

The role of corporate governance in rationalizing the investment decision at the skikda port corporation.

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Abstract: This study aims to show the impact of the principles of governance of institutions in rationalizing investment decision, this study was conducted on a number of employees in the Port Corporation of the State of Skikda, and has been used the statistical package of social sciences (spss. v 26) for statistical analysis and the audacity of statistical confusion appropriate and necessary for the subject of research. The results of the study showed that there is an application of governance principles in the studied institution, that investment decision-making in this institution is based on the applicable principles of governance, and that there is a significant impact of the principles of corporate governance in rationalizing the investment decision.

Keywords: corporate governance; principles of corporate governance; investment decision.

JEL classifications codes : G34 ; G11

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I- Introduction :

Interest in the concept of corporate governance has increased in many economies during the past decades, where corporate governance has become one of the most important terms in the economic reform programs applied by many countries of the world. especially after the collapses and violent crises that occurred to many economies of countries, especially developed countries, due to corruption scandals that hit the major institutions in them, where this concept was adopted in an attempt to control the institution and ensure the interests of various parties, and contributed to the rationalization and control of decisions taken within them, perhaps one of the most important of these decisions is the investment decision, which is considered one of the difficult and fateful that can be taken by the institution, although investment spending occurs at the present time, but the gains achieved and the associated effects continue for a relatively long period, where any mistake in making this decision has serious consequences that may be difficult to correct, and the risk increases whenever the amounts required to be invested are large, especially since the appearance of uncertainty cannot be ignored under conditions of continuous development and change. Here came the principles of governance of institutions to rationalize such fateful decisions, where they work to adjust the rules, laws and opinions that will contribute to the rationalization and control of the decisions taken.

The question of the study: From what has been addressed and in the knowledge of this subject more, it is clear that the problem to be addressed through this research can be expressed by the following fundamental question:

What is the impact of the principles of corporate governance combined in rationalizing the investment decision in Skikda Port Corporation?

In light of this problem, this research paper seeks to provide answers to the following questions:

- Does Skikda's Port Corporation apply the principles of governance within its own framework?
- Does Skikda rely on the basic principles of rationalizing decision-making when making an investment decision?

Hypotheses: In order to address the problem posed and try to answer it, the following hypotheses were formulated:

- The Port Corporation of Skikda does not apply the principles of governance in the context of its activity.
- Skikda Port Corporation does not rely on the basic principles of conservation when making an investment decision.
- There is no statistically significant effect at the moral level $\alpha = 0.05$ of the principles of corporate governance combined in rationalizing the decision to invest in the Port Corporation of Skikda.

The Objectif of the study: the study seeks to focus on the importance of the principles of governance of institutions and their contribution to the rationalization of investment within the economic institution, through Al-Qadi on the concept of both the governance of institutions and the underinvestment, in addition to highlighting and discussing the contribution of the application of the principles of governance in the rationalization of underinvestment.

The importance of the study: The importance of the current school is shown mainly in the important role of the principles of governance of the poor and its contribution to the rationalization of the investment decision, through good application and commitment to it.

Methodology: Due to the nature of the study and in line with the topic and the understanding of its various aspects and analysis of its dimensions and in response to the question posed, the descriptive analytical approach was relied upon to describe the nature of both the principles of corporate governance and investment decision, in addition to relying on the method of a case study in the field study, the theoretical study should be overused on the applied signature commensurate with the institution of the school locality, with the use of a program (spss. v 26) for statistical analysis and

the courage of statistical tests appropriate and necessary for the subject of research.

II- Background of the study:

1- The theoretical framework for corporate governance:

A- Definition of corporate governance: There is no single definition of corporate governance that can be applied to all situation and jurisdictions.

According to the organization for economic cooperation and development (OECD), it is (OECD, 2015, p. 09): “A set of relationships between a company’s management, its board, its shareholders and other stakeholders. and these relationships provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined”.

The Institute of Internal Auditors (IIA) defines corporate governance as (the institute of internal auditors, 2021, p. 01): “the overarching set of policies, procedures, and relationships that enable an organization to establish objectives, set ethical boundaries to the acceptable means with which those objectives will be met, monitor the achievement of objectives, reward successful achievements, and discipline unsuccessful or inappropriate attempts to meet objectives, in order to keep the organization aligned with the needs and interests of its primary stakeholders”.

