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Comparative Analysis of Board of Directors Term Limits Compliance in Public And Private Institutions (Case Study in Gambia)

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ABSTRACT

This paper examines the comparative analysis of the board of directors' term limits compliance in Non-Governmental Organizations and Public and Private Institutions in the Gambia. The objective of this study is to analyze the term limits of the board of directors in these three institutions and their impact on institutional performance. The study was conducted based on a sample size of 34 boards of directors using descriptive and thematic analysis approaches to analyze the data. The study found that institutions that comply with board tenure (term limits) enjoy rapid innovation and institutional growth compared to the institutions that neglect it. In addition, (Kroll et al., 2008) alluded that long-tenured directors are on the boards of scandal-ridden companies like Xerox, Worldcom, Tyco, and Enron and this lends credence to this viewpoint. Our findings also indicate that these companies have lower research and development (R&D), productivity, and exploration intensity than their matched control companies. Further findings observed that board members have a term limit of 2.24 years on average. However, there is a considerable degree of fluctuation (standard deviation of 1.30). This shows that different institutions have different governance rules, with some having shorter-term restrictions and others allowing for longer periods. The study also recommends future research that may explore similar topics in diverse contexts, evaluating cultural differences in board dynamics and conducting assessments of governance protocols.

Introduction

One common strategy for enhancing the independence and oversight of company boards, possibly the most significant component of a company's corporate governance framework, is appointing independent directors. Therefore, the conventional wisdom holds that independent directors serve as the primary watchdogs over managerial decisions, discouraging improper behavior or the expropriation of personal gain. Similarly, corporate governance scholars have focused much attention on the idea that the board of directors should "act independently of agreement, through a thoughtful and diligent decision-making. Therefore, this has created trust among investors and shareholders to invest their funds in such institutions. The existence of these directors will make the management follow due process in their organizational operation and, by extension, seek the board members' approval. Many companies and institutions around the globe believe that without such an organ in an organization, it will lead to conflict between shareholders and management. Furthermore, the board of directors, by extension, monitors and audits the performance of the management on behalf of the shareholders or the government. This results from the shareholder's trust in them to be their watchdogs in that institution. In this view, this study focuses on the comparative analysis of the board of directors' term limits compliance in public and private institutions, a case study that will be conducted in the Gambia. Similarly, it is important to note that this study aims to analyze the impact of the board of directors' term limit on the organization's performance, as this area of research has not yet been conducted in the Gambia. Additionally, the study also aims to compare and contrast these two sectors in adhering to the term limits stipulated in their organization policies as there is a grey area in the Gambia, and this study aims to come up with findings and recommendations that will help to solve this problem to improve productivity and performance in both sectors. Agency theory states that directors' independence and incentives to oversee managerial decision-making determine how well their boards perform, as stated by (Academy & Journal, 2016) . The theory posits that an independent board of directors will ensure that it oversees and counsels management on matters about the shareholders. This is because management's decisions, if left unguided, may have negative consequences for the institution.

Since management can be expected to act as an agent for itself rather than for investors, shifting the corporation's resources to suit its agenda, the primary obstacle to good corporate governance, according to the objective monitor models, is managerial self-dealing.

Consequently, many institutions have agreed that establishing a board tenure in the organization is key because it will open doors for new board members to develop new ideas and innovations that will help improve the organization's performance. Therefore, A director who has served on the board for more than nine years is not regarded as an independent director by the Financial Reporting Council in the UK. The inference is that after a while, directors become accustomed to and supportive of managers, making it difficult to properly oversee them. However, despite popular recommendations and laws regarding term limits, there is little empirical data regarding how director tenure affects board decisions. Moreover, a study (by Schaefer & Schaefer, 2019) shows that directors use prospective rationality cognition and occasionally prioritize legal defensibility over social responsibility and personal ethics. Although directors are aware of their choices' moral and social ramifications, they feel compelled by existing corporate law to take legal action to maximize shareholder value. Some of the decisions that the board of directors makes for the management are influenced by corporate laws. For example, the board may wish to provide educational ethics training, but its operations are governed by these laws, which makes it difficult for them to deliver it. Because voluntary appointments demonstrate the company's integrity, the market also anticipates voluntary appointments to have a higher positive value than mandatory appointments. The market's recognition of serious agency problems by a company increases the signaling effect for that company. The signaling effects of appointing independent directors have a great impact on improving organizational productivity by promoting thorough motoring (Wang & Lee, 2012).

