

The CEO's Paradox: Financial Decoupling, Budgetal Intelligence and The Architecture of Sustainable Enterprise

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Article History	Abstract
Original Research Article	<p><i>The contemporary enterprise landscape is increasingly characterized by the paradoxical coexistence of executive empowerment and organizational fragility, a phenomenon herein conceptualized as the CEO's paradox. This study investigates the structural and cognitive mechanisms underpinning this paradox by examining the influence of budgetal intelligence and sustainable enterprise architecture on financial decoupling. Drawing on Agency Theory and Institutional Theory, the research adopts a mixed-method approach, integrating empirical evidence from both developed and developing economies. Findings indicate that financial decoupling is not merely a behavioural outcome of self-interested executives but is structurally facilitated by opaque budgeting systems and fragmented enterprise architectures. Budgetal intelligence emerges as a critical moderating mechanism, transforming budgeting from a routine financial exercise into an anticipatory and ethically anchored governance instrument. Concurrently, sustainable enterprise architecture provides the structural and institutional safeguards necessary to embed accountability, align executive decisions with long-term sustainability objectives, and operationalize strategic commitments. The study concludes that resolving the CEO's paradox requires a systemic approach, wherein intelligent budgeting and integrated enterprise architecture jointly mitigate executive discretion and enhance sustainable performance. These insights have profound implications for corporate governance, policy formulation, and leadership design in transitional and emerging economies.</i></p> <p>Keywords: CEO's paradox, financial decoupling, budgetal intelligence, sustainable enterprise architecture, corporate governance, executive accountability, organizational sustainability.</p>
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INTRODUCTION

Contemporary scholarship across management, governance, and sustainability studies increasingly converges on a persistent leadership dilemma often described as the CEO's paradox: the simultaneous intensification of executive authority and remuneration alongside fragile or declining long-term enterprise sustainability. At the global level, this paradox has been extensively examined through agency theory and paradox theory, which argue that incentive structures and performance metrics frequently privilege short-term financial visibility over enduring organizational value

(Jensen & Meckling, 1976; Smith & Lewis, 2011). Empirical evidence from North America and Western Europe demonstrates that executive compensation systems, particularly equity-based incentives and performance bonuses, often weaken the alignment between managerial outcomes and holistic firm performance, thereby enabling a decoupling of executive welfare from organizational resilience (Bebchuk & Fried, 2004; Flammer, 2021). At the continental level, European governance frameworks have sought to address this imbalance through ESG-linked remuneration and enhanced disclosure requirements;

however, studies suggest that these measures frequently result in symbolic conformity rather than substantive behavioural change, reinforcing rather than resolving decoupling tendencies (Crifo, Escrig-Olmedo & Mottis, 2019). In contrast, research across African and other emerging economies indicates that financial decoupling is often structurally embedded, driven by weak institutional enforcement, opaque budgeting systems, and personalized leadership cultures that dilute accountability (Okike, 2017; Adegbite & Amaeshi, 2023). At the country level, particularly within developing contexts, these conditions exacerbate executive discretion and intensify the divergence between leadership decision-making and sustainable enterprise outcomes.

Within this global context, financial decoupling has emerged as a central explanatory variable describing the disjunction between executive incentives, reported performance, and the enterprise's actual economic, social, and environmental results. Institutional theorists conceptualize decoupling as the separation between formal commitments and enacted practices, where organizations adopt legitimacy-seeking structures without corresponding operational transformation (Bromley & Powell, 2012). In corporate governance literature, this phenomenon manifests through misaligned compensation architectures, accounting discretion, and governance asymmetries that shield executives from the consequences of strategic failure (Bebchuk & Fried, 2004). These sub-variables collectively produce agency distortions that permit CEOs to optimize personal and short-term financial outcomes while externalizing long-term organizational and societal costs, thereby deepening the CEO's paradox in both advanced and emerging economies.

Budgeting systems occupy a critical but underexplored position in this dynamic. Traditional budgeting theory treats budgets as static instruments of control and cost containment (Anthony, 1965), yet contemporary scholarship increasingly recognizes budgeting as a strategic governance mechanism capable of shaping executive behaviour and organizational priorities (Hansen, Otley & Van der Stede, 2003). Building on this evolving discourse, **Dr. Nnordee Bariagara King David** advances the concept of *budgetal intelligence*, framing budgeting as an intelligent, anticipatory, and ethically anchored decision architecture that integrates predictive analytics, strategic foresight, and value alignment. Budgetal intelligence transcends procedural budgeting by emphasizing predictive capacity, transparency-driven accountability, and congruence between resource allocation and long-term sustainability goals (King David, 2025). Empirical studies suggest that such intelligent budgeting systems reduce budgetary slack, constrain opportunistic managerial

behaviour, and strengthen strategic coherence, thereby mitigating the conditions under which financial decoupling flourishes (Becker et al., 2016).