B- characteristics of corporate governance: It can be said that the concept of governance refers to several characteristics, including the following (Al-Mashhadani, 2013, p. 235):

- **Discipline:** By following appropriate and correct ethical conduct;
- **Transparency:** It means providing real images of everything that happens in the organization;
- **Independence:** There are no undue influences and pressures to act;
- **Accountability:** The ability to evaluate and assess the work of the governing body and executive management;

- **Responsibility:** Means the responsibility of the Board of Directors to all parties having an interest in the institution;
- **Justice:** The rights of all parties, whether shareholders, managers or stakeholders in the organization, must be respected;
- **Social responsibility:** It means looking at the institution as a good citizen who cares for the interest of society and contributes to the development of society.

C- The importance of corporate governance: The importance of corporate governance can be explained below (Al-Khudairi, 2005, pp. 58-59):

- Fighting internal corruption in companies, not allowing its existence or continuation, but eliminating it, and not allowing its return;
- To achieve and ensure integrity and integrity for all employees of companies, starting with the Board of Directors and the executives of the lowest operating in companies;
- To achieve safety, health and the absence of any intentional errors, intentional or unintentional deviation, the enjoyment of the continuation of error or deficiency, but to make everything in its completion the world fit;
- To combat deviations and not to allow them to continue, especially those whose existence poses a threat to interests, or whose continuation makes it difficult to achieve good business results, and requires urgent reform intervention;
- Reduce mistakes to a minimum, but rather use a protective protective system that prevents these mistakes, thus avoiding the costs and burdens of such occurrence;
- Maximizing and making effective use of accounting and internal control systems, particularly in relation to internal controls;
- Achieve the highest efficiency of external auditors, especially as they are appropriately independent and not subject to any control by the board of directors or the executive directors of companies.

D- Principles of corporate governance: since 1999, the Organization for Economic Cooperation and Development (OECD) issued its principles

of corporate governance for the first time, and since then they have become an international benchmark for policy makers, investors, corporations and other stakeholders worldwide. the principles underwent a comprehensive review in 2021-2023 to update them in light of recent evolutions in corporate governance and capital markets. the principles are presented in six different elements formulated as follows:

- **Ensure the basis for an effective corporate governance framework:** the corporate governance framework should promote transparent and fair markets, and the efficient allocation of resources. It should be consistent with the rule of law and support effective supervision and enforcement (OECD Legal Instruments, 2024, p. 09);
- **The rights and equitable treatment of shareholders and key ownership functions:** the corporate governance framework should protect and facilitate the exercise of shareholders' rights and ensure the equitable treatment of all shareholders, including minority and foreign shareholders. Also, they should have the opportunity to obtain effective redress for violation of their rights at a reasonable cost and without excessive delay (OECD, 2023, p. 14);
- **The equal treatment of shareholders:** the corporate governance framework should ensure the equitable treatment of all shareholders, including minority and foreign shareholders. And they should have the opportunity to obtain effective redress for violation of their rights (OECD, 2007, p. 61);
- **The role of stakeholders in corporate governance:** the corporate governance framework should recognise the rights of stakeholders established by law or through mutual agreements and encourage action co-operation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises (OECD, 2015, p. 34);
- **Disclosure and transparency:** state-owned enterprises should observe high standards of transparency and be subject to the same high-quality

accounting, disclosure, compliance and auditing standards as listed companies (OECD, 2021, p. 129);

- **The responsibilities of the board:** the boards should have the necessary authority, competencies and objectivity to carry out their functions of strategic guidance and monitoring of management. They should act with integrity and be held accountable for their actions (OECD Legal Instruments, 2024, p. 35);

2- Conceptual framework for investment decision:

The investment decision is considered one of the most difficult and important decisions taken by the institution and has the greatest impact on its survival and continuation because it is related to its future activity.

A- Definition of the investment decision: There are many definitions that have been given to the investment decision, among the definitions we mention the following:

The investment decision is (Ali, 2017, p. 59): “The right decision of the financial authorities to invest the funds of the institution in a certain situation and over a period of time in order to obtain appropriate future financial returns, which represents the main objective of the institution”.

