders by improving performance and corporate accountability while considering the interests of all stakeholders (Handa, 2018). In crises like the COVID-19 pandemic, transparency and innovative governance strategies, such as independent directors and performance-based compensation, gain prominence for their ability to mitigate risks and enhance profitability (El-Chaarani et al., 2022). The banking sector faces unique challenges due to its exposure to financial risks and the need to ensure stability in a volatile economic environment (Mamatzakis & Bermpei, 2015).

Despite the recognition of the importance of corporate governance, there are gaps in understanding how different practices affect banking performance, especially during crises (Zhang et al., 2020; Kafidipe et al., 2021). The interaction between mandatory and voluntary disclosure of governance practices and its impact on bank performance has not yet been fully explored (Zhang et al., 2020). The lack of studies on the impact of governance in Islamic banks, which follow Shari'a, highlights another important gap (Ghayad, 2008). Utama and Musa

(2011) demonstrate how poor governance contributed to financial crises, emphasizing the need for more research on how governance practices influence banking performance during periods of crisis. The lack of standards and deficiencies in law enforcement highlight gaps in the literature on organizational efficiency through governance structures (Orazalin & Mahmood, 2019).

The relevance of the topic of corporate governance structure and performance evaluation in the banking sector is increasingly recognized, especially in contexts of financial crisis, where the effectiveness of these practices can directly impact the resilience of institutions. The central question guiding this study is: How does the existing literature discuss corporate governance structure and performance evaluation in the banking sector? This question is fundamental as it seeks to explore not only the interactions between different governance practices and financial performance but also the existing gaps in the literature that, if addressed, could provide valuable insights for policy formulation and strategic management of banks. This study not only investigates the existing literature but also aims to propose directions for future research, contributing to a deeper understanding of the effectiveness of governance practices in times of crisis.

To achieve these objectives, a systematic literature review will be conducted using the Knowledge Development Process-Constructivist (ProKnow-C) tool. The use of this instrument is justified by its structured and systematic approach to the selection and critical analysis of literature, having proven effective in previous studies (Koch et al., 2021; Thiel et al., 2017; Valmorbida & Ensslin, 2016). We hope to identify and analyze the characteristics of relevant scientific articles, aiming to provide a solid foundation for future investigations in this area.

The justification for the study lies in the need for a deeper understanding of the effectiveness of corporate governance practices on banking performance, especially in financial crises. Despite the growing importance of corporate governance, there are significant gaps in

understanding how governance practices influence bank performance in contexts of financial crisis.

This study contributes by compiling and analyzing existing research, conducting bibliometric analysis, literature mapping, and systemic analysis, as well as suggesting directions for future research. It deepens the understanding of governance in financial crises and its impact on banking performance; provides insights for regulators and managers, assisting in the implementation of practices that enhance financial resilience and institutional performance; and promotes financial stability and economic development, benefiting the banking sector and the economy as a whole. Additionally, it emphasizes the need to engage investors, capital providers, auditors, and regulatory entities to strengthen corporate governance and enhance the effectiveness of banking institutions. The research expands the understanding of governance dynamics and practices in different economic contexts, offering a comprehensive view from theoretical grounding to practical application, as evidenced by Himaj (2014) and Ahmed & Gábor (2012).

2 THEORETICAL FRAMEWORKS

2.1 Corporate Governance and Performance

Agency Theory provides a crucial framework for understanding how corporate governance influences performance in the banking sector (Grove et al., 2011; Ajili & Bouri, 2018). It is based on the principle that there is a separation between ownership and control in companies, where managers (agents) must act in the best interests of shareholders (principals), but may have diverging personal incentives (Aslam & Haro, 2020; Hamdan, 2022).

Specific characteristics of banks, such as size and complexity of operations, are determinants in how corporate governance impacts their performance. While size may offer

economies of scale, it can also increase complexity and risks if there is no effective governance structure to monitor and control these aspects (Al-Manaseer et al., 2012).

The structure of the Board of Directors and ownership distribution are fundamental to banking governance. Independent boards, effective audit committees, and ownership structures that do not excessively concentrate control are associated with better governance practices and superior banking performance (Hassan, 2012). Internal mechanisms, such as executive compensation and ownership structure, along with external factors like the control market and government regulation, play complementary roles in balancing the interests of shareholders, managers, and other stakeholders, promoting transparency and efficiency (Dalwai et al., 2015).

In different geographic regions, such as Germany, Tunisia, and China, shareholders play distinct roles in corporate governance of banks, reflecting variations in practices and performance outcomes (Dalwai et al., 2015). Challenges, such as prudential regulation, conflicts of interest, and market competition, are specific to the banking sector. High leverage and asset complexity require special attention to ensure that governance practices are appropriate and effective (Basuony et al., 2015).

Corporate governance is a fundamental aspect aimed at structuring and managing companies to maximize long-term value for shareholders, balancing diverse interests and ensuring accountability. According to Khan and Zahid (2020), its essence lies in the board of directors, which plays a vital role in the stability and performance of organizations. According to Kusuma and Ayumardani (2016), corporate governance serves as a guiding principle that balances power and authority within the organization, ensuring accountability to shareholders and stakeholders. Effective governance structures, which include independent boards and clear compensation policies, are associated with better performance outcomes in banks (Dalwai et al., 2015). Additionally, adequate disclosure of governance practices can improve internal control and, consequently, business performance (Khanifah et al., 2020).

