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Assessing the Mediation Role of Corporate Governance on the Relationship between Going Concern and Investor Confidence

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Abstract
The confidence of investors is essential to the survival and growth of business. Strong corporate governance is one of the key ingredients for business continuity and as such investors use it as a yardstick to make economic decisions. The study aimed at examining the role corporate governance plays in influencing the connection between going concern and investor confidence. The study used data from fifteen commercial banks from Ghana and ten banks from Nigeria. The dataset spans ten year period, from 2011 to 2020. The data were analysed using partial least square structural equation modelling to model the relationships between the variables. The results showed that there are positive associations between corporate governance and going concern, governance and investor confidence; and going concern and investor confidence. Corporate governance was found to have an indirect effect between going concern and investor confidence, however, the mediation role is not significant. The implication is that, although there is no mediation effect of corporate governance on the relationship between going concern and investor confidence, investors are influenced by the mechanism of corporate governance in an organization. This research contributes to the body of knowledge on the important role of good corporate governance mechanisms in managing organisations as well as its impacts on the performance of businesses and investor confidence.

Keywords: going concern, corporate governance, mediation, and investor confidence

1. Introduction

The issues of corporate governance have received much attention due to their important contribution to a firm's performance. Shareholder concentration (Sánchez-Ballesta & Garca-Meca, 2007), board independence (Beekes et al., 2004), director shareholding (Garcia-Meca & Sanchez-Ballesta, 2010), and auditor reputation are some of the governance concerns that are frequently discussed (Akyol, 2020; Klai & Omri, 2011). Klai and Omri (2011) focused on governance mechanisms that affect the quality of financial reporting and information disclosure. They concentrated on the attributes of the board, the ownership structure, and the reputation of external auditors as the variables of corporate governance that impact the quality of financial information. It was established that these characteristics of the board of companies influence the reporting quality presented to shareholders.

Additional research has demonstrated that effective corporate governance has an impact on a company's financial performance and has a distinct impact on the level of investor confidence across a variety of industries (Mahrani & Soewarno, 2018; Xiaolu et al., 2016). A study by Xiaolu et al. (2016) concluded that good corporate governance contributes to the authenticity of the accountability mechanism, the quality of financial information, and the reliability and integrity of the capital market, thereby further enhancing the trust of investors. Mahrani and Soewarno (2018) posited that good corporate governance ensures the effective functioning of the accountability system and improves the reliability and quality of corporate information. According to Muda et al. (2018), the transition to effective corporate governance had a positive effect on reporting quality and investor confidence, as well as somewhat influencing the future development of companies. They also noted that because of effective internal control, businesses with good corporate governance frequently publish their financial statements quickly. Furthermore, the researchers discovered that effective corporate governance has a beneficial bearing on the quality of reporting and that organisations with strong corporate governance tend to produce their financial statements on time owing to effective internal control. This is because effective governance is an essential component of excellent corporate governance. Because of this, corporate governance has an impact on the financial system, as evidenced by the going concern status and investor confidence.

Previous studies have focused on the nexus between corporate governance and investor confidence, corporate governance and going concern, and going concern and investor confidence (Hammond et al., 2022; Nagendrakumar et al., 2022). However, the role corporate governance can play to influence investor confidence when the going concern of an enterprise is established has not received much attention. A firm may be deemed, as certified by the auditors, as going concern in the auditor's reports. Does this statement announcement boost investor confidence to invest in the entity? Does good corporate governance have any facilitating role to play after going concern opinion is issued to ginger investor confidence? There is, therefore, a gap in the literature on the crucial role corporate governance mechanisms can play in influencing investor confidence when going concern status has been established. Thus, the objective of this study is to investigate the mediation role corporate governance exerts on the nexus between going concern and investor confidence. This research would contribute to the body of knowledge on the important role of good corporate governance mechanisms in managing organisations as well as its impacts on the performance of businesses and investor confidence.

In order to achieve the aim of the study, the following hypotheses were tested:

H_1: There is a significant association between going concern and corporate governance.
H_2: There is a significant connection between going concern and investor confidence.
H_3: There is a significant relationship between corporate governance and investor confidence.