It can be said investment decision is (Abd Al-Muttalib, 2000, p. 38): “that decision, which is based on the selection of the investment alternative that gives the largest investment return among at least two alternatives and is based on a set of feasibility studies that precede the selection process, and goes through several stages ending with the selection of the feasibility of this alternative to be implemented within a certain methodological framework according to the objectives and nature of the investment project”.

The following are the features of investment decisions (Hoque & Ara Huq, 2006, p. 173):

- the exchange of current funds for future benefits;
- the funds are invested in long-term assets;
- the future benefits will occur to the firm over a series of years.

It is significant to emphasize that expenditures and benefits of an investment should be measured in cash.

B- Importance of investment decision:

The investment decision is of great importance and awaits several justifications, the most important of which are (Miraj, Bahnas, & Majdal, 2012, p. 57):

- Long-term investment is the only driver and the institution's survival;
- The investment process requires significant and significant amounts compared to the funds owned by the institution or project;
- The investment decision is a medium- and long-term mortgage decision that is difficult to refer to;
- The investment decision is reflected on the image of the institution through the impact on the economic and financial environment, where the investment project meets the needs of the market of high-quality products or services and competitive price, the better the image of the commercial institution in its profitability, which gives credibility to it again with the lending financial institutions;
- The investment decision is a very complex decision, given the range of many and different elements required by the investment process and the difficulties that the investment decision faces.

C- The principles on which the investment decision depends:

Investment readers have many of the basic principles on which we rely, namely (Bin Omar, 2016/2017, pp. 105-106):

- **Principle of multiple investment fantasies:** Since the institution has huge funds that can be invested, so you must choose many alternatives and preferably not less than three and this to gain the decision-maker flexibility to make it take the right amount. For the rational investor is looking for multiple opportunities to provide greater flexibility for the appropriate selection of the investment opportunity, and highlight the news and

efficiency of the decision makers and the role of the intermediate financial institutions in providing advice to the general investors;

- **the principle of comparison:** the trade-off between the selected alternatives and their appropriate field is the essence of the principle of conformity, where the comparison takes multiple forms, the most commonly used and is financial analysis either in the form of financial ratios or averages of prices or rates of return, this principle depends heavily on the degree of investor preference for return and risk;

- **The principle of objectivity:** In this principle, all financial indicators used in comparison must be objective in order to avoid bias in measurement, that is, if several investors used a single financial indicator they would have arrived. At least a single or convergent result;

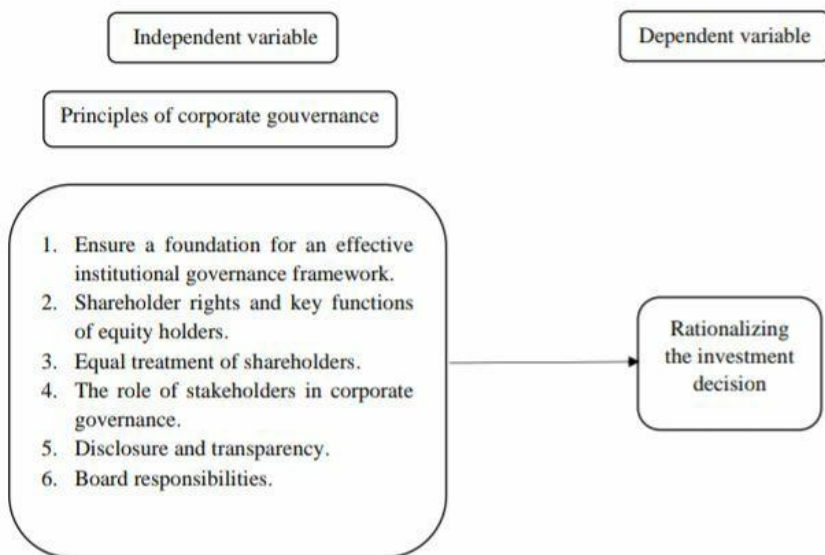
- **The principle of appropriateness:** In this principle, the investment project chosen must conform to the financial capabilities of the institution. This principle is based on determining the investor's income, employment, and social status, and also requires the matching of the investor's financial and cultural potential. The degree of interest in the key elements of an investment decision: The rate of return on investment, its degree of risk, and the level of liquidity enjoyed by each investor;

- **The principle of distributing investment risks:** The investor seeks to reduce investment risks by distributing his resources among selected types of investments, whether on the basis of field or investment instruments, which leads to reducing the risk, so that losses in a certain instrument are compensated by profits in another instrument.