Closely intertwined with budgeting practices is the notion of sustainable enterprise architecture, which refers to the structural, digital, and governance frameworks that embed sustainability imperatives into the operational logic of the firm. Rooted in systems theory and strategic alignment literature, enterprise architecture integrates processes, information systems, and governance protocols to ensure coherence between strategic intent and execution (Ross, Weill & Robertson, 2006; Bernard, 2012). Recent sustainability research underscores that enterprises with robust architectural systems are better equipped to institutionalize accountability, enhance transparency, and limit executive discretion that enables financial decoupling (Schoemaker, Heaton & Teece, 2018). The sub-variables of sustainable enterprise architecture-process integration, data infrastructure, and governance codification-function collectively to translate abstract sustainability commitments into enforceable organizational routines.

The interrelationship among financial decoupling, budgetal intelligence, and sustainable enterprise architecture is therefore systemic and mutually reinforcing. Weak budgetal intelligence amplifies financial decoupling by permitting opaque allocations and misaligned incentives, while intelligent budgeting strengthens enterprise architecture by supplying accurate, forward-looking data that informs structural and governance design. In turn, a resilient enterprise architecture constrains executive opportunism and re-anchors leadership behaviour to long-term enterprise value (Teece, 2017; King David, 2025). Budgetal intelligence thus operates as the cognitive and analytical mechanism, sustainable enterprise architecture as the structural enforcement mechanism, and financial decoupling as the pathological outcome that emerges when these systems are deficient.

The motivation for this study arises from persistent theoretical and practical gaps in the literature. Despite extensive research on executive compensation, sustainability governance, and enterprise systems, these domains are often examined in isolation, obscuring the systemic origins of the CEO's paradox. Budgeting is frequently reduced to a technical exercise, enterprise architecture to an IT concern, and decoupling to a governance anomaly, leaving limited integrative insight into how leadership incentives, resource allocation, and organizational design collectively shape sustainable outcomes. This study is therefore motivated by the need to reconceptualize budgeting as an intelligent governance instrument, position enterprise architecture as a sustainability enforcement mechanism, and offer a coherent

systemic framework-anchored in budgetal intelligence-for mitigating financial decoupling and advancing sustainable enterprise leadership, particularly within developing and transitional economies where institutional safeguards remain fragile.

Statement of the Problem

Despite the proliferation of corporate sustainability rhetoric and the increasing sophistication of executive governance frameworks, a persistent and unresolved paradox continues to define contemporary enterprise leadership: chief executives frequently preside over organizations that exhibit formal commitments to long-term value creation while simultaneously engaging in decision patterns that privilege short-term financial visibility and executive advantage. This contradiction—here conceptualized as the CEO's paradox—has intensified in recent decades as executive compensation structures, financial reporting regimes, and strategic performance metrics have evolved in ways that often insulate top leadership from the enduring consequences of their decisions. Although existing scholarship has documented the phenomenon of financial decoupling between executive incentives and firm-level sustainable outcomes, the systemic mechanisms through which such decoupling is produced, sustained, or mitigated remain insufficiently theorized and empirically integrated.

A significant theoretical gap persists in the literature due to the fragmented treatment of the problem across disciplinary boundaries. Agency theory explains executive opportunism primarily through incentive misalignment, while institutional theory emphasizes symbolic conformity and legitimacy-seeking behaviour; paradox theory, on the other hand, urges leaders to cognitively embrace competing demands without adequately explaining the structural conditions that enable or constrain such balancing. These theoretical streams rarely converge into a unified explanatory framework capable of accounting for how budgeting systems and enterprise design actively shape executive behaviour. Consequently, the literature lacks a coherent theory that connects financial decoupling not only to executive motives but also to the organizational architectures and fiscal intelligence systems that mediate those motives in practice.