Corporate governance encompasses the processes and structures that direct and manage businesses, seeking to balance corporate performance with stakeholder interests (Handa, 2018). The relationship between governance failures and poor performance underscores the importance of stability in banks for economic development, especially in challenging contexts, such as macroeconomic instability (Kafidipe et al., 2021). After financial scandals, corporate governance has become crucial to prevent fraud and improve company performance, although its effectiveness depends on the combination of human and non-human factors in specific contexts (Ahmed & Gábor, 2012). AlSagr et al. (2018) state that a good governance system can enhance profitability and performance by aligning the interests of owners and managers, while gender diversity on boards has proven to be an important variable impacting both organizational performance and regulatory guidelines (Khan & Wang, 2021).

Studies on corporate governance in banks reveal that intellectual capital and Sharia boards play a positive mediating role in the relationship between governance and performance in Islamic banks (Aslam & Haron, 2021; Naushad & Malik, 2015). Foreign ownership and audit committees also show positive impacts on banking performance, as observed in banks in Kenya and Kazakhstan (Barako & Tower, 2007; Ghosh, 2017). In Indonesia, income diversification and governance contribute to improved banking performance, although board size represents an important caveat (Chen & Budidarma, 2021). In Indian banks, governance practices exhibit complex associations with financial performance, reflecting the nuances of internal governance dynamics (Dey & Sharma, 2020). In Ghana, corporate sustainability proves to be a significant mediator in the relationship between governance and performance post-banking crisis (Donnir & Tornyeva, 2024). In the Middle East and North Africa (MENA) region, specific reforms and a governance index are positively correlated with banking performance, highlighting the relevance of internal governance mechanisms (González et al., 2021; Kaur & Vij, 2018). Additionally, during the COVID-19 pandemic in Indonesia, corporate governance was crucial

in positively moderating the relationship between liquidity and banking performance (Kartika, 2023).

3 RESEARCH METHODS

The research adopts a qualitative approach, conducting a systematic literature review (bibliographic) using the ProKnow-C instrument. Data collection was performed using primary and secondary sources (Creswell, 2016). This section aims to highlight the procedures for selecting the Bibliographic Portfolio (BP) and the intervention instrument employed, as well as to discuss the processes of data analysis.

3.1 Article Selection Process

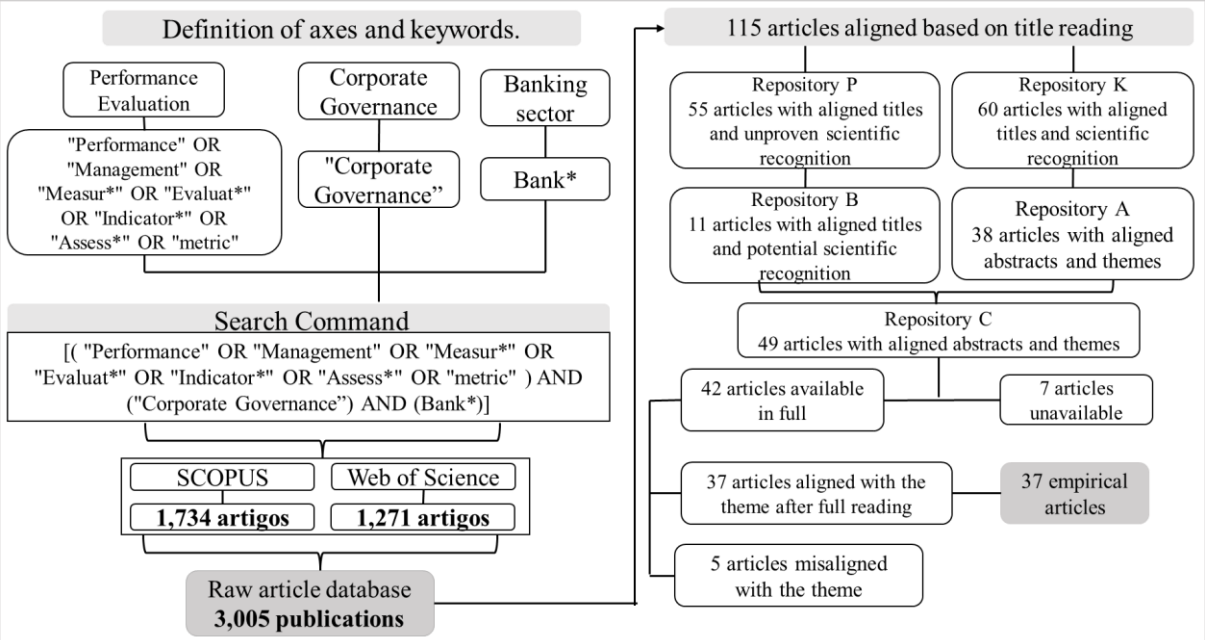
The selection of the Bibliographic Portfolio (BP) analyzed in this research was conducted using the Knowledge Development Process-Constructivist (ProKnow-C) intervention instrument. Developed by Professor Leonardo Ensslin and his team of researchers at UFSC, ProKnow-C consists of a structured and systematic process for selecting and critically analyzing literature, according to the delimitations established by the researcher (Valmorbida & Ensslin, 2016). The ProKnow-C process consists of five steps: (i) Selection of the Bibliographic Portfolio (PB); (ii) Bibliometric Analysis; (iii) Systematic Analysis; (iv) Literature Map; and (v) Research Question/Agenda (Valmorbida & Ensslin, 2016). To achieve the objectives of this investigation, all steps of ProKnow-C were operationalized. Figure 1 presents the results of the Selection and Filtering activities of the Raw Article Database (RAD).