II- The empirical methodology:

1- Study model: Based on the above and in light of the problem of the research and its objectives and after reviewing the literature of the study and related research, the study model was developed and consists of two variables as shown in the figure below, where the study included an independent variable that is similar to the principles of corporate governance and a dependent variable is investment decision.

Fig.1. The hypothetical model of the study.



Source: Prepared by the researchers.

2- Study community: The study community consists of administrators, managers, and employees in the institution under study. The sample size of the school was 62 individuals, to whom the questionnaire was distributed. After examining the plants, 58 questionnaires were recovered; A recovery rate of 93.54% of the total distributed data, which is good for statistical analysis. The questionnaire was divided into two packages as follows:

The first part: includes the sample metadata, including: Age, sex, scientific qualification, scientific specialization, job title, years of experience, and professional certifications.

The second part: Includes a set of questions and an adult of 18 questions, and the form was designed using the Likert five scale, with the descriptive views converted into quantitative formulas where the descriptive answers were expressed in a numerical description as follows:

Table 1. five-point Likert scale.

Category	Strongly Agree	Agree	Neurtal	Disagree	Strongly disagree
Class	5	4	3	2	1

Source: Prepared by researchers based on a five-point Likert scale.

3- Accuracy and consistency of the instrument of study:

The stability of the resolution means that the latter gives the results in the event that they are redistributed more than once under the same conditions. Reliability was verified by using Cronbach’s Alpha Coefficient, which takes values ranging from (0 – 1). That is, the value of the coefficient means increasing the reliability of the bytes in. reflect the results of the sample on the study community, while the coefficient of truthfulness expresses the root of the stability coefficient and for the next table shows the alpha-Cronbach coefficients for each of the axes of the resolution as well as for the resolution as a whole.

Table 2. Reliability and validity coefficients

Axis	Ferries	Reliability coefficient Alpha Cronbach value(α)	Honesty coefficient (honesty = $\sqrt{\alpha}$)
Testing the principles of corporate governance at the skikda port institution	12	0.907	0.952
Testing the initiative on which the investment decision depends the skikda port institution	06	0.904	0.951
Axis combined	18	0.939	0.970

Source: Prepared by the researchers based on the results of spss.

From the results shown in the table above, it is clear that the values of the alpha-Cronbach coefficients are all raised, with the value of the python's coefficient of the first axis (0.907), the stability coefficient of the second axis was (0.904), while the value of the alpha-Cronbach coefficient of the axes combined (0.939), on this basis, it can be said that the resolution has a high degree of honesty and consistency.

4. Analysis of the personal information of the researchers:

The sample of the study characterized characteristics determined by the personal characteristics of its tweets, the most important of these characteristics can be clarified through the following table:

Table 3. Distribution of the sample members according to personal characteristics.

Gender		Age		Academic qualification		Job title	
Male	41	Under 25 years old	02	PH. D	02	Board member	19
		From 25 to under 35 years old	17	Master's	23	Financial director	10
female	17	From 35 to under 45 years old	21	License	25	Internal auditor	14
				Bachelor's	01		
		From 45 years old and over	18	Other	07	Executive director	15
total	58	total	58	Total	58	Total	58

Source: Prepared by researchers based on results spss.

With regard to the type of researchers, table (03) shows that the majority of the sample members are male (70.7%), and the rest of the sample members are female (29.3%). As for the ages of the subjects, the table shows that the majority of the sample members are between 35 and 45 years of age, with the percentage (36.2%), while the lowest category was the age group under 25 years of age (3.4%). The table shows that the highest percentage is (43.1%) and that the practical qualification is for the individual sample to be replaced, while the holders of a doctorate as well as a baccalaureate degree were the lowest proportion of both defendants represented (1.7%). it is clear to us that all the individuals in the sample are adequately academically qualified to understand the contents of the questionnaire and to answer it on a scientific basis. The table also shows

that (32.7%) of the study sample carry the names of board member, the percentage of (25.8%) carried by the profession executive director, this is followed by an internal auditor job with up to (24.1%) and the low percentage of the financial Director to (1.7%).