The board of directors' term limits have been discussed for years. However, numerous studies have determined whether institutions should have short, long, or short-term limits. Several studies by diverse authors and researchers did not agree on a fixed term for the board of directors. Many studies have pursued this topic; few have assessed the difficulties in the components of success and failures of board members due to their connection with CEOs, which is a result of their lengthy serving durations in that position. "Directors are responsible for the decline of` companies. At teetering financial institutions, they have a lot to answer for" (Gilson et al., 2019). However, the relationship between CEO pay and the median tenure of outside directors becomes positive when looking at a sub-sample of companies where the CEO has been in place for more than six years, indicating an allegiances hypothesis" (Bhagat & Bolton, 2013).

Evaluating the performance of the board of directors that serve in a specific institution for an extensive period has been an obstacle to developing plans and fostering organizational growth. Since the effect of the long-serving board of directors has been questioned by many researchers, it is important to find out exactly what the obstacles are as they will assist institutions in improving and developing plans and policies that will bring an effective term limit for board members in both public and private institutions. (Kroll et al., 2008) argued that "the effects of the board of directors can be mitigated when long-tenured directors have more years of overlap in service with the CEOs, and when long-term directors are executives at other firms." This makes us understand that more effective corporate governance is vital in strengthening the role of the board of directors. This being said, in the Gambia, many people believe that some board members overstay their position due to some personal gains or negligence in their duties; therefore, this study will advise policymakers to come up with a tentative term limit for board members in both sectors as this will help to promote accountability and as well contribute to organizational growth. A term limit for the board of directors would have reduced the threat of familiarity between the board and the management and allowed new board members to propose new controls to prevent such behaviour in public institutions. In a similar vein, some citizens believe that certain institutions are run by family members because the management only hires their close friends or family members, which has severely hampered the productivity of the company.

Nevertheless, term limits for the board of directors enable new board members to develop new ideas and viewpoints for the institutions regarding the decision-making process. This will provide a systematic planning timeline procedure for changing needed board skills. Meanwhile, giving a board member a chance to step down kindly if there is any familiarity threat involved will provide a respectful and efficient mechanism for the exits of passive, ineffective, or difficult board members, as well as avoid perpetual concentration of powers within a small group of people and the intimidation of new members.

This study is important because it will highlight the significance of term limits in public and private institutions. However, it will also feature the roles of the board of directors and how their influence can yield impact in both sectors.

Methodology

This study uses a qualitative research methodology to investigate board members' experiences and perspectives on compliance with term limits in The Gambia's public and private institutions. Qualitative approaches offer significant insights into participants' viewpoints and living experiences and enable an in-depth investigation of complicated phenomena.

Purposive sampling will be used to choose study participants so that various perspectives from public and private institutions are represented. Purposeful sampling aims to identify particular traits, patterns, or revelations within a chosen portion of the population (Stewart, 2024). Participants include 5 CEOs and 10 board members from public institutions, 5 CEOs and 10 board members from a private Institution as well as 4 Board members in the Non- Profit Organization in the Gambia. Variations in board tenure, organizational size, sector representation, and board role will all be considered during the selection process. This strategy seeks a thorough grasp of the variables affecting term limit compliance and the implications this has for organizational governance.

The main technique for gathering data will be using open-ended questionnaires to extract in-depth accounts and insights regarding governance procedures, term limit compliance, and board dynamics. Participants will be encouraged to discuss their perspectives on board tenure and its effect on organizational success through open-ended questions electronically. The qualitative questionnaire responses will be analyzed using descriptive analysis and thematic analysis to find reoccurring themes, patterns, and insights. The data will be methodically arranged and interpreted during the analysis phase by assigning codes to responses with new themes and ideas. Iterative theme development will enable a thorough examination of the research issue. To make sure that all participant viewpoints are fully understood.

The ethical standards for qualitative research with human subjects will be followed in this study. All participants will be asked for their informed consent, which guarantees their privacy, anonymity, and the freedom to leave the study at any moment without consequence. Safeguards will be implemented throughout the research process to protect participants' privacy and dignity. Furthermore, this study may have limitations due to sample bias, the researcher's subjectivity, and the findings' contextual specificity. Efforts will be taken to reduce bias by reflexivity in the data analysis. Future studies could investigate related subjects in other contexts or broaden the scope to include factors like cross-cultural variations in board dynamics and longitudinal analyses that monitor the evolution of governance practices over time. Furthermore, a deeper examination of the dynamics underpinning term limit compliance and its implications for organizational governance should be conducted through the study.