For the selection of the Bibliographic Portfolio (BP), three research axes were defined: Performance Evaluation, Corporate Governance, and Bank. Each axis was represented by keywords that formed the search command used. On March 20, 2024, a survey of the Raw Article Bank was conducted in the Scopus and Web of Science databases. The initial search

resulted in a Raw Article Bank containing 3,005 records. Using Endnote X9 software, the Raw Article Bank was filtered to eliminate duplicate articles and articles not published in scientific journals. After this process, the number was reduced to 2,694. Subsequently, the data were exported to Excel for further analysis.

Figure 1

Selection of the Bibliographic Portfolio



Source: Research Data (2024)

The titles of the 2,694 articles were reviewed to exclude studies unrelated to the research axes, resulting in the exclusion of 2,579 articles. The remaining 115 articles, whose titles were aligned with the theme, were then subjected to a comprehensive reading of the abstracts according to the ProKnow-C protocol. This step was crucial in identifying those with the greatest potential for contribution to the study.

The articles were organized into two repositories: Repository P, which included studies without proven scientific recognition, considered less relevant; and Repository K, which contained scientifically recognized articles and was therefore prioritized. As a result, 60 articles with potential for detailed analysis were selected.

After the comprehensive reading of these 60 selected articles, Repository B, containing articles with potential recognition, and Repositories A and C, which included abstracts aligned with the research theme, were also considered. Based on this analysis, the final Bibliographic Portfolio was constituted, composed of 37 articles representative of the relevant literature for the study. The articles that make up the PB are listed in the References section, identified numerically according to the established coding. This structuring is illustrated in figure 1.

3.2 Data Analysis Process

For the analysis of the data, the remaining steps of ProKnow-C have applied: Bibliometric Analysis; Systemic Analysis; Literature Map; and Research Agenda. In the Bibliometric Analysis, which aims to examine the characteristics of the articles in the Bibliographic Portfolio (BP), advanced variables were selected to interpret the studies. According to Thiel et al. (2017), Bibliometric Analysis seeks to enhance the existing knowledge about a specific context.

In this Analysis, the characteristics to be analyzed in the selected BP are categorized into two types of variables: (i) basic bibliometrics; and (ii) advanced bibliometrics. In basic bibliometrics, the analyzed variables include: (i) year of publication of the works; (ii) tools and methods used in the studies; and (iii) geographic region where the subjects are located, with treatment performed through the counting of occurrences. Regarding advanced bibliometrics, the aim is to explore aspects that may enrich the discussion on the topic, based on a theoretical contribution from the literature on performance measurement.

The first advanced variable sought to analyze the evolution of the performance evaluation approach of corporate governance, according to the proposal by Bititci et al. (2012), which suggests that organizations should pay attention to the adaptations that need to be made concerning evaluation methods to remain competitive. This variable examined both traditional aspects and the implementation of a learning culture in studies on corporate governance

performance evaluation. In addition, it considered the epistemological perspective (positivist or interpretivist) and the integration of approaches (discrete or integrated), providing insights into global trends in performance measurement and its effectiveness in the current context. The second advanced variable conducted a literature review on the maturity levels of the Contemporary Performance Measurement (CPM) system, as identified in the study by Franco-Santos et al. (2012) presented in Table 1.

Table 1

Levels of Maturity of the Contemporary Performance Measurement System (CPM)

	CPM-A	**CPM-B**	**CPM-C**	**CPM-D**
Components	Financial and non-financial performance measures, implicitly or explicitly linked to strategy.	Financial and non-financial performance measures explicitly linked to strategy, with explicit cause-and-effect relationships between the measures.	Financial and non-financial performance measures, explicitly or implicitly linked to strategy.	Financial and non-financial performance measures, explicitly or implicitly linked to strategy.
Purpose/Use	Inform decision-making; assess organizational performance.	Inform decision-making; assess organizational performance.	Inform decision-making; assess organizational and managerial performance (without links to monetary rewards).	Inform decision-making; assess organizational and managerial performance; influence monetary rewards.
Maturity 0	**Maturity 1**	**Maturity 2**	**Maturity 3**	

Source: Adapted from Franco-Santos et al. (2012).

The Systemic Analysis, guided by the Constructivist perspective of the notion of performance evaluation proposed by Ensslin et al. (2010), evaluated the content of the BP through six lenses: (i) Approach; (ii) Uniqueness; (iii) Objective/criteria definition process; (iv) Measurement; (v) Integration; and (vi) Management. These lenses provided a framework for understanding the central performance concerns of corporate governance in the banking sector.

The construction of the Literature Map, according to Maragno and Borba (2017), synthesized the main aspects of the literature into visual categories, highlighting relevant points and guiding future research on the evaluation of corporate governance performance. Finally, the ProKnow-C concludes with the phase of responding to the Research Question, identifying Gaps, and defining the Research Agenda.

4 PRESENTATION AND DISCUSSION OF RESULTS

In this section, the results of the analysis of the Bibliographic Portfolio (PB) are examined, with an emphasis on Bibliometric Analysis (with basic and advanced variables). An overview of the literature on the topic is presented, the Systemic Analysis through the six lenses, and subsequently providing the Literature Map, outlining the Research Agenda.