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H_4: Corporate governance mediates the relationship between going concern and investor confidence.

The rest of the paper is structured as follows: Section 2 presents the relevant and related literature review; Section 3 describes the methodologies employed; Section 4 displays the study's findings; Section 5 discusses the findings and Section 6 draws a conclusion based on the results and discussion.

2. Literature review

The earliest forms of business ventures were formed to perform a single and specific transaction (Enkhbold, 2019; Pendse, 2019). After the completion of the specified task, the venture is then dissolved and the profit is distributed among the participants. These ventures were not expected to exist after the accomplishment of the predetermined assignment. Thus, the parties to the venture were interested in the profits for that particular time without thinking about the future existence of the venture; thus, going concern was of no essence to them. Later in the development of commerce, there emerged other forms of business organizations such as proprietorships, partnerships, and corporations, which were formed with the intention of permanent existence (Pendse, 2019). They were formed with no predetermined limit of life and were set up to have an indefinite succession. These types of businesses were interested in the continuity of business operations and, therefore, the stakeholders were keen on continuing business activities.

Businesses nowadays have evolved to a stage where there is a distinction between ownership and management groups. Rosenfield (2005) stressed the unique nature of companies and posited that a business entity is distinct and separate from the owners and they should be treated separately in the accounting process. The theory of an entity identifies the entity to have a legally detached existence from the owner and that it has an arms-length relationship with its owner. The contributors of funds are treated as people who contribute to the organisation but they have different identities from the enterprise. The entity theory views the business as an independent person that seeks to survive and grow on its own accord. This has led to the agency theory postulated by Jensen and Meckling (1976) that deals with the relationship that exists between the principals and agents of the organization. The agent, that is, the management of the organization represents the principal being the owners or investors in business transactions (Benn & Bolton, 2011). According to this theory, the principals such as shareholders of the organization employ the services of agents such as managers to perform work. The shareholders assign the running and operation of the business to the managers who are agents of investors. The investors expect the manager to act and make choices that will better the lots of shareholders (Benn & Bolton, 2011). In reality, it is not always the case that agents make choices in the best interest of the principals. The manager might be capitulated to personal interest, shrewd conduct, and miss the mark regarding the expectation of the investors. The difference in their interests brings about conflict and the principal agent problem.

The separation of ownership and control also causes information asymmetry, which is an agency problem (De Villiers & Hsiao, 2017). Information asymmetry refers to a knowledge gap that comes from management, having a greater understanding of the corporation's real operations and results as compared to the investing community. According to Akerlof (1970), information asymmetry exists when one of the parties in the relationship possesses more or better information than the other. This disparity in information dissemination confers an advantage to one party (Nicolau & Sellers, 2010).

Investors are rational economic beings who anchor their decisions on the accomplishments and potential of institutions (Raut, 2020; Raut et al., 2018; Raut et al., 2020). Investors are people who postpone their current consumption and put their money into entities in the hope of making a profit in the future (Daz & Esparcia, 2019). They can be sole proprietors, partnerships, corporations, trusts, shareholders, or stockholders. The willingness of investors to engage in investment opportunities, taking into consideration the expected risk and return, underscores investors' confidence. The investors' perception of issuer risk, such as accounting manipulations, is reflected in their awareness of the underlying risk and optimism regarding returns and trust (Brychko & Semenog, 2018). According to the findings of a number of studies, investor confidence is a major determinant of the decisions made by business managers and executives (Al-Ibbini & Shaban, 2021; Li & Grundy, 2022; Shahid & Abbas, 2019). When shareholders of a corporation become more confident about the company as a whole, they begin investing more money in the firm, and as a result, businesses are able to make a variety of investment decisions. Therefore, to ensure investors of the safety of their investment, strong corporate governance is demanded.