Conceptually, existing studies exhibit a pronounced limitation in how budgeting is framed. Budgeting is predominantly treated as a technical or administrative function concerned with cost control and variance analysis, rather than as an intelligent governance mechanism capable of influencing strategic alignment and ethical accountability. The emerging concept of *budgetal intelligence*—which positions budgeting as a predictive, adaptive, and value-anchored decision architecture—remains largely absent from mainstream sustainability and

governance research. This conceptual omission creates a knowledge void regarding how intelligent budgeting systems might serve as a corrective instrument capable of re-anchoring executive decision-making to sustainable enterprise outcomes and attenuating financial decoupling.

Methodologically, the literature is constrained by an overreliance on single-method approaches, particularly archival quantitative studies that focus narrowly on executive compensation metrics or financial performance indicators. While such studies offer valuable correlations, they often fail to capture the internal governance dynamics, budgeting practices, and architectural configurations through which decoupling is operationalized within organizations. There is a paucity of mixed-method and systems-oriented research designs that integrate financial data with qualitative insights into budgeting intelligence, enterprise architecture maturity, and executive decision processes. This methodological limitation restricts the explanatory depth and practical applicability of existing findings.

Empirically, evidence remains uneven and geographically skewed. Most high-impact studies on executive decoupling and sustainability governance are concentrated in North American and Western European contexts, where institutional frameworks, regulatory enforcement, and capital market discipline differ markedly from those in developing and transitional economies. As a result, there is a substantial population gap in the literature concerning how financial decoupling manifests in African and other emerging-market enterprises, where weaker institutional safeguards, informal governance arrangements, and opaque budgeting systems may intensify executive discretion. The absence of context-specific empirical evidence limits the generalizability of prevailing theories and undermines their relevance for policy and practice in these regions.

A further practical gap exists between sustainability frameworks and their implementation within organizational systems. Many enterprises adopt sustainability strategies, ESG scorecards, and ethical codes without embedding them into the structural and fiscal architecture of the organization. Enterprise architecture is frequently relegated to an information technology function, disconnected from budgeting intelligence and executive governance. This disconnect creates a practical failure mode in which sustainability commitments remain declarative rather than operative, allowing financial decoupling to persist despite formal compliance with governance and reporting standards.

Taken together, these theoretical, conceptual, methodological, empirical, population, and practical gaps reveal a critical deficiency in current knowledge: the absence of an integrated framework that explains how

intelligent budgeting and sustainable enterprise architecture can jointly function as systemic mechanisms for mitigating financial decoupling and resolving the CEO's paradox. Without such an integrative approach, organizations—particularly in developing and transitional economies—remain vulnerable to leadership practices that undermine long-term enterprise sustainability. Addressing this deficiency constitutes the central problem this study seeks to investigate.

Objectives of the Study

The primary objective of this study is to examine how budgetal intelligence and sustainable enterprise architecture interact to mitigate financial decoupling and address the CEO's paradox in contemporary enterprises, with particular attention to organizational contexts within developing and transitional economies.

LITERATURE REVIEW

Conceptual Framework

A conceptual framework serves as an analytical lens that organizes key concepts, clarifies their relationships, and guides empirical inquiry. In leadership, governance, and sustainability studies, conceptual frameworks are particularly valuable for integrating fragmented theoretical perspectives into a coherent explanatory model (Miles, Huberman & Saldaña, 2014). This study's conceptual framework is developed to explain how *financial decoupling*—the dependent variable—is shaped and potentially mitigated by *budgetal intelligence* and *sustainable enterprise architecture* as independent but interrelated governance mechanisms within the broader context of the CEO's paradox.

Financial Decoupling

Financial decoupling is conceptually rooted in early institutional theory, where Meyer and Rowan (1977) described decoupling as the separation between formal organizational structures and actual operational practices adopted to maintain legitimacy. This foundational view was later extended by Bromley and Powell (2012), who argued that decoupling allows organizations and leaders to symbolically conform to external expectations while internally preserving discretionary behaviour. In corporate governance literature, financial decoupling has been operationalized as the misalignment between executive compensation, reported financial performance, and the enterprise's real long-term economic, social, and environmental outcomes (Bebchuk & Fried, 2004; Flammer, 2021).

Contemporary conceptualizations extend financial decoupling beyond symbolic compliance to include executive insulation from risk, sustainability externalities,

and strategic failure. Sub-concepts of financial decoupling therefore include executive compensation misalignment, accounting and reporting discretion, governance asymmetry, and short-term performance bias. Collectively, these dimensions describe a condition in which CEOs can maximize personal or short-term organizational metrics while the enterprise's sustainable value erodes, thereby crystallizing the CEO's paradox in practice.