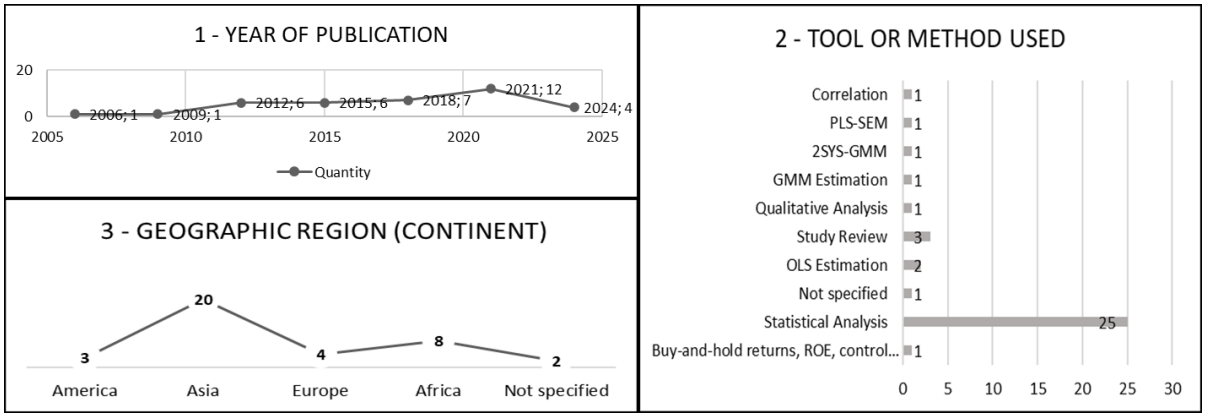
4.1 Presentation of Results

In this research, the Basic Bibliometric Analysis examines three main variables: (i) the year of publication of the articles; (ii) the tool or evaluation method used in the study; and (iii) the geographical region where the study was conducted. The results of this analysis are summarized in figure 2.

Figure 2 illustrates the distribution of publication years of the studies, highlighting a notable increase in publications between 2018 and 2021, with 19 articles, especially in 2020 (five articles) and 2021 (six articles), reflecting the growing interest in corporate governance in the banking sector in response to global financial crises and regulatory changes.

Figure 2

Diagnosis of the BP in relation to the defined variables for Basic Bibliometric Analysis



Source: Research Data (2024)

The analysis of methods reveals a diversity of tools used, with an emphasis on econometrics, case studies, and comparative analyses that contrast governance practices across

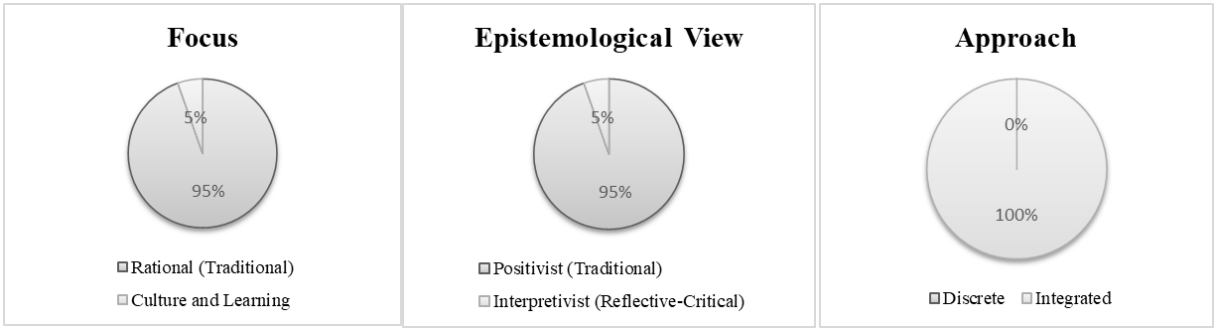
different regions and types of banking institutions. The studies cover growing economies in Asia (India, Indonesia, China, and Bangladesh), Gulf Cooperation Council (GCC) countries in the Middle East and North Africa (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates), emerging economies in Africa (Zimbabwe, Nigeria, and Ghana), as well as research in Europe (Romania and Italy) and North America, examining governance practices in developed markets. Some studies have also adopted a global approach, providing a comprehensive view of governance dynamics in different economic and regulatory contexts worldwide.

In the bibliometric analysis of advanced variables, two main approaches stand out: one that examines the evolution of Performance Evaluation Systems (PES) in corporate governance within the banking sector, predominantly following a rational (traditional) and positivist approach, focusing on quantitative methods to establish causal relationships between governance practices and financial performance; and another that integrates quantitative and qualitative methods for a more holistic analysis, considering cultural and contextual factors. While the rational approach dominates, with objective and statistical analyses, only two articles adopted an interpretivist perspective centered on a learning culture. The studies by Ghayad (2008) and Dalwai et al. (2015) exemplify this methodological diversity, offering insights into governance in Islamic banks and the banking sector of the Gulf Cooperation Council (GCC), emphasizing the importance of understanding cultural and contextual dynamics that influence governance and banking performance.

Figure 3 illustrates the evaluation processes, as presented in the 37 empirical articles of the bibliographic portfolio.

Figure 3

Evolution of the Performance Evaluation Process



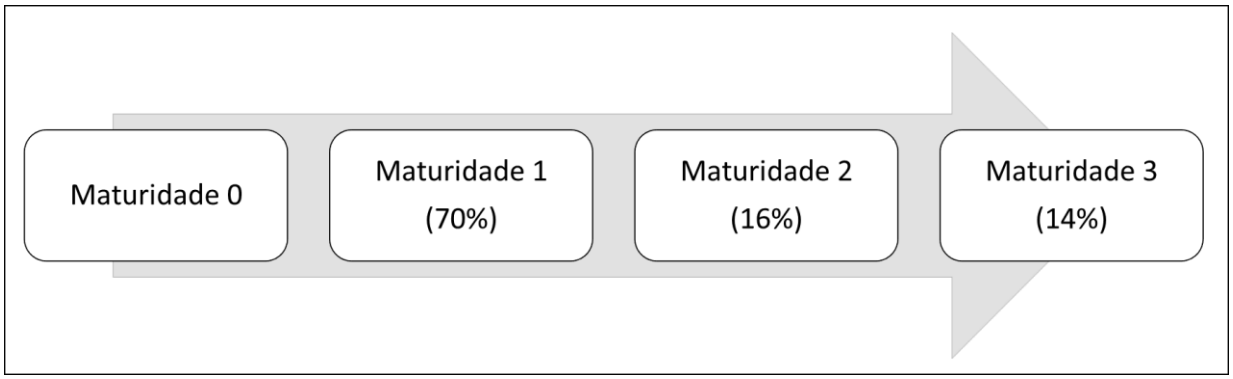
Source: Research Data (2024)