Corporate governance has been defined in many ways. Lagasio and Cucari (2019) define corporate governance as the mechanism, procedures, and structure of an organization. In order to better defend investors' interests, Chen et al. (2020) broadened the concept of corporate governance to include both internal and external processes that strive to construct an effective governance framework and form a balance of power among shareholders, directors, and management. In general, corporate governance refers to the mechanisms and system of relationships that regulate and provide appropriate incentives among interested parties in an organization in order for the company to achieve its goals optimally (Yusuf et al., 2022).

Xiaolu et al. (2016) assert that good corporate governance contributes to the authenticity of the accountability mechanism, the quality of financial information, and the reliability and integrity of the capital market, thereby further enhancing the trust of investors. According to Arjoon (2005), good corporate governance ensures the effective functioning of the accountability system and improves the reliability and quality of corporate information. In terms of the significance of corporate governance on the going concern concept, Lombardi (2021) contends that it could be considered a "key factor" or "tipping factor" in the analysis of the entity's growth and lifecycle.

It is worthy to note that the going concern concept has numerous applications in the corporate reporting system. The concept of going concern reduces the impact of uncertainty in accounting, measurement, and valuation (Fabio, 2020). Uncertainty is lessened by the assumption that an enterprise has an undefined and indefinite lifespan unless some unprecedented event occurs to cast doubt on it. This makes a measurement in accounting possible and easier because it allows for transactions to be recorded on a going concern basis without resorting to liquidation or forced sale valuation (Akamah et al., 2019). The going concern concept offers a convenient way of treating accounting transactions since it assumes a normal business condition as opposed to liquidation or insolvency, which is not the normal expectation of businesses. Moreover, the going concern concept serves as the basis for the adoption of the matching concept, whereby the cost is matched with the revenue (Israel et al., 2018). Because entities are assumed to continue in the foreseeable future, costs and other overhead expenses are allocated over expected lives to specific periods (Effendi & Fatmawati, 2021). Without the going concern assumption, the matching of the cost of a project to revenue, such as contract revenue that stretches over more than a year, may not be feasible (Garrow et al., 2019).

Furthermore, the valuation of business assets and liabilities at historical cost is based on the concept of going concern (Cristea, 2018). The records of assets are maintained at the cost of purchase and depreciated at an agreed rate to reflect the usage of the assets and the passage of time. Without this assumption, assets and liabilities would be assigned breakup or liquidating values to reflect the net realizable amount expected to receive from the assets as well as settle debt obligations (Tkachuk, 2019). The concept makes it possible to prepare financial statements that can be compared with others and facilitate the decision-making process.

There are certain conditions under which the going-concern concept may not hold and the enterprise can no longer be assumed to possess the status of a going concern. Situations that may cast material doubt about the continuity of the entity may include contingent liabilities, the recoverability of a specific asset, involuntary conversion and related problems, and continued operating losses and associated difficulties (Lessambo, 2018). Indeed, some of these circumstances are relatively obvious and do not need any expertise to be identified. For example, an organization in receivership or liquidation is a clear indication that it is not a going concern. Many entities may exhibit signs of going concern but fail to survive in the following year. Others may show the problem of continuity; however, they operate with varying degrees of survival and success (Ismail et al., 2021). This makes the prediction of the going concern status of the entity uncertain. Although some of the conditions that give rise to contrary information may be enumerated with or without certainty, it is extremely difficult to postulate guidelines as to how these instances should be examined.

3. Methodology

3.1 Sample and data collection

The sample for the study came from commercial banks in Nigeria and Ghana. Following the cleaning up of the country's financial sector, Ghana had 23 approved universal banks in addition to 144 licensed rural and community banks (Bank of Ghana, 2020; Coopers, 2019). There are 106 banks in Nigeria, and 24 of them are commercial banks (Central Bank of Nigeria, 2021). But for the study, 23 universal banks in Ghana and 24 commercial banks in Nigeria constituted the target population. Due to the lack of full set of annual corporate reports for the study period, the rural/community and other banks were left out. Moreover, rural and community banks' reports do not have enough information about issues of corporate governance. The study purposefully selected 15 commercial banks in Ghana and 10 commercial banks in Nigeria. These banks were

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chosen because they had a complete set of data that could be used for the study. Secondary data for the study consisted of financial statements that were taken directly from the websites of the sampled banks that were investigated. The financial statements used in the study cover ten years: from 2011 to 2020. Over a ten-year period, there were 250 firm-year observations or 25 observations each year for ten years.