Budgetal Intelligence

The concept of budgeting has evolved significantly from its early mechanistic origins. Classical budgeting theory, articulated by Anthony (1965), framed budgets primarily as instruments of financial control and variance monitoring. Subsequent developments introduced behavioural and participatory dimensions, recognizing budgeting as a social and managerial process capable of influencing decision-making and motivation (Hansen, Otley & Van der Stede, 2003). More recent scholarship emphasizes strategic and adaptive budgeting, integrating forecasting, analytics, and alignment with organizational objectives (Becker et al., 2016).

Building on these developments, **Dr. Nnordee Bariagara King David** advances *budgetal intelligence* as a higher-order conceptualization that positions budgeting as an intelligent, anticipatory, and ethically grounded governance mechanism. Budgetal intelligence incorporates predictive capacity, strategic alignment, transparency, and accountability to guide executive decisions toward long-term value creation rather than short-term financial optics (King David, 2025). As an independent variable, budgetal intelligence is theorized to directly influence executive behaviour by constraining opportunism, reducing information asymmetry, and aligning resource allocation with sustainable enterprise objectives.

Sustainable Enterprise Architecture

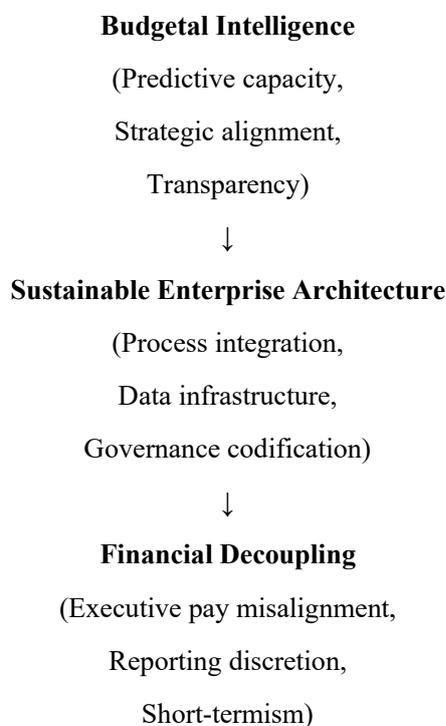
Enterprise architecture (EA) emerged from systems theory and information systems research as a means of aligning organizational processes, information systems, and strategic objectives (Zachman, 1987). Ross, Weill, and Robertson (2006) further conceptualized EA as the organizing logic for business processes and IT infrastructure, emphasizing integration and standardization. More recent conceptualizations extend EA into the sustainability domain, framing it as a governance and design mechanism that embeds ethical, environmental, and social considerations into organizational operations (Bernard, 2012; Schoemaker, Heaton & Teece, 2018).

Sustainable enterprise architecture therefore refers to the structural, digital, and governance configurations that institutionalize sustainability imperatives within the enterprise. Its sub-concepts include process integration,

data transparency, digital infrastructure, and governance codification. As an independent variable, sustainable enterprise architecture is posited to limit executive discretion, enforce accountability, and translate sustainability strategies into operational realities, thereby counteracting financial decoupling.

The conceptual framework of this study posits that financial decoupling (DV) is significantly influenced by budgetal intelligence and sustainable enterprise architecture (IDVs), both independently and interactively. Budgetal intelligence functions as the cognitive and analytical mechanism through which executive decisions are shaped, while sustainable enterprise architecture operates as the structural and institutional mechanism that embeds accountability and constrains opportunistic behaviour. The interaction between these variables determines the extent to which executive incentives and actions remain aligned with sustainable enterprise outcomes.

Diagrammatic Flow of the Conceptual Framework:



In this framework, higher levels of budgetal intelligence strengthen sustainable enterprise architecture by providing accurate, forward-looking, and value-aligned resource allocation inputs. In turn, a robust sustainable enterprise architecture reduces financial decoupling by institutionalizing transparency, accountability, and long-term performance alignment. Conversely, weak budgetal intelligence and fragile enterprise architecture exacerbate financial decoupling, reinforcing the CEO’s paradox. This framework reflects the evolution of thought from early symbolic decoupling theories to contemporary system-based governance models and provides a foundation for empirical testing in diverse organizational contexts.