Results and Discussion

Table 1. Descriptive Stats

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. summarize
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Variable	Obs	Mean	Std. Dev.	Min	Max
Institutio~O	34	1.705882	.835914	1	3
Institutio~n	34	2.588235	1.373287	1	5
RoleofBoar~l	34	4.382353	2.160453	1	9
Organizati~1	34	1.176471	.386953	1	2
BODTermLeg~r	34	2.235294	1.304046	1	4
Appointmen~C	34	1.941176	1.179141	1	4
Familiarit~D	34	1.911765	.2879022	1	2
TenureType~o	34	1.294118	.4624973	1	2
Reasonsfor~p	34	2.558824	2.439463	1	8

The descriptive statistics summary offers significant insights on the dynamics of term limits for boards of directors in public, nonprofit, and private organizations in the Gambia. Based on the data, it can be observed that board members have terms of 2.24 years on average, however there is a considerable degree of fluctuation (standard deviation of 1.30). This shows that different institutions have different governance rules, with some having shorter term restrictions and others allowing for longer periods. The lower mean values for organization term limitations indicate that public institutions often have shorter time limits, whereas NGOs and private institutions typically have longer periods.

Board members' functions are as well expansive, with an average of 4.38 different jobs, indicating that board members at these institutions have a wide range of tasks. The standard deviation of 2.16 indicates significant variation, indicating that some board members have a broad variety of responsibilities while others have more specialized functions. This diversity of positions may have an influence on how board members contribute to the strategic direction and governance of their organizations.

In terms of board member selection criteria, the mean value of 1.94 and standard deviation of 1.18 suggest that institutions emphasize diverse elements. This variability reflects each institution's distinct demands and strategic goals. Furthermore, the familiarity threat between the board of directors and management is rather frequent, with a mean value near to 2 and minimal variability, indicating that this problem is not commonly viewed as a serious issue by the institutions interviewed.

The tenure types demonstrate that most institutions have comparable tenure rules, with a mean of 1.29, although there is substantial variability, showing that while a standard approach is widespread, some institutions use various tenure procedures. The reasons for picking various tenure types are likewise diverse, with a mean of 2.56 and a large standard deviation of 2.44, indicating that institutions' tenure selections are motivated by a variety of factors.

Correlation Matric

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. correlate
(obs=34)
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Figure 1. Correlation matric

	Instit~O	Instit~n	Roleof~l	Organi~l	BODTer~r	Appoin~C	Famili~D	Tenure~o	Reason~p
Institutio~O	1.0000								
Institutio~n	0.3665	1.0000							
RoleofBoar~l	0.2320	-0.3028	1.0000						
Organizati~l	0.0716	0.0268	-0.0107	1.0000					
BODTermLeg~r	-0.0458	0.1234	-0.2373	0.2155	1.0000				
Appointmen~C	-0.1411	-0.2213	0.4135	0.2227	-0.0104	1.0000			
Familiarit~D	0.2666	-0.0947	0.3969	-0.1280	-0.0237	-0.0158	1.0000		
TenureType~o	-0.3181	-0.0898	0.0963	-0.2988	-0.5704	-0.1340	-0.2544	1.0000	
Reasonsfor~p	-0.1844	-0.1916	0.0272	-0.1397	-0.5570	-0.1357	-0.1003	0.7900	1.0000

The correlation matrix provides a thorough understanding of the dynamics between term limitations for boards of directors in public, nonprofit, and private organizations in the Gambia. Institution Type and BOD Term Length have a negative association (-0.0458), indicating that some types of institutions have somewhat shorter-term lengths.

In terms of the selection criterion for board members, the positive correlation (0.4135) between the selection criteria and the function of board members suggests that organizations with a wider range of board responsibilities typically have more clearly defined selection criteria. This connection emphasizes how crucial it is to select board members who can handle a range of duties. Furthermore, the organization time limit and appointment criteria show a somewhat positive connection (0.2227), indicating that longer term limit institutions tend to have more rigid appointment criteria. Additionally, the appointment criterion may be influenced by perceived threats between the board and management, which is likely to guarantee efficient governance and supervision, as indicated by the positive correlation (0.3969) between familiarity threat and appointment criteria.