3.2 Data analysis method

Partial least squares structural equation modelling (PLS-SEM) was used to analyse the data since the purpose of the study was to investigate the relationships between variables by combining factor analysis and regression-based path analysis (Hair et al., 2019). SmartPLS 3 software was used for the analysis. Chin et al. (2020) proposed a two-step method for evaluating SEM models, and this method was followed in this research. These are the measurement evaluation and structural model evaluation. The sufficiency of the latent variable features was evaluated by analysing the measurement model. All latent variables were analyzed as construct-reflective variables; hence, a reflective model was adopted in this study. As a result, the measurement model was assessed by evaluating the latent variables' reliability, convergent validity, and discriminant validity. After meeting the reliability and validity standards, the structural model was evaluated. The structural model indicates whether the hypothesised path is relevant or not based on its appropriateness. In order to investigate the structure, the path coefficients of the postulated paths, the predictive accuracy of the model, and its fitness were all evaluated. The model included three constructs: corporate governance, going concern, and investor confidence. There are four reflective latent factors in corporate governance and three latent variables in investor confidence as shown in Table 1. The going concern was represented by Zmijewski (1984) which had three financial ratios that measure an entity's performance, leverage, and liquidity. The following equation provides the initial model:

$$GC = -4.3 - 4.5NITL + 5.7TLTA - 0.004CACL$$

where,

NITL = Net Income divided by Total liabilities

TLTA = Total liabilities divided by Total assets

CACL = Current assets divided by Current liabilities

Table 1 provides the indicators of each latent variable.

Table 1: Variables for PLS-SEM

Constructs	Indicators
Going Concern	
GC 1	Profitability (Net Income / Total Liabilities)
GC 2	Leverage ratio (Total Liabilities / Total Assets)
GC 3	Liquidity ratio (Current Assets / Current Liabilities)
Corporate Governance Variables	
CG 1	Board size (Number of board members)
CG 2	Board independence (Number of non-executive board members)
CG 3	Board diversity (Number of female members on the board)
CG 4	Audit committee members
Investor Confidence	
IC 1	Deposits (Natural log of the deposits)
IC 2	Equity (Natural log of total equities)
IC 3	Shareholdings (Natural log of total share capital)

4. Results and analysis

4.1 Measurement model assessment

The three most widely used reliability measures, Cronbach's alpha, Dillon's (also known as Goldstein's composite reliability), and Dijkstra-rho, were used to evaluate the latent variables' reliability. The term "reliability" is used to describe how well a set of variables in a latent construct agree with one another. The most widely used indicator is Cronbach's alpha, but it typically overestimates the reliability of latent constructs. This underestimation is caused by the construct's assumption that all items are loaded equally. Composite dependability and rho, which offer approximately consistent assessments, are alternatives to Cronbach's alpha. Because SmartPLS, the software used for the study, offered all three reliability measures, all three were estimated and reported. A reliability metric above 0.7 is considered ideal by Henseler et al. (2016) and Mohajan (2017). The reliability values for Cronbach's alpha, Dijkstra-rho and composite reliability are all over 0.7, as can be shown in Table 2. This suggests that the measurement model exhibits the desired level of reliability.

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Table 2: Reliability Statistics of Latent Variables

Latent Variable	Cronbach's Alpha (α)	Dijkstra-Henseler's rho (ρ_A)	Composite Reliability (ρ_c)
Corporate Governance	0.821	0.938	0.881
Going Concern	0.768	0.841	0.874
Investor Confidence	0.890	1.061	0.927

An additional measurement evaluation was a check for the convergent validity of the data. Convergent validity is defined as the proportion of variation that indicators of a particular construct, match or share (Hair et al., 2019; Sarstedt et al., 2021). It is the extent to which one variable positively correlates with another within the same construct. Items must measure the given latent variable and no other latent variable, according to convergent validity. The convergent validity of the study was evaluated using the average variance extracted (AVE) metric. Average Variance Extracted assesses how much variance the latent variable has extracted from the items it is measuring in comparison to the variance brought on by measurement errors. A value of the average extracted variation that is more than 0.5 is acceptable. The implication is that the latent construct accounts for at least half of the measurement variation. According to Table 3, all constructs' AVEs are greater than 0.5.