III- Results and discussion:

To enforce the analysis of the questionnaire paragraphs we rely mainly on the value of the arithmetic mean and standard deviation, where a criterion was determined when discussing the results according to the grades given to the answer categories, and accordingly the judgment for the second part of the questionnaire is as follows:

Table 4. The degree of importance of the questionnaire items.

Degree of agreement	Strongly disagree	Disagree	Neurtal	Agree	Strongly agree
degree	01	02	03	04	05
field	1 - 1.79	1.8 - 2.59	2.6 - 3.39	3.4 - 4.19	4.2 - 5

Source: Prepared by researchers based on a five-point Likert scale.

1- Analysis of the first axis: In order to analyse the paragraphs of the first axis, we include the following table:

Table 5. Analysis of the first axis clauses.

N°	expressions	Arithmetic mean	Standard deviation	Degree of agreement	rank
01	Your organization ensures that an effective corporate governance framework is in place.	4.19	0.396	Agree	08
02	The legal and regulatory requirements for corporate governance in your organization are consistent with legal provisions and enforceable.	4.24	0.357	Strongly agree	05
03	Shareholders in your organization have the right to participate in making important decisions.	4.00	0.621	Agree	11
04	The shareholders of your organization are familiar with all aspects related to the financial statements.	4.29	0.450	Strongly agree	03
05	The corporate governance framework in your organization ensures equal treatment of all shareholders.	4.03	0.551	Agree	10
06	Members of the Board of Directors in your organization are required to disclose any information related to stakeholders.	3.86	0.740	Agree	12
07	Your organization's corporate governance framework involves recognizing the rights of stakeholders as established by law.	4.10	0.507	Agree	09
08	An enterprise governance framework allows your organization's stakeholders to receive information in a timely, reliable and regular basis.	4.20	0.268	Strongly agree	07
09	One of the foundations for the success of implementing corporate governance in your organization is achieving disclosure and transparency.	4.24	0.391	Strongly agree	06
10	In your organization, all financial information is reviewed in accordance with financial quality standards.	4.34	0.297	Strongly agree	02
11	Your board of directors works faithfully to protect the interests of the organization and shareholders.	4.24	0.288	Strongly agree	04
12	Your organization's Board of Directors ensures adherence to the standards of the Code of Ethics.	4.41	0.314	Strongly agree	01
	The result of the first axis	4.17	0.431	Agree	

Source: Prepared by the researchers based on the results of spss.

By analysing the sample members' answers to the first axis, it is noted that they agreed to of all the statements, statement 12 and 10 came in first and second place, respectively, with a score strongly agree, meaning that the sample members believe that adherence to the code of ethics and review of information is important finance in accordance with quality standards are the two governance principles most applied in the port institution Skikda. While statement 06 ranked last in terms of degree of agreement, which means that the principles disclosure is the principle that is least available in the organization studied, according to the answers of the individuals surveyed.

2- Analysis of the statements of the second axis: To analyze the statements of the second axis, we include the following table:

Table 6. Analysis of the second axis phrases.

N°	expressions	Arithmetic mean	Standard deviation	Degree of agreement	rank
01	The investment decision maker in your organization is characterized by guidance, which allows him to search for multiple opportunities to provide greater flexibility in choosing the appropriate investment opportunities.	4.27	0.305	Strongly agree	01
02	The decision maker in your organization makes a preference between the selected alternatives, and uses practical tools and financial indicators such as financial analysis to do so.	4.15	0.338	Agree	06
03	The financial indicators used to compare investment alternatives in your organization are objective, in order to avoid measurement bias	4.24	0.253	Strongly agree	03
04	The investment decision maker in your organization is committed to the principle of suitability and compatibility of the chosen investment project with the organization's existing financial capabilities	4.25	0.365	Strongly agree	02
05	The investment decision maker in your organization determines the degree of his interest in the basic elements of the investment decision, which are the rate of return, the degree of risk, and the level of liquidity that the organization enjoys.	4.19	0.361	Agree	04
06	The decision maker in your organization seeks to reduce investment risks by distributing the organization's resources among selected types of investments, whether on the basis of field or investment instruments.	4.19	0.396	Agree	05
	The result of the second axis	4.20	0.336	Strongly agree	

Source: Prepared by the researchers based on the results of spss.