Institutions differ in the range of responsibilities held by its board members. Longer-established institutions may have fewer diversified board member positions, as indicated by the negative correlation (-0.3028) between institution duration and board member role. Furthermore, there is a minor negative association (-0.2373) between the role of board members and the length of the BOD term, suggesting that organizations with longer board terms can have somewhat fewer diversified responsibilities. The relationship between familiarity threat and board member role is positively correlated (0.3969), suggesting that greater familiarity threats result in board member responsibilities being more precisely defined, guaranteeing distinct and efficient governance tasks.

The institution type and tenure type have a negative association (-0.3181), indicating that various types of institutions use distinct appointment procedures. The BOD Term Length and Tenure Type show a substantial negative association (-0.5704), suggesting that institutions with diverse appointment procedures typically have varying term durations. This suggests that compared to those chosen by Acts of Parliament, organizations that appoint board members through AGMs may have shorter or differing term limitations. Moreover, the robust positive correlation (0.7900) observed between Reasons for Selecting Tenure Type and Tenure Type emphasizes the tight relationship between the appointment process and the reasoning behind the selection of tenure types.

What is the term limit for the Board of Directors in institution?

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Means, Standard Deviations and Frequencies
of BOD Term Legth (2years=1; 4years=2;6 years=3;greater than 6yrs=4)

BOD Term Legth (2years=1; 4years=2;6 years=3;greater than 6yrs=4)	Institution Type (Public=1; NGO=2;Private=3) 1	2	3	Total
1	1 0 8	1 0 3	1 0 4	1 0 15
2	2 0 3	2 0 2	2 0 1	2 0 6
3	3 0 1	3 0 1	3 0 1	3 0 3
4	4 0 6	4 0 2	4 0 2	4 0 10
Total	2.2777778 1.3636265 18	2.25 1.2817399 8	2.125 1.3562027 8	2.2352941 1.3040455 34

Figure 2. The term limit

Based on the data provided, the average tenure of a board member in a public institution in the Gambia is 2.28 years, with a standard deviation of 1.36 years. This shows that there is a significant range in term lengths, from two-year terms to six-year terms. Both the shorter- and longer-term groups have a sizable presence in the distribution, which is mixed. This unpredictability raises the possibility that public institutions might be able to adapt to different demands in terms of governance, thus enabling both shorter-term accountability cycles and longer-term planning.

Private institution board members, on the other hand, have an average term duration of 2.25 years, with a little smaller 1.28 standard deviation. In contrast to public organizations, this reflects a more constant commitment to shorter-term restrictions. The information suggests that shorter-term appointments are preferred, with a preference for 2-year terms and a decrease in longer-term commitments. This tendency in the governance procedures of the private sector could be an intentional attempt to preserve responsiveness and flexibility in the decision-making processes.

The average term duration for board members of NGOs in the Gambia is the smallest, at 2.13 years with a standard deviation of 1.36 years. Much like private organizations, most positions in NGOs are for two years; longer tenure are uncommon. Given the dynamic nature of NGO operations and funding cycles, this preference for shorter-term constraints demonstrates a dedication to preserving organizational leadership's agility and responsiveness.

The data indicates a widespread inclination towards shorter-term limits, especially in the commercial and non-governmental sectors, notwithstanding differences in average term lengths across all sectors. The term durations of public institutions are more varied, allowing for both shorter and longer-term governing options. The comparative research highlights how institutional type affects board governance procedures, which has consequences for organizational stability, strategic planning, and leadership continuity.

What are the criteria for appointing a board member in institution? How do public, nonprofit and private appoint a board member

Institution Type (Public=1; NGO=2;Private=3)	Appointment Criteria (Through Congress=1; Through Govt Appointment=2; Through A 1	2	3	4	Total
1	8	5	0	5	18
2	5	1	1	1	8
3	5	0	3	0	8
Total	18	6	4	6	34