Table 3: Convergent Validity Test.

Latent Variable	Average Variance Extracted (AVE)
Corporate Governance	0.667
Going Concern	0.709
Investor Confidence	0.808

The discriminant validity of the measurement model served as the final test of the validity of the model. Discriminant validity describes the degree to which a construct differs from other constructs in terms of its correlations with other constructs and the distinctness with which its measured variables represent only this particular construct (Hair et al., 2021). The following three rules were followed to evaluate discriminant validity:

To begin, it has been proposed by Chin et al. (2020) and Chin (1998) that the loadings of each indication should be larger than their cross-loading. The results presented in Table 4 confirmed the discriminant validity of the variables.

Table 4: Discriminant Validity Test – Factor Loading

Variables	Corporate Governance	Going Concern	Investor Confidence
CG 1	**0.780**	0.141	0.231
CG 2	**0.432**	0.023	0.060
CG 3	**0.970**	0.178	0.323
CG 4	**0.964**	0.157	0.285
GC 1	0.175	**0.949**	0.511
GC 2	0.167	**0.959**	0.491
GC 3	0.073	**0.676**	0.338
IC 1	0.287	0.554	**0.937**
IC 2	0.225	0.245	**0.864**
IC 3	0.302	0.356	**0.895**

Second, Fornell and Larcker (1981) suggested that each latent construct's Average Variance Extracted (AVE) must be higher than the largest squared correlations between any other construct. This was confirmed in Table 5.

Table 5: Discriminant Validity Test Using the Fornell-Larker Criterion

	Corporate Governance	Going Concern	Investor Confidence
Corporate Governance	**0.817**		
Going Concern	0.172	**0.842**	
Investor Confidence	0.306	0.539	**0.899**

The Fornell-Lacker criterion for evaluating discriminant validity is met, as shown in Table 4. The cross-correlation between any two constructs is smaller than the square root of the AVE for each construct.

Finally, Hair et al., (2021) suggested that all Heterotrait-Monotrait (HTMT) ratios of correlation should be less than 0.85.

Table 6: Discriminant Validity Test – HTMT ratio

	Corporate Governance	Going Concern	Investor Confidence
Corporate Governance			
Going Concern	0.190		
Investor Confidence	0.321	0.572	

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Values for the Heterotrait-Monotrait Ratio in Table 5 are all below the threshold value of 0.85, hence this condition is also satisfied. As a result, the evaluated measurement model has been found to have discriminant validity.

4.2 Structural Model Assessment

After the reliability, convergent and discriminant validity had been concluded, the structural path of the model was then tested. The assessment considered the signs, magnitude and significance of the path coefficient of each hypothesized path in arriving at decision. The importance of each path was determined through the bootstrapping technique. The bootstrapping procedure involves resampling of drawing with replacement and specified confidence levels. The structural model from 5000 resamples drawn with replacement and confidence level of 95% is displayed in Figure 1.