By studying the responses of the sample members to the statements of the second axis, it is noted that all statements were in agreement. That is, the sample members believe that the institution applies all the basic principles that guarantee the soundness of the investment decision when making it, and phrase 01 ranked first in the degree of agreement, meaning that the individuals interviewed acknowledge the rationality of investment decisions taken at the level of their organization, and the second statement ranked last in the degree of agreement, meaning that the sample members believe that relying on scientific tools and financial indicators to make investment decisions is the least available principle when making this type of decision. Although they agreed to this.

2- selection of study hypothesis:

- Testing the first hypothesis:

We note from the previous table N° (05) that the study trends are positive toward the first axis statements, where they were in the direction of approval by an average of (4.17), which is an average that falls within the fourth category of the five-point Lickart scale categories, which indicates a very good option, this shows that there is an application of the principles of corporate governance in the port institution of Skikda, while the standard deviation was weak, reaching (0.431), that is, the dispersion of the answers was weak as their answers were in a direction and limit to a large extent.

- Testing the second hypothesis:

It is clear from the previous table N° (06) that the trends of the study sample are positive toward the statements of the second axis, because the general arithmetic average has reached (4.20), which is an average that falls within the fifth category of the scale categories of the five-card scale, which indicates an excellent contribution score, and the averages of all paragraphs are confined between (4.08-4.34) which indicates that respondents agree with all statements and some agree strongly with each other. The standard deviation was weak, with (0.350) estimated that the dispersion of answers was weak as respondents' answers were largely in a limited direction.

- Testing the third hypothesis:

In the framework of the problem, the model is verified silver, and the simple linear regression has been used to test the validity of the silver and to confirm the validity of the proposed model, and we have adopted the following decision rule:

- Accept the null hypothesis (H_0) We reject the alternative hypothesis (H_1): If the level of significance is greater than the level moral $\alpha = 0,05$.
- We reject the zero hypothesis (H_0) and accept the alternative silver (H_1): If the level of the significance is lower) than the level moral $\alpha = 0,05$.

The results of the model hypothesis are described below:

- Zero Silver (H_0): There is no statistically significant impact at a moral level ($\alpha = 0,05$) of the principles of corporate governance combined in rationalizing the investment decision in the Port Corporation of Skikda.
- Alternative hypothesis (H_1): There is a statistically significant effect at a moral level ($\alpha = 0,05$) of the principles of corporate governance combined in rationalizing the investment decision in the Skikda port Corporation.

Table 7. Results of the f-test for simple linear regression of the impact of governance principles on rationalizing investment decision.

Model	Correlation coefficient (R)	Coefficient of determination (R^2)	Modified Coefficient of determination ($\bar{R}^2$)	Test statistic (F)	Significance level (sig)
	0.718	0.515	0.507	60.592	0.000

Source: Prepared by the researchers based on the results of spss.

From Table N° (07), it is noted that the adjusted coefficient of determination for this model is estimated at: 0.507, meaning that: 50.7% of the variables occurring in rationalizing the investment decision in the Port Corporation of Skikda are caused by the extent of application of governance principles in this institution, and the rest of the percentage is explained by other factors, including: During the significance level of this model, which was estimated at 0.000, which is less than 0.05, the null hypothesis is rejected and the alternative hypothesis is accepted, which says

that there is a statistically significant effect of corporate governance principles on rationalizing the investment decision in the Skikda Port Corporation.

Through the results of the T-test for the significance of the parameters of this simple linear regression, the equation that explains this relationship can be deduced:

Table 8. Results of a simple regression t-test for the impact of governance principles on the rationality of investment decisions.

Model	The value	Correlation coefficient	T	Sig
α	1.391		3.825	0.000
β	0.674	0.718	7.784	0.000

Source: Prepared by the researchers based on the results of spss.