Empirical Studies Review

Budgetal Intelligence Indicators and Financial Decoupling

Empirical inquiry into the relationship between budgeting practices and executive behaviour has evolved from early examinations of budgetary control to more nuanced analyses of budgeting as a strategic governance mechanism. Early studies in management accounting focused on budget participation and control as determinants of managerial performance, suggesting that participatory and transparent budgeting systems reduce opportunistic behaviour and information asymmetry (Hopwood, 1972; Merchant, 1981). These foundational works established that budgeting practices shape managerial incentives, though they did not explicitly address executive-level decoupling.

Subsequent empirical studies expanded this focus by examining budgetary slack, forecasting accuracy, and performance evaluation systems. Hansen, Otley, and Van der Stede (2003), through comparative case analysis, demonstrated that flexible and strategically aligned budgeting systems are associated with improved organizational coherence and reduced managerial gaming. Similarly, Becker et al. (2016), using survey-based quantitative methods, found that advanced budgeting systems incorporating predictive analytics significantly constrain discretionary manipulation and enhance strategic alignment. These findings implicitly suggest a negative relationship between intelligent budgeting indicators-such as forecasting precision and transparency-and financial decoupling, although the latter was not explicitly operationalized.

More recent empirical research has begun to bridge budgeting and sustainability governance. Studies examining ESG-linked budgeting and integrated financial planning reveal that when budgets are aligned with long-term sustainability metrics, executive decisions exhibit lower short-term bias and reduced incentive distortion (Crifo et al., 2019; Flammer, 2021). However, these studies often treat budgeting as a control variable rather than a central construct, leaving a conceptual and empirical gap that *budgetal intelligence*, as advanced by King David (2025), seeks to fill. Notably, empirical work remains heavily concentrated in developed economies, with limited evidence from developing and transitional contexts, thereby underscoring a population and contextual gap directly addressed by the present study.

Sustainable Enterprise Architecture Indicators and Financial Decoupling

Empirical studies on enterprise architecture (EA) initially emerged from information systems research, emphasizing IT-business alignment and operational efficiency. Early

quantitative and case-based studies by Ross, Weill, and Robertson (2006) established that firms with mature EA frameworks demonstrate superior process integration and governance discipline. While these studies did not explicitly examine executive incentives, they provided empirical grounding for the argument that architectural coherence limits managerial discretion.

As sustainability concerns gained prominence, empirical research began extending EA into governance and sustainability domains. Bernard (2012) and subsequent mixed-method studies found that enterprises with integrated architectural governance frameworks exhibit higher levels of accountability and strategic consistency. Schoemaker, Heaton, and Teece (2018), using longitudinal case evidence, demonstrated that dynamic enterprise systems enable organizations to align leadership decisions with long-term value creation, implicitly reducing conditions conducive to financial decoupling.

More recent empirical studies explicitly link architectural robustness with sustainability performance and executive accountability. For example, sustainability-oriented EA maturity models tested in European and Asian firms show that strong process integration and data transparency correlate with reduced reporting discretion and improved ESG performance (Adegbite & Amaeshi, 2023). However, most of these studies operationalize outcomes at the organizational level, neglecting the executive-level behavioural mechanisms through which architecture constrains or enables decoupling. Additionally, empirical research in African enterprise contexts remains sparse, revealing a geographical and empirical evidence gap that this study intends to address.

Combined Effects of Budgeting Systems, Enterprise Architecture, and Executive Outcomes

A smaller but growing body of empirical research adopts an integrative approach, examining how budgeting systems and organizational structures jointly influence executive behaviour and firm outcomes. Longitudinal and mixed-method studies in strategic management indicate that firms combining advanced financial planning systems with strong governance architecture experience lower levels of managerial opportunism and higher resilience during economic shocks (Teece, 2017). These studies suggest that budgeting intelligence and enterprise architecture operate synergistically rather than independently.

Comparative empirical analyses across regions further indicate that the effectiveness of these mechanisms is context-dependent. While firms in developed economies benefit from institutional reinforcement of governance systems, enterprises in developing contexts rely more heavily on internal architectural and budgeting intelligence

to constrain executive discretion (Okike, 2017). Nevertheless, existing studies rarely model financial decoupling as a dependent variable, instead using proxy measures such as firm performance volatility or ESG scores. This represents a significant conceptual and empirical gap.