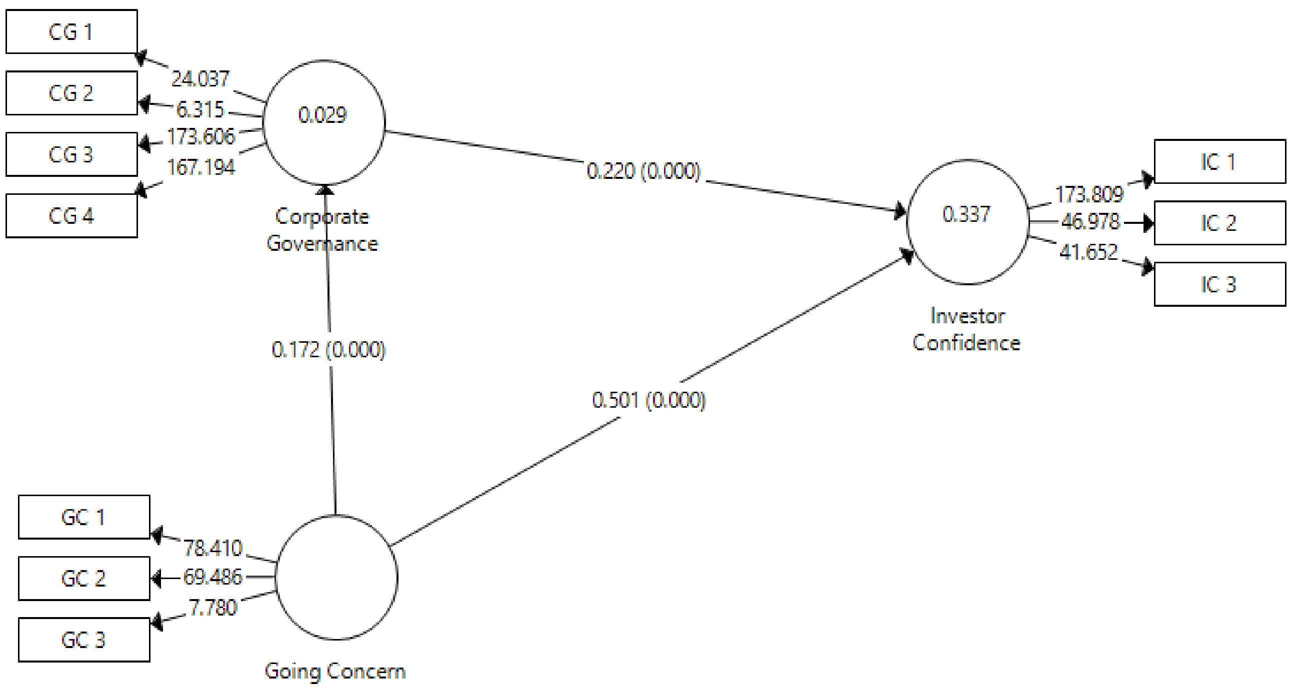

Figure 1: Structural model

According to Cepeda-Carrion et al., (2018), if the value of the dependent variable's R^2 is more than or equal to 0.1, then the model is good. In addition, Stone-Geiser Q^2 proves that the endogenous structures have a predictive value. If Q^2 is greater than 0, then the model can be relied upon for prediction. Standardized Root Mean Square Residual (SRMR) composite factor analysis is used once more to evaluate the model fit. If the SRMR is less than 0.1, the model fits well enough to proceed (Hair et al., 2021). Table 6 shows the values for R^2, Q^2, and SRMR, which show that the model fits well.

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Table 6: Model Fit Indicators

	R^2	Q^2	Estimated Model	
Corporate Governance	0.029	0.021	SRMR	0.093
Investor Confidence	0.337	0.175		

4.3 Hypothesis Testing

Table 7 displays the outcomes of the study's testing of its hypotheses. All three direct hypotheses were positively affirmed. They were all significant values of less than 0.05 ($p < 0.05$). Additionally, the structural model was assessed with an f^2 effect size. This shows how much the R^2 changes when a certain predictor is taken out of the model. The f^2 estimate of 0.02 indicate small effect, 0.15 shows medium effect, and 0.35 designates large effects on the latent variable. If the f^2 is less than 0.02 it implies there is no effect on the model (Sarstedt et al., 2021). Table 7 indicates that all hypotheses (H_1, H_2 and H_3) have significant effects. The effects of Hypotheses 1 and 2 are minimal, however Hypothesis 3 has f^2 value that is higher than 0.35, which indicates that it has a significant impact on the model. Table 7: Hypothesis Testing Results