Figure 3. Appointment criteria

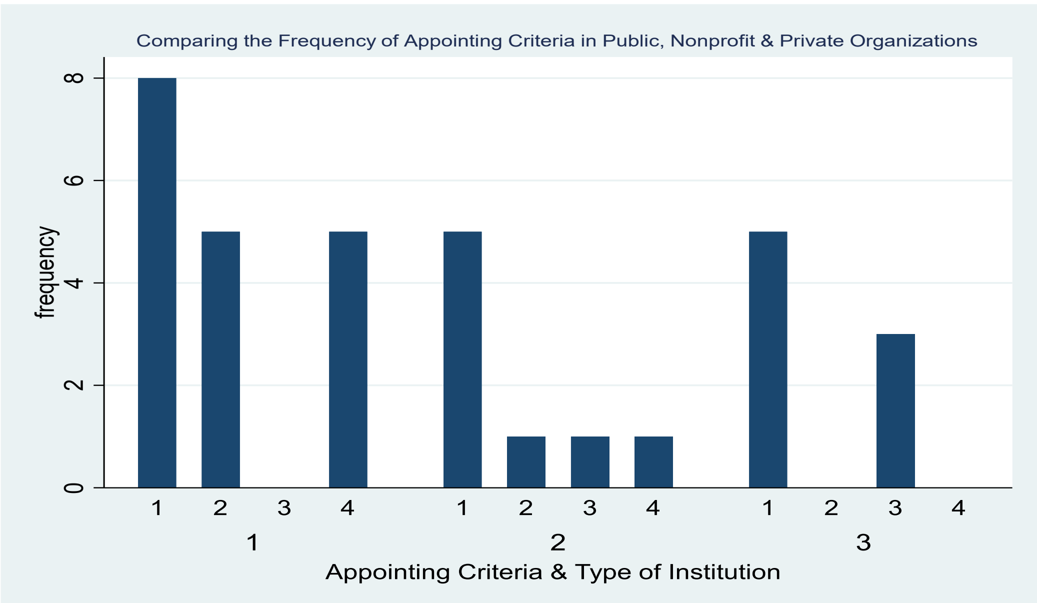

Figure 4. Appointment criteria and type of institution

The criteria used to nominate board members across various institution types provide subtle insights into governance procedures. Public institutions (1), which make up the majority with 8 out of 18 members, primarily appoint board members through congressional appointment (criteria 1). This approach highlights the importance of legislative or democratic engagement in board nominations. Furthermore, as demonstrated by criterion 2, five members were appointed by the government, demonstrating the role of the government on public sector governance.

Nonprofit organizations (NGOs) (2) provide the same importance to congressional appointments (criteria 1), selecting five of the eight members as shown in the cross-tab table above. Notably, nonprofit organizations also consider other factors, which determine the makeup of their boards. These criteria include Appointment by Government Appointment (criterion 2) and criteria 3 and 4. This variety indicates different strategies catered to the demands of organizations and the governance frameworks of the nonprofit sector.

Comparing privately held organizations to their public and nonprofit counterparts, private entities (3) rely less on congressional appointments (criteria 1). Private institutions have a similar amount of legislative participation, with five members selected based on this criterion, but they prioritize corporate control and autonomy more. It is also clear that appointments are made based on other factors, such as criteria 3, suggesting that private sector governance employs a different process for choosing board members.

Thematic Analysis

1. **Conflict of Interest Prevention**: Conflict of interest can be defined as misunderstanding or holding a position in an institution in which you own a share. This concept came as a result of an agency problem, where many C.E.O. own shares in a company where they are working. However, this concept is among the negative effects of boards of directors who serve beyond their term limit. (Carlo, 2017) carried out a study on The Board of Directors and the Limits of the Conflict of Interest are an important topic of discussion. The findings of the questionnaire given to 18 directors who serve on the boards of multiple subsidiaries of a group with an Italian stock exchange listing indicate that directors may not always be able to identify and manage conflict situations within an organization.
2. **Operational Efficiency**: This, according to our findings, indicates that institutions with no board of directors or who have longer-serving boards of directors might struggle to bring innovation to the institution, just as the short-term board members will come with new operational and innovative skills to improve the organizational performance. The study conducted by (Hyun Kim et al., 2012) revealed that the size of the board of directors and the strategic involvement of board members positively influence the financial performance of a private firm. These results align with my analysis, suggesting that institutions in the Gambia should develop board tenure and roles as a guiding tool to achieve operational efficiency.
3. **Innovation and Resilience.** For an institution to grow and compete with its competitors, it must have new innovative ideas that can change the dynamic of its old product or service. Many institutions are electing board members and C.E.O.s who possess the ability to think creatively and present innovative ideas to shareholders, to enhance organizational performance and profitability. However, the literature suggests that short-term board members come to tenure with new ideas and innovations that can improve organizational performance. but this country to this study (Avenue, 2003) conduct a study on the correlation between the independence of outside directors and the duration of their board tenure. He discovered that directors who have served on the board for twenty years or more are nearly twice as likely to be categorized as "grey," have a larger equity investment in the company than their less experienced counterparts, and are most likely to be appointed to the nominating and compensation committees.
4. **Regulatory Compliance**: This element in an institution is significant because it helps to monitor the board of directors' performance and activities. Effective regulatory compliance, on the other hand, entails appointing independent directors and implementing internal control measures to serve as a watchdog for the institution.