The second advanced variable in the analysis refers to the maturity level of the Contemporary Performance Measurement (CPM) System, as proposed by Franco-Santos et al. (2012), which evaluates both individual and organizational performance by integrating financial and non-financial measures. The analysis indicates that most studies fall into Level 1, where empirical approaches dominate, focusing on quantitative analyses that establish causal connections between corporate governance and banks' financial performance. At Level 2, six robust studies incorporate qualitative methods, considering contextual and cultural factors; for example, Grove et al. (2011) investigated the impact of governance in U.S. banking institutions after the financial crisis. Interestingly, no study was classified at Level 0, highlighting a research gap concerning emerging CPM theories in corporate governance. Level 3, with limited representation, includes five studies that begin to explore governance variables in specific contexts, such as Islamic banks and institutions in the United Arab Emirates, taking into account the cultural and contextual nuances that influence governance and banking performance.

Figure 4 illustrates a varied distribution of maturity levels in the reviewed studies.

Figure 4

Evolution of the Performance Evaluation Process



Source: Research Data (2024)

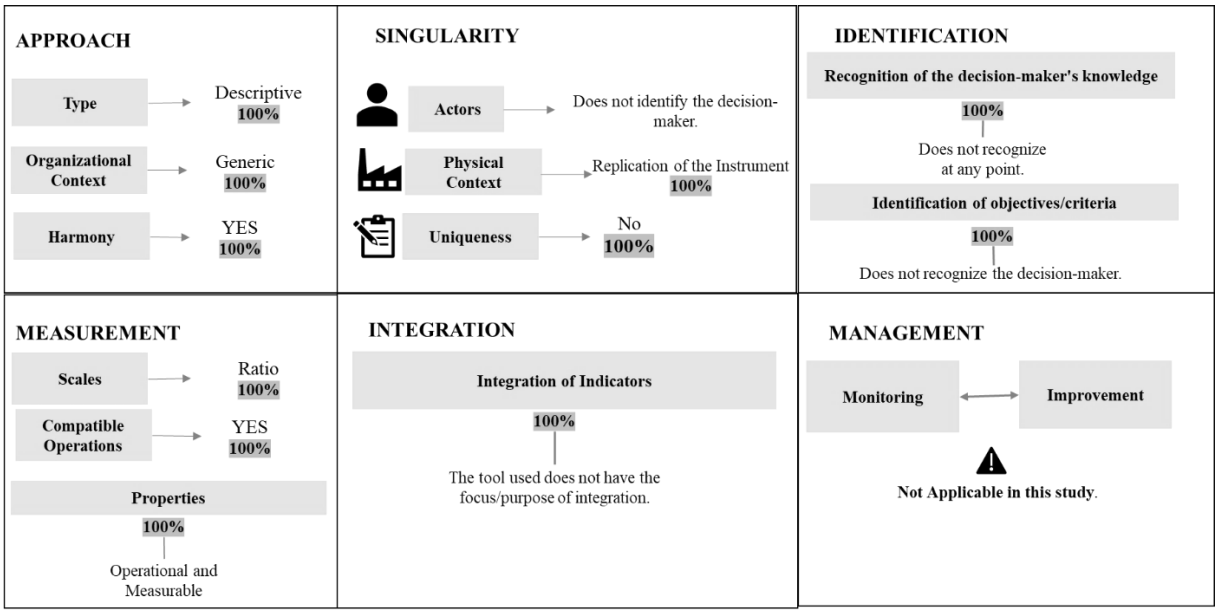
The Systemic Analysis, using conceptual lenses, investigates the performance evaluation of corporate governance in banks. Most studies adopt a descriptive approach; for example, a study in Indonesia highlighted a positive influence of governance practices, although without reciprocity.

In the Singularity lens, a lack of decision-maker identification is evident, as exemplified by India's Corporate Governance Index (CGI). The Objectives/Criteria Definition lens reveals that many studies do not recognize decision-makers' objectives, such as in Bangladesh, where the relationship between governance and financial outcomes is complex. The Measurement lens indicates that many studies use ratio scales, facilitating comparisons between banks, while the Integration lens points to limited unification of performance indicators. Finally, the Management lens highlights that findings are not applied in practice, as observed in a study on the banking systems of Romania and Italy, which did not discuss the implementation of identified improvements.

Figure 5 shows that the analysis of conceptual lenses reveals a lack of decision-maker identification in many studies.