Hypothesis	**Hypothesised Path**	**Path Coefficient**	**T - Statistics**	**P – Values**	**f^2 Values**	**Results**
Direct Effects						
H_1	GC → CG	0.172	3.590	0.000	0.030	Supported
H_2	CG → IC	0.501	11.007	0.000	0.071	supported
H_3	GC → IC	0.220	5.396	0.000	0.368	Supported
Indirect effect						
H_4	GC → CG →IC	0.038	2.089	0.037		

NB: CG – Corporate Governance, G C - Going Concern and IC – Investor Confidence

Mediation Effect

The effect of mediation of a construct is verified by the value of Variance Accounted For (VAF). Hence, to assess the mediation role of corporate governance, VAF was computed for the mediator. Hair et al (2019) recommended that the mediating effects should be recognised as significant if VAF is greater than 0.2. If the VAF is between 0.2 and 0.8, the mediation is partial, but if it is more than 0.8, it is recognised as full mediation. The estimated VAF and links of H_4, is shown in Table 8 and Figure 2 below. Although there is an indirect effect of corporate governance on the investor and going concern relationship, the effect is not significant as the VAF is below the threshold of 0.2.

Table 8: Mediating effects of Corporate Governance

	Path	Estimate
Total Effects	GC → CG	0.172
	CG → IC	0.220
	GC→ IC	0.501
Indirect Effect	C R → IC	0.038
VAF	**0.070**	

Note: VAF = Indirect Effect/(Direct Effect + Indirect Effect)
Indirect Effect = Estimate of (GC → CG) x (CG → I C)

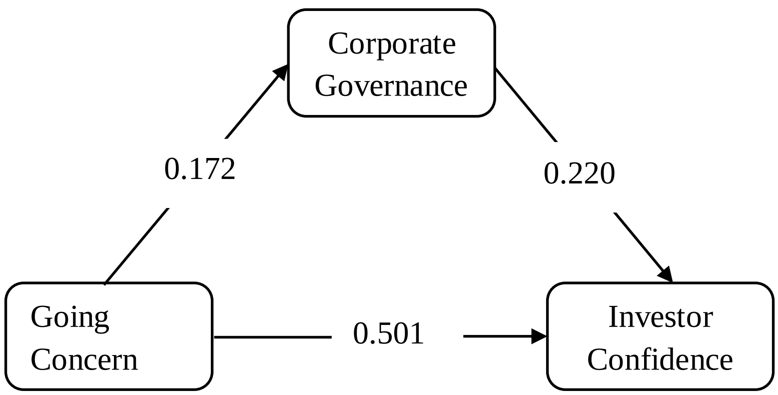

Figure 2: Mediating the effect of Corporate Governance on GC →IC link

5. Discussion

This segment discusses the results of the hypotheses that were investigated.

Hypothesis 1: There is a significant association between going concern and corporate governance

This study indicated there is a significant association between corporate governance and going concern (β = 0.172, p = 0.00). This reinforces the results of previous research like Muda et al. (2018) that found strong evidence of a link between the two factors. The reason for this is that through the use of corporate reporting, the importance of a company's ability to remain operational as a going concern was uncovered. As a result, a company's ability to continue operations as a going concern is directly impacted by the quality of its corporate governance. Thus, it is critical to establish a solid corporate governance framework to monitor the compilation of quality financial statements that will affect the institutions' viability as a going concern.

Hypothesis 2: There is a significant connection between going concern and investor confidence.

The study's results provide credence to the idea that investors' faith is significantly affected by a company's going concern status. The data show that backing the theory that people like to put their money into businesses where they know for sure that there will be no interruptions in service or loss of capital (De Bock et al., 2020). Potential backers need assurance that their initial commitment would continue to yield benefits down the road. Therefore, they are urged to put their money into businesses that won't have a hard time staying afloat. Investors will quickly pull their money out of the company and look elsewhere if they have the impression that the company will be downsized or shut down as a result of an impending reorganization. Therefore, the confidence of investors in banks and the survival of businesses go hand in hand. The strength of an institution's going concern is correlated with the confidence investors have in it.

Hypothesis 3: There is a significant relationship between corporate governance and investor confidence.