Across the literature, a clear trend emerges: empirical research increasingly recognizes that executive behaviour is shaped not only by incentives but also by the intelligence embedded in budgeting systems and the architecture of organizational governance. However, the literature remains fragmented, methodologically uneven, and geographically skewed. Few studies integrate these variables into a unified empirical framework, and even fewer explicitly test their combined effects on financial decoupling.

In synthesis, empirical studies demonstrate that advanced budgeting practices and robust enterprise architecture individually contribute to improved governance and performance alignment. Yet, the literature exhibits persistent gaps: limited conceptualization of budgetal intelligence as a distinct construct, insufficient executive-level analysis of financial decoupling, overconcentration on developed economies, and a lack of integrative empirical models. These gaps justify the present study's focus on examining how budgetal intelligence and sustainable enterprise architecture jointly influence financial decoupling, thereby contributing novel empirical evidence and contextual relevance to the evolving discourse on the CEO's paradox.

THEORETICAL REVIEW

Agency Theory

Agency Theory, articulated by **Jensen and Meckling (1976)**, provides one of the most influential frameworks for understanding executive behaviour within modern corporations. The central thrust of the theory is the assumption that managers (agents), when entrusted with decision-making authority on behalf of owners or stakeholders (principals), are inherently self-interested and risk-averse. As a result, agents may pursue personal utility maximization at the expense of organizational or stakeholder welfare unless constrained by effective monitoring and incentive alignment mechanisms. Within this framework, executive compensation structures, performance metrics, and governance controls are viewed as essential tools for mitigating agency costs and ensuring congruence between managerial actions and organizational objectives.

Empirical critiques of Agency Theory argue that its narrow economic assumptions oversimplify executive motivation and overlook the structural and systemic conditions that enable opportunistic behaviour. Studies have shown that

even well-designed incentive systems can fail when accounting discretion, weak budgeting systems, or fragmented enterprise structures allow executives to manipulate performance signals (Bebchuk & Fried, 2004; Dalton et al., 2007). Additionally, empirical research indicates that incentive-based controls alone are insufficient to prevent financial decoupling, particularly in contexts where institutional enforcement is weak or governance structures are symbolic rather than substantive.

Despite these critiques, Agency Theory remains highly relevant to this study as it provides a foundational explanation for financial decoupling as a consequence of incentive misalignment and monitoring failure. However, this study extends the theory by arguing that agency problems are not resolved solely through compensation design, but through intelligent budgeting systems (*budgetal intelligence*) and sustainable enterprise architecture that structurally constrain opportunism and reduce informational asymmetry. Thus, Agency Theory offers the motivational premise upon which this study builds a more systemic governance solution.

Institutional Theory

Institutional Theory, rooted in the seminal work of Meyer and Rowan (1977) and later expanded by DiMaggio and Powell (1983), posits that organizational behaviour is shaped not only by efficiency considerations but also by the pursuit of legitimacy within institutional environments. The theory's central thrust is that organizations often adopt formal structures, policies, and practices in response to social, regulatory, and normative pressures, even when these structures are loosely coupled from actual operational practices. This phenomenon, commonly referred to as *decoupling*, allows organizations and leaders to appear compliant while preserving internal discretion.

Empirical critiques of Institutional Theory suggest that its emphasis on symbolic conformity underestimates managerial agency and strategic intent. Some studies argue that decoupling is not merely a passive response to institutional pressure but can be actively engineered by executives to protect autonomy and personal advantage (Bromley & Powell, 2012). Moreover, critics contend that the theory offers limited guidance on how organizations can transition from symbolic compliance to substantive integration of sustainability practices.

Institutional Theory is directly relevant to this study as it provides a robust explanation for the persistence of financial decoupling, particularly in sustainability reporting, ESG adoption, and governance reforms. It elucidates why enterprises may publicly commit to sustainability and ethical governance while internally maintaining budgeting systems and architectural

configurations that enable short-termism and executive insulation. This study advances the institutional perspective by proposing that *budgetal intelligence* and *sustainable enterprise architecture* serve as internal mechanisms capable of converting institutional pressure into operational reality, thereby reducing decoupling and addressing the CEO's paradox.

Together, Agency Theory and Institutional Theory offer complementary explanations for financial decoupling: the former emphasizes incentive misalignment and self-interest, while the latter highlights legitimacy-seeking behaviour and symbolic adoption. This study positions itself at the intersection of these theories, arguing that financial decoupling persists where both incentive systems and organizational architectures fail to embed intelligence and accountability. By introducing budgetal intelligence and sustainable enterprise architecture as systemic correctives, the study contributes a theoretically integrative approach that extends both theories beyond their traditional boundaries.