Figure 5

Diagnosis of BP through the lenses used in systemic analysis



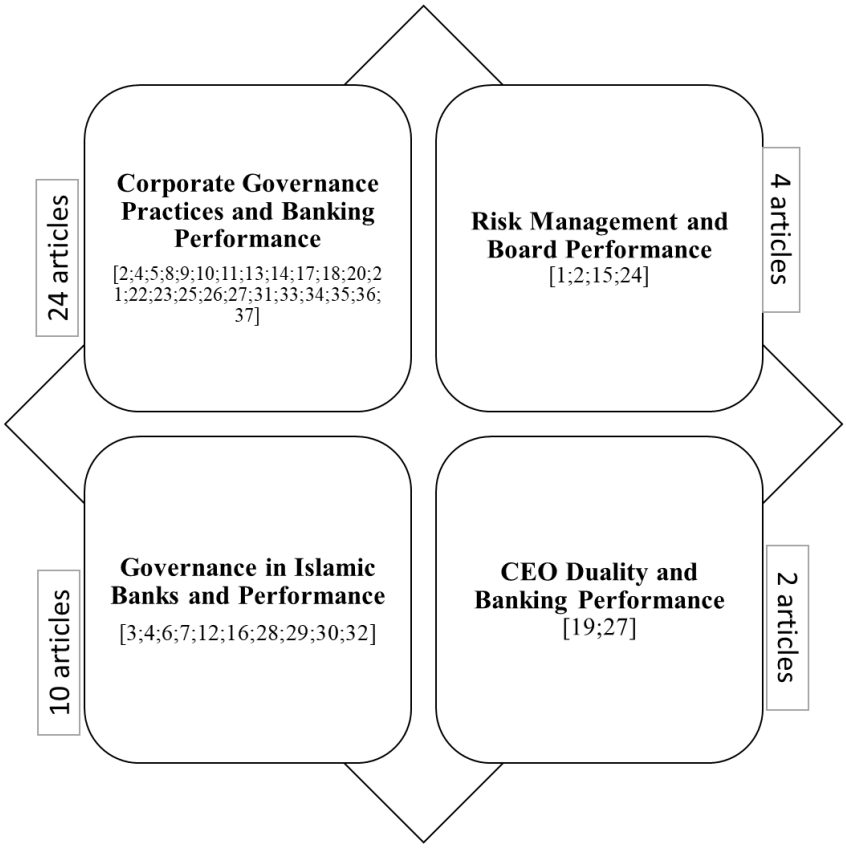
Source: Research Data (2024)

The insights presented in the map indicate that the effectiveness of corporate governance in improving banking performance varies according to specific practices, regional context, and risk management. Financial institutions should adopt an integrated approach to ensure financial sustainability. The interaction between corporate governance and banking performance reveals critical dimensions, such as risk management and governance structure during crises, highlighting the importance of direct communication between the Chief Risk Officer and the Board. In Islamic banks, the coexistence of conventional Boards and Shari'a Boards, in addition to regulatory oversight, is a relevant factor. The effectiveness of governance practices, such as board composition and independence, shows varying correlations with profitability and operational efficiency in regions like the Arabian Gulf, Africa, and Asia. Specific governance reforms are essential to mitigate risks and ensure financial sustainability, as evidenced by studies in India and Indonesia. These insights underscore the importance of best practices in corporate governance for global banking performance.

Figure 6 represents the interaction between corporate governance and banking performance, highlighting critical dimensions such as risk management and governance structure.

Figure 6

Literature Map



Source: Research Data (2024)

The effectiveness of corporate governance in improving banking performance is not uniform and depends on a combination of specific practices, regional context, and risk management. Financial institutions should adopt an integrated approach that combines good governance practices with effective risk management, taking into account regional particularities and financial crises.

4.2 Discussion of Results

The Basic Bibliometric Analysis of this research investigates three main variables: (i) the year of publication of the articles, (ii) the tools or assessment methods employed, and (iii) the geographical region of the studies. The distribution of publication years, as shown in Figure 2, reveals a significant increase in publications between 2018 and 2021, with 19 articles, reflecting the growing interest in the topic of corporate governance, especially after financial crises and regulatory changes (Khan et al., 2021; Sharma & Kumar, 2020). Regarding methodologies, econometric analysis, case studies, and comparative analyses stand out, enriching the understanding of governance dynamics and identifying best practices in the banking sector (Andrews & Biddle, 2019; Mollah & Zaman, 2019). Geographically, the studies cover a diversity of regions, highlighting growing economies in Asia (India, Indonesia, China, and Bangladesh), GCC countries in the MENA region, emerging economies in Africa (Zimbabwe, Nigeria, and Ghana), and governance practices in banks in Europe and North America, providing a comprehensive view of governance practices in varied economic and regulatory contexts (Bari et al., 2020; Boubakri et al., 2021). In the Bibliometric Analysis of advanced variables, two main approaches stand out. The first examines how studies have tracked changes in Performance Assessment Systems (PAS) and conducted the evaluation process within corporate governance in the banking sector, as outlined by Bititci et al. (2012). Most studies follow a rational (traditional) approach with a positivist perspective, characterized by an emphasis on quantitative methods and an integrated approach. However, only two articles adopted an interpretivist (reflective-critical) perspective centered on a learning culture.

Research on performance assessment and corporate governance in the banking context reveals a diversity of methodologies. The rational approach focuses on objective and empirical analyses to investigate how governance practices influence banks' financial performance. Most studies predominantly use quantitative methods to establish causal relationships between

governance variables and banking performance indicators (Dixon et al., 2016; Khamis & Othman, 2022).

The positivist perspective prevalent in many studies emphasizes the use of empirical data and quantitative methods, prioritizing objectivity and measurability, often employing statistical analyses such as regression to test hypotheses and validate causal relationships between variables of interest (Bourguignon et al., 2020). In contrast, the integrated approach combines quantitative and qualitative methods, providing a more holistic analysis of the complexities of corporate governance in the banking sector (Franco-Santos et al., 2012). Studies such as those by Ghayad (2008) and Dalwai et al. (2015) offer innovative perspectives, utilizing reflective-critical cultural and interpretative approaches. Ghayad (2008) investigates the operation of Islamic banks, emphasizing the importance of understanding the culture and fundamentals of Islamic banking practice, while Dalwai et al. (2015) conduct a critical literature review on corporate governance in the Gulf Cooperation Council (GCC) banking sector, exploring theories and empirical evidence regarding the relationship between governance and business performance in this specific context. These studies exemplify how approaches that incorporate cultural learning and critical reflection are essential for a deeper understanding of corporate governance and its impact on banking performance in diverse contexts, such as Islamic banks and the GCC banking sector. The evaluation processes can be visualized in Figure 3, as presented in the 37 empirical articles in the bibliographic portfolio.