This study's findings corroborate those of prior research (Xiaolu et al., 2016; Mahrani & Soewarno, 2018) and demonstrate a robustly positive relationship between sound corporate governance and the trust of investors. When people believe in the actions of a financial company, investors are willing to put their money into that company. Investors are more likely to put their money into companies that have a strong commitment to good corporate governance, as opposed to those that ignore the governance standards that are generally accepted. According to the findings of Xiaolu et al. (2016), strong corporate governance contributes to an increase in the degree to which investors trust a firm. Adherence to sound corporate governance rules improves a board member's ability to supervise operations while minimizing management options and self-interest for the benefit of shareholders (Shahid & Abbas, 2019). As a direct consequence of this, rigorous corporate governance has a significant impact on the degree to which investors trust companies.

Hypothesis 4: Corporate governance mediates the relationship between going concern and investor confidence.

Unfortunately, the mediation role of corporate governance on the relationship between going concern and investor confidence was not confirmed because the effect was not significant as indicated by f^2 of 0.070. This implies that the positive association between going concern and investor confident established in hypothesis 2 is not affected significantly by the presence of corporate governance mechanisms. This means investors that rely on going concern to make investment decisions do not factor in much corporate governance issues interplay in their decision-making process. The belief is going concern is a by-product of strong corporate governance practices and the survival of companies has the indirect effect of vibrant corporate governance. Therefore, investors are not particularly interested to know the presence or otherwise of corporate governance indicators to influence the level of confidence.

6. Conclusion

The study was embarked on to investigate the mediation role of corporate governance. PLS-SEM was employed to find the relationship among the variables. The results revealed that going

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concern directly affects the investor confidence. Moreover there is a positive relationship between corporate governance and investor confidence as well as going concern and corporate governance. The implication is that investors normally need information on the survival or sustainability of an entity to guide them in the investment decision making process. In the same vein, investors are more likely to invest more in companies that have strong corporate governance. Moreover, the correlation between going concern and corporate governance implies that the future of an entity is secured when proper governance mechanisms are put in place.

However, the mediation role of corporate governance was found to be less significant, though indirect effect was found to exist. This seems to imply that the investor already believes that a firm cannot be sustainable if it has poor corporate governance practices. Ultimately, investors should consider corporate governance in their decision making. Even though the mediation role of corporate governance is weak, it has a direct linkage with the going concern and investor confidence independently. Therefore, it is of essence to establish vibrant corporate governance to firm up going concern status and boost investor confidence.

The findings of the study have both practical and policy implications. This study offers managers more information regarding corporate governance's significance in the context of going concern difficulties and investor trust. It also underscores for practitioners the need for corporations to develop good corporate governance mechanisms in order to increase investor confidence and limit the negative effects of going concern difficulties. The results of this study have a number of policy implications for those who regulate and make policies. To policymakers, first, they should make sure that companies follow the rules and standards for corporate governance. This will increase investor confidence and lessen the bad effects of going concern problems. This can be done by putting in place good measures to keep track of things and punishing companies who do not follow the rules. Second, policymakers should encourage companies to be open and share information with investors about their financial performance and going concern status of the business. This can be done by putting in place rules and standards that require companies to disclose important information about their financial position and performance. Third, regulators should encourage companies to embrace best practices in corporate governance to improve going concern status in order to boost investors' confidence.

In conclusion, corporate governance plays a critical role in mediating the relationship between a company's ability to continue operations and investor confidence. The results of this study imply that implementing strong corporate governance systems can impact going concern difficulties on investor confidence. Specifically, the study indicated that board independence, board size, and gender parity can have a considerable impact on the effectiveness of corporate governance in mitigating the adverse effects of going concern difficulties. This study contributes to the expanding body of research on the function of corporate governance in boosting investor confidence and mitigating the negative consequences of going concern difficulties. More research is required to investigate the particular processes by which corporate governance affects the relationship between continuing operations and investor confidence, as well as the contextual factors that may influence this relationship.

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- Consent to Publish: The study did not rely on data/methods/images/figures/participants that consent was needed to publish

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