Where, according to table N° (08) the simple linear regression equation is as follows:

$$y = 0.674 x + 1.391$$

The regression line equation indicates that whenever there is an increase in the application of corporate governance principles in one unit, there is an increase in the rationalization of the investment decision, with a positive value of 0.674.

3- Discussion and interpretation of the results:

We will try to explain the results of the study hypothesis, which states that there is no statistically significant effect at the level of significance ($\alpha=0.05$) of the principles of corporate governance combined in rationalizing the investment decision in the Port Corporation of Skikda. The result of its test was that there was a statistically significant effect at the significance level (0.05) of the independent variable represented by corporate governance principles on the dependent variable represented by rationalizing the investment decision, with a regression coefficient of

(0.718) and in terms of the calculated A value (60.592), and the adjusted coefficient of determination for this model is estimated at: 0.507, meaning that: 50.7% of the variables occurring in rationalizing the investment decision in the Port Corporation of Skikda are caused by the extent of application of governance principles in this institution, and the rest of the percentage is explained by other factors. Based on the above, there is an impact of the combined corporate governance principles in rationalizing the investment decision in the Skikda Port Corporation.

The researchers attribute this to the clear interest provided by the Port Corporation of Skikda in applying the principles of corporate governance and the commitment to work on them in a manner consistent with the development in governance requirements, as well as working to ensure that all employees there are aware of all aspects related to disclosure and transparency processes in order to reach high levels. From the efficiency of corporate governance processes, which reflects positively on the rationalization of the investment decision taken in the Skikda Port Corporation.

The results of the current study are consistent with the study of (Ahmed Habi and Al-Bashir Zubaidi 2011), the study of (Muhammad Al-Bashir Bin Omar 2016/2017), and the study of (Zubair Ayyash and Ahlam Barhayli 2018).

Study results:

The most important theoretical and practical findings of the study are summarized as follows:

- Corporate governance has many benefits when applied, including accountability, accounting control, disclosure, passion and reducing the negative impacts of wind management;
- Corporate governance helps to solve many problems, especially financial ones, in addition to effective and continuous evaluation of the performance of the organization;

- Corporate governance seeks to preserve the rights of shareholders and maximize their wealth fairly, as well as to support the responsibilities of the members of the Board of Directors;
- The investment decision is reflected in the image of the institution by affecting the economic and financial environment;
- The investment decision is a very complex decision due to the many different elements required by the investment process and the many difficulties faced by the investment decision;
- Skikda Port Corporation ensures an effective institutional governance framework;
- The legal and regulatory requirements for the governance of matrices in the institution in question are in accordance with the legal provisions and are enforceable;
- There is a good application of corporate governance principles in Skikda Port Corporation;
- Commitment to the principle of appropriateness and compatibility of the chosen investment project with the financial capabilities of the institution in question;
- There is the adoption of a sound investment decisions in the enterprise in place of the most powerful, away from opportunism and personal inclinations.

Conclusion:

We tried through this research to encroach on the impact of the governance of institutions in rationalizing the decision to invest in the Port Corporation of Skikda, which is one of the most important financial continents taken by the administrator or investor, because it affects the survival and continuity of the institution, where it is considered one of the most important economic works thanks to the objectives achieved, the degree to which the institution takes into account the basic principles of good corporate governance is one of the factors that are important for the investment decision, especially that the investment process in all cases is characterized by a degree of risk, which calls the institution to audit and

evaluate to ensure the implementation of laws on governance before taking the decision to invest in the institution.

Proposals:

Based on the above, suggestions can be made in order to embody the principles of governance of the investment and use them in rationalizing the amount of investment, and to use them in a way that leads to good results if they are implemented:

- The Skikda Port Corporation should pay more attention to the principle of disclosure, transparency and worker empowerment administrators have access to everything necessary for them regarding stakeholders;
- The Port Corporation of Skikda should pay attention to the necessity of using financial tools and indicators when making investment decisions and comparing between them, and if necessary, holding training courses for its employees in charge of this process in order to give more guidance to investment decisions;
- The necessity of taking advantage of the multiple advantages achieved by governance and applying them on a large scale in institutions, while trying to develop its own guide in accordance with the conditions of the economic environment and achieving make the most of it.

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