Furthermore, for an institution to meet its target objectives, it has to develop institutional rules, regulations, and ethical principles that will serve as guiding principles for every board member. My studies suggest that a high level of regulatory compliance can be a driving force for protecting shareholders' wealth. this is in line with studies done by (Cheng & Courtenay, 2006) who found that the regulatory framework and an external governance mechanism strengthen the correlation between the percentage of independent directors and the degree of voluntary disclosure.

5. **Policy Formulation**: One of the most significant roles of the board of directors is policy formulation. This is key, as it will help give the institution a better direction. Many institutions in the Gambia have their policies formulated through annual general meetings or an act from the parliament that is binding as a law and guides the board and management at large.

However, recent debates have expressed concern about long-serving boards of directors who are disregarding the term limits outlined in their intuitive policies, a situation that has raised concerns among many shareholders and the broader society. Furthermore, several pieces of literature agree with my findings including studies done by (*Tisane*, 2022) The results demonstrate that several internal and external factors, such as the board's policy setting and performance, an adequate governance committee, an effective leadership composition, corporate culture, decision-making information, stakeholders, and the state of the economy, enable the board to effectively oversee the implementation of the strategy.

The descriptive statistics offer a thorough grasp of the governance dynamics in the Gambia's public, nonprofit, and private sectors. The present study provides valuable insights into the governance frameworks of these institutions by elucidating the terms, duties, and selection standards of board members.

Because different types of institutions have different governance philosophies, the average term length for board members varies. With a standard deviation of 1.36 years, the average tenure of public institutions is 2.28 years. Because of this variability, public institutions can implement flexible governance techniques that meet their short- and long-term planning requirements. A mixed distribution is indicated by the presence of short and longer-term groups, which permits governance to be flexible. With an average term of 2.25 years and a standard deviation of 1.28 years, private institutions, on the other hand, demonstrate a more consistent approach. This consistency suggests a preference for shorter appointments, most likely to preserve decision-making processes' responsiveness and adaptability. There seems to be a deliberate attempt to maintain flexibility in governance by favouring two-year terms. The shortest average term length is 2.13 years, with a 1.36-year standard deviation, for nonprofit organizations (NGOs). Like private organizations, NGOs prefer more immediate constraints because they fit better with the fluidity of their funding cycles and operations. This choice emphasizes a dedication to preserving the adaptability and responsiveness of organizational leadership. Overall, the data shows a general trend towards shorter-term restrictions, especially in the nonprofit and private sectors. However, the term lengths of public institutions are more varied, providing a wider range of governance options. The impact of institutional type on board governance practices, organizational stability, strategic planning, and leadership continuity is highlighted in this comparative analysis. Furthermore, this finding concords with the findings of (Van Ness & Kang, 2010) who discovered that a company's financial performance was significantly influenced by duality, occupational expertise, board size, and board tenure.

The duties of the board members also differ greatly amongst various kinds of organizations. Financial oversight and approval are highly valued in public institutions; the mean proportion is 52.94%, with a standard deviation of 8.69%. The sector's dedication to efficiently managing public finances and guaranteeing accountability to stakeholders is reflected in its emphasis on fiscal restraint and transparency. Similar findings were highlighted in (García Martín & Herrero, 2018) and his findings supported a high level of accountability and adherence to the Good Governance Code's recommendations and indicated that the effectiveness of the advisory and monitoring roles is a determining factor in board composition. Comparatively, NGOs and private institutions devote a lower mean percentage (23.53%) to financial supervision, suggesting a wider scope of duties. These industries share a dedication to upholding organizational integrity and guaranteeing competent leadership, as seen by the comparable mean proportions they display for governance and supervision (Role 3) and protecting institutional interests (Role 2). The standard deviation variations indicate that different institutions within each sector take different approaches to these roles, which reflect different goals and legal frameworks. In Addition, (Cheng & Courtenay, 2006) found, that the regulatory framework and an external governance mechanism strengthen the correlation between the percentage of independent directors and the degree of voluntary disclosure.