The second advanced variable refers to the maturity level of the Performance Measurement System (PMS), as proposed by Franco-Santos et al. (2012). The PMS is an approach that assesses both individual and organizational performance, including financial and non-financial measures, focusing on the necessary conditions for good performance. The bibliometric analysis reveals a varied distribution in the maturity levels of the Contemporary Performance Measurement System, with most studies fitting into maturity level 1, which adopts

an empirical approach focused on the relationship between corporate governance and banking performance through quantitative and statistical analyses. At level 2, studies expand the approach by incorporating contextual and cultural factors, allowing for a holistic analysis (Grove et al., 2011; Kahn et al., 2021).

It is interesting to note that no study was classified at maturity level 0, suggesting a potential gap in research on PMS, which explores emerging theories in the field of corporate governance and banking performance. Conversely, maturity level 3 also showed limited representation, indicating an opportunity for future research to adopt innovative approaches to examine the complex dynamics of governance and banking performance. The results highlight the ongoing need for diverse and advanced research in the field of PMS, promoting a deeper understanding of the governance mechanisms that shape the performance of banking institutions on a global scale.

In the Systemic Analysis, the use of derived lenses in the notion adopted by the researcher provides a framework for understanding the central issues in the Performance Assessment of corporate governance in banks. The analysis reveals a predominance of a descriptive approach in most studies, without explicit identification of decision-makers within the corporate governance structures. This limitation suggests an opportunity for future research to delve deeper into who the decision-makers are and how their actions influence corporate governance (Zhang et al., 2020).

Through the six analyzed lenses—Approach, Uniqueness, Definition of Objectives/Criteria, Measurement, Integration, and Management—it is possible to identify gaps in the existing research, suggesting the need for a more holistic approach that integrates empirical data, cultural aspects, and contextual factors (Mollah & Zaman, 2019; Franco-Santos et al., 2012). The practical implications of such findings are significant, as they provide a basis

for implementing improvements in governance practices within banking institutions, aiming to strengthen performance and organizational resilience.

The analysis of the literature map synthesizes the main findings from various studies that examine the intricate relationship between corporate governance, risk management, and banking performance, especially during financial crises. Significant emphasis is placed on the critical role of risk management practices, as highlighted by Aebi et al. (2012), who argue that the direct reporting structure of the Chief Risk Officer to the board can enhance performance during crises. Similarly, Kafidipe et al. (2021) demonstrate that strong governance and risk management practices positively influence the performance of Nigerian banks, while Himaj (2014) observes that governance mechanisms significantly impact risk-taking behaviors, thereby affecting the overall performance of banks. This underscores the essential link between governance structures and risk management strategies as fundamental factors influencing stability and banking success in turbulent times.

The literature also explores various corporate governance mechanisms and their direct effects on banking performance. For example, Grove et al. (2011) highlight the detrimental effects of CEO duality and leverage on banking performance, emphasizing the need for clear governance structures. In a related context, Ghayad (2008) examines dual governance structures in Islamic banks, revealing their complex effects on performance. Al-Manaseer et al. (2012) support these findings by showing that the presence of external board members and foreign ownership can positively impact performance in Jordanian banks. Similarly, Shungu et al. (2014) reveal that corporate governance significantly impacts the performance of commercial banks in Zimbabwe, with board diversity and composition having positive effects, while board size and internal committees exhibit negative effects, underscoring the importance of robust governance practices. Collectively, these studies illustrate the crucial role of governance

structures in shaping financial outcomes, suggesting that banks with robust governance mechanisms are better prepared to face crises.

The analysis of governance practices in the Islamic banking sector reveals unique dynamics that differ from those of the conventional banking sector. Ajili & Bouri (2018) found no significant relationship between governance quality and financial performance in GCC Islamic banks, indicating the need for context-specific governance approaches. In contrast, Naushad & Malik (2015) assert that the presence of audit committees and Shariah boards positively influences the performance of Islamic banks, while Khan & Zahid (2020) emphasize the significant impact of Shari'ah governance on performance across Asia. These findings highlight the importance of integrating cultural and religious considerations into governance structures, especially in the context of Islamic banks.

Regional insights further illustrate the variability in governance practices and their impacts across different banking environments. For example, El-Chaarani et al. (2022) identify that independent board members and legal protections improve performance in MENA banks, while Ghosh (2017) argues that tailored corporate governance reforms are crucial for enhancing banking performance in the region. Additionally, studies by Felício et al. (2014) and Benvenuto et al. (2021) reveal how specific characteristics, such as board size and Corporate Governance Index, positively correlate with performance in European and Romanian banks. The common themes across all these studies suggest that strong governance practices are universally recognized as vital for improving banking performance, with effective governance potentially mitigating the adverse effects of financial crises. As the banking landscape continues to evolve, ongoing research will be critical in deepening our understanding of the nuances of governance mechanisms in diverse economic environments.