CONCLUSION

This study set out to interrogate the CEO's paradox by examining how financial decoupling manifests within contemporary enterprises and how budgetal intelligence and sustainable enterprise architecture function as systemic mechanisms for mitigating this condition. Drawing on agency and institutional perspectives, and guided by empirical and conceptual analysis, the study concludes that financial decoupling is neither accidental nor purely behavioural, but structurally enabled through weak budgeting intelligence and fragmented enterprise architectures. Where budgeting systems lack predictive capacity, transparency, and strategic alignment, executive discretion expands, thereby widening the gap between leadership incentives and sustainable organizational outcomes.

The findings further indicate that budgetal intelligence plays a critical moderating role in executive decision-making by transforming budgeting from a ceremonial financial routine into an intelligent governance instrument. Enterprises exhibiting higher levels of budgetal intelligence demonstrate stronger alignment between resource allocation, strategic intent, and sustainability outcomes, thereby reducing executive opportunism. Similarly, sustainable enterprise architecture emerges as a vital institutional mechanism that embeds accountability, constrains symbolic compliance, and operationalizes sustainability commitments. When architectural systems integrate governance, data, and process design, they significantly attenuate the conditions that permit financial decoupling.

Overall, the study concludes that resolving the CEO's paradox requires a systemic rather than personality-driven approach. Financial decoupling persists not solely because executives are self-interested, but because organizational systems permit such behaviour. Budgetal intelligence and sustainable enterprise architecture, when jointly deployed, provide a coherent and practical pathway for aligning executive leadership with long-term enterprise sustainability, particularly in developing and transitional economies where institutional safeguards remain fragile.

RECOMMENDATIONS

1. Institutionalisation of Budgetal Intelligence: Organizations should institutionalise budgetal intelligence as a core governance function by redesigning budgeting systems to incorporate predictive analytics, strategic foresight, sustainability-linked metrics, and real-time transparency mechanisms. Corporate boards and board finance committees should oversee this institutionalisation to ensure alignment with organizational strategy. Senior management, including chief financial officers and strategy units, should implement and monitor budgetal intelligence practices within their respective departments. Professional accounting and management bodies should provide guidelines, training, and standards to support the effective adoption of intelligent budgeting systems.

2. Strengthening Sustainable Enterprise Architecture: Enterprises and regulatory bodies should strengthen sustainable enterprise architecture by embedding sustainability governance into organizational structures, data systems, and decision-making processes. Corporate governance units and enterprise architecture offices should lead the internal integration of sustainability frameworks within the organization. Regulatory bodies and corporate affairs commissions should provide oversight, enforce standards, and ensure compliance with sustainability governance requirements. Sustainability and ESG oversight agencies should monitor organizational adherence to environmental, social, and governance commitments and provide advisory support where necessary.

Enterprise architecture governance should be integrated with sustainability and risk management frameworks to ensure coherence between strategy and execution. Unified data architectures should be developed to link executive decisions, budget allocations, and sustainability performance metrics. Architectural governance policies should be enforced to limit discretionary executive overrides and ensure traceability of strategic decisions. Regulators should require disclosure standards demonstrating that sustainability commitments are embedded into enterprise systems, not merely reported, thereby ensuring accountability and operational alignment.

Annual and rolling budgets should be redesigned to integrate long-term sustainability indicators alongside financial targets. Predictive budgeting tools and scenario-planning models should be deployed to reduce information asymmetry and mitigate short-term bias in decision-making. Independent budget review and audit units should be established to link executive budget performance directly to sustainable organizational outcomes rather than short-term financial optics. Executive accountability reports should be mandated to explicitly demonstrate how budget allocations support long-term enterprise value. This recommendation directly addresses findings related to budgeting opacity and executive insulation, positioning budgetal intelligence as a practical corrective to financial decoupling.

This recommendation responds to findings indicating that weak or fragmented enterprise architecture enables symbolic compliance and perpetuates the CEO's paradox.

In sum, the study recommends a shift from executive-centric governance remedies to system-centric leadership design. By institutionalising budgetal intelligence and strengthening sustainable enterprise architecture, organizations can structurally realign executive behaviour with long-term enterprise sustainability, thereby transforming the CEO's paradox from an enduring liability into a governable condition.

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