Distinct governance practices among various types of institutions can be observed in the criteria used to appoint board members. The primary source of appointment for public institutions is congress, which emphasizes the significance of democratic or legislative participation in board nominations. The importance of governmental oversight in public sector governance is highlighted by the important role played by government appointments. NGOs take into account a wider range of factors in their selection process, even though they value congressional appointments as well. This range of criteria is a reflection of the sector's need to accommodate different organizational needs and governance structures. In contrast, private institutions place a high value on corporate autonomy and control, and they notably depend on variables other than congressional appointments. This study defies the findings of (Avenue, 2003) which indicates that the probability of using a nominating committee is positively weakly correlated with the number of outside board members, but not with the degree of inside ownership.

Conclusion

This research proposal aims to investigate the compliance with term limitations for boards of directors in public and private institutions through a comparative analysis, with a particular emphasis on The Gambia. By analyzing how adherence to term restrictions affects organizational performance in both sectors, the study seeks to fill a gap in the body of existing literature. Purposive sampling and thematic analysis are two qualitative methods that will be used in this research to identify the varied viewpoints and experiences of CEOs and board members from chosen institutions. Through an examination of current practices and views about board tenure, as well as a comparison of compliance across public and private institutions to identify factors influencing governance behaviour, the study aims to offer significant insights into governance methods that can improve accountability and effectiveness in those institutions by examining the functions of board members, the criteria used for their recruitment, and the impact of longer-serving directors.

The findings of this study are anticipated to offer significant perspectives on numerous crucial facets of the board of directors' term limit adherence in both public and private organizations in The Gambia. This study will offer insights into the dynamics of corporate governance in The Gambia and offer stakeholders practical advice on how to improve governance standards in both institutions. The study acknowledges potential limitations such as sample bias. To minimize this, reflexive data analysis is employed

Firstly, there has been an increase in board independence and the establishment of board term limits in most of the institutions. Moreover, concerning the term limits of the boards, they are being maintained within the established limits. Secondly, and the determinants of the characteristics of the board, the results obtained confirm that the functions of advising and monitoring are factors that explain the composition of the same.

Accordingly, we conclude that private institutions, that is, those institutions with strict adherence to regulation put more focus on board term limits, and the need for advice, have larger boards with a greater proportion of independents and wider diversity. Regarding the monitoring function, we conclude that those companies where the extraction of private profits is more likely are characterized by smaller-sized boards, that is, easier to control and with a greater presence of independents, which favours the alignment of management and shareholder interests.

Second, it's important to note that the choice of how to measure the firm's performance influences the results and potential conclusions. A match between long-term and short-term tenure has both positive and negative impacts on institutional growth and profitability. The results indicate that the absence of term limits and true independence of directors will not bring expertise to the sector; that is, directors will suffer from a lack of business experience. Other characteristics of the board, such as the role and criteria for selecting a board member significantly influence the return on investment. Regarding board tenure, the recommendations of good governance are on the right track, preventing longer-serving boards that can lead to familiarity threats and nepotism, which will cause slowness in decision-making, thereby prejudicing business development. study reveals the importance of considering different aspects of board structure such as term limits, criteria for electing a board member, mode of election, and the roles of board of directors. Additionally, the results focus on the role of independent directors and how long-term and short-term board members (term limit) impact organizational performance in the Gambia, suggesting that the institution should incorporate experience, highly qualified, and term limits of the board of directors in their institutions.

The conclusion may be useful to institutions in designing their board formation, structure, and election, taking into account their characteristics, and for those regulators who create recommendations, some of which may change in light of the results. The findings from this study will help stakeholders (government and private sector) to come up with measures to control the lasting tenure of some board members who fail to relinquish power due to their gain to promote a safe business environment for the future generation, To sum it up there is not one optimal board term limit, since it depends on the characteristics and structure of the institution.

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