After analyzing the articles, which revealed significant gaps in performance assessment and corporate governance in the banking sector, this study proposes research directions based

on the findings of Zhang et al. (2020), Kafidipe et al. (2021), Ghayad (2008), Utama and Musa (2011), and Orazalin and Mahmood (2019). The study provides a comprehensive overview of the literature, highlighting the need to strengthen corporate governance to ensure the stability and sustainability of financial institutions. Robust corporate governance is crucial for mitigating risks, promoting transparency, and enhancing stakeholder trust, especially in a sector that plays a central role in the global economy. To address these issues, the Research Agenda is structured around three main objectives, as outlined in Table 2.

Table 2

Research Agenda

Development of Evaluation Metrics	**Objective:** Develop specific metrics to evaluate the effectiveness of corporate governance practices in banks. **Steps:** Identify key performance indicators influenced by governance practices; define methodologies for data collection and analysis; and develop analytical models for comparison over time and across different banking institutions.
Guidance for Managers	**Objective:** Provide practical guidance for bank managers on the implementation and enhancement of corporate governance practices. **Steps:** Organize workshops and educational seminars; create detailed guidelines for implementing governance policies; and facilitate personalized training to strengthen corporate management skills.
Collaboration with Stakeholders	**Objective:** Establish a closer collaboration between academic researchers and banking sector managers for the effective application of research findings. **Steps:** Create collaborative forums for knowledge exchange; conduct joint research on specific topics; and organize networking events to promote dialogue between researchers and industry professionals.

Source: Research data (2024).

By organizing the agenda into three main objectives, the approach becomes comprehensive and strategic, covering essential aspects for advancing performance assessment and corporate governance in the banking sector. The development of robust metrics, such as ROA, ROE, and Asset Quality, is fundamental for accurately and comparably evaluating the effectiveness of governance practices. The practical guidance for banking managers empowers them to optimize financial performance and mitigate risks, promoting more effective and resilient management. Collaboration between academics and industry professionals ensures that research is applicable in practice, fostering continuous improvements and innovations. This detailed and holistic structure addresses gaps in the literature and practice, promoting the

sustainability and performance of financial institutions, aligned with global best practices and the specific needs of the sector.

5 FINAL CONSIDERATIONS

The analysis of the bibliographic portfolio on performance assessment and corporate governance practices in the banking sector, conducted through ProKnow-C, reveals a growing interest in the topic, especially between 2018 and 2021, with peaks in publications occurring during financial crises and regulatory changes. Methodologies such as econometric analyses and case studies predominate, covering various regions with a focus on emerging economies and global approaches. The results of advanced analyses show that most studies adopt a positivist and empirical approach, with gaps in exploratory research.

Moreover, studies frequently use ratio scales to measure performance but lack a holistic integration of indicators and practical application of findings. The Literature Map highlights the importance of risk management and governance practices during financial crises and suggests the need for new research that focuses on specific decision-making processes and integrates performance indicators for a more comprehensive evaluation of governance in the banking sector.

In terms of theoretical implications, the study contributes to the literature by compiling and analyzing selected studies, offering a comprehensive view of performance assessment and corporate governance practices in the banking sector. It identifies gaps in knowledge and emphasizes the need for a more holistic approach to governance assessment.

For the banking sector, the study presents practical recommendations to enhance governance, including more effective integration of performance indicators and the practical application of findings. Additionally, it suggests adopting exploratory and innovative

approaches to better understand the dynamics of governance and its impact on banking performance.

The research has some limitations, such as the concentration of studies in specific regions and the lack of more innovative exploratory research. There are also gaps in identifying decision-makers and understanding the underlying motivations behind governance practices.

As suggestions for future research, it is recommended to further explore decision-making processes and the objectives of decision-makers within corporate governance structures. It is important to integrate performance indicators into a unified framework for a more holistic assessment; to develop practical recommendations for improving governance in banking institutions; to adopt exploratory and innovative approaches to investigate the complex dynamics of corporate governance and its impact on banking performance; and to broaden the research to include specific organizational contexts, recognizing the cultural and contextual nuances that influence governance practices. These research directions contribute to a deeper and more comprehensive understanding of corporate governance practices and their impact on the performance of banking institutions on a global scale.

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Estrutura de Governança Corporativa e Avaliação Desempenho em Instituições Bancárias: Uma Revisão Sistemática da Literatura

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RESUMO

Objetivo: *Avaliar o estudo da arte dos estudos sobre a relação entre estrutura de governança corporativa e avaliação de desempenho em empresas do setor bancárias.*

Método: *Conduziu-se uma revisão sistemática da literatura, utilizando o instrumento Knowledge Development Process-Constructivist (ProKnow-C) nas bases de dados Scopus e Web of Science. No total, foram selecionados 37 artigos publicados no intervalo de 2006 a 2024.*

Originalidade/Relevância: *Este estudo destaca lacunas na literatura sobre governança corporativa no setor bancário, como a falta de integração entre indicadores de desempenho e práticas de governança ea escassez de estudos sobre processos decisórios. Ao propor novas direções de pesquisa, contribui para o debate acadêmico e oferece insights para fortalecer a resiliência financeira, sublinhando a importância do tema no cenário econômico atual.*

Resultados: *O estudo revelou um crescente interesse entre 2018 e 2021 pelo tema, com predominância de metodologias positivistas e empíricas, ao mesmo tempo em que identificou lacunas na integração de métricas de desempenho e na exploração qualitativa dos processos decisórios e motivações subjacentes às práticas de governança.*

Contribuições Teóricas: *O estudo enriquece a literatura ao propor novas direções de pesquisa, sugerindo a integração de indicadores de desempenho em um framework unificado e a investigação de processos decisórios específicos, ampliando a compreensão das práticas de governança corporativa em diversos contextos organizacionais.*

Palavras-Chave: *Avaliação de desempenho, governança corporativa, setor bancário, revisão sistemática, ProKnow-C.*

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