

## Are Boards Of Directors In Malaysia Ethnically Diversified?

Nurwati A. Ahmad-Zaluki and Juhaida Abu-Bakar

College of Business,  
Banking and Finance Building,  
Universiti Utara Malaysia, 06010 Sintok, Kedah  
[nurwati@uum.edu.my](mailto:nurwati@uum.edu.my)

### Abstract

*This paper examines the ethnic profile of board members in 235 newly listed Malaysian companies at the time of public offerings during the period 1999 to 2006. Using Blau's (1977) index of heterogeneity, we find evidence of the existence of ethnic diversity among board members of these companies. Further analysis reveals that the boardrooms of our sample are dominated by the Chinese ethnic group, followed by Malays, Indians and others. Our results indirectly suggest that harmonious relations between board members from different racial and ethnic backgrounds exist in Malaysia.*

**Keywords:** initial public offerings, corporate governance, diversity, board of directors

### INTRODUCTION

One of the most challenging human resource and managerial issues is to increase cultural diversity in the workforce (Richard, 2000). Cultural diversity is taken to mean the representation of majority and minority groups in a society in accordance with their historical, family, wealth and political influence (Parhizgar, 2001). It involves a distinction among ethnicity, race, colour, gender, and wealth. In this paper, we investigate one aspect of cultural diversity, namely ethnic diversity.

As Malaysian society consists of different ethnic groups (i.e., Malay, Chinese, Indian and others),<sup>94</sup> cultural diversity within boards of directors is an important issue, especially for newly listed companies. The diversity of board members should be well thought-out from the perspective of improving shareholder value. We seek to investigate whether boards of directors in newly listed Malaysian companies are ethnically diversified. The findings of this paper make several contributions to the literature. First, this is the first study on board diversity in the context of newly listed companies in Malaysia. Several studies have examined only the performance of newly listed Malaysian companies (e.g., Wu, 1993; Mohamad *et al.*, 1994; Paudyal *et al.*, 1998; Jelic *et al.*, 2001; Corhay *et al.*, 2002; Sun and Tong, 2002; Ahmad-Zaluki *et al.*, 2007, 2008). Second, we use the most recent data concerning board members of newly listed companies, both on the Main Board and the Second Board of Bursa Malaysia. Existing Malaysian studies on newly listed company performance have used relatively small samples (e.g., Wu, 1993; Mohamad *et al.*, 1994), others have examined only those companies listed on the Main Board of Bursa Malaysia (e.g., Wu, 1993; Mohamad *et al.*, 1994; Paudyal *et al.*, 1998; Jelic *et al.*, 2001), while most of the studies have examined periods only up to the year 2000. Third, we focus on a feature of Malaysian society, ethnic diversity, that has not been addressed in prior Malaysian studies (e.g., underwriter reputation: Paudyal *et al.*, 1998; Jelic *et al.*, 2001; privatisation: Paudyal *et al.*, 1998; Sun and Tong, 2002; management earnings forecasts: Jelic *et al.*, 2001; the effect of growth-value stocks: Corhay *et al.*, 2002; and earnings management: Ahmad-Zaluki *et al.*, 2008).

Using a sample of 235 newly listed Malaysian companies during the period 1999-2006, we examine the ethnic profiles and diversity indices of these companies. We find the existence of cultural diversity among board members, evidenced by an average value of our ethnic diversity index of 0.39. Further analysis shows that board members of newly listed Malaysian companies are dominated by the Chinese ethnic

<sup>94</sup> Malaysia has a multicultural society, consisting of Malay 50.3%, Chinese 23.8%, Indigenous 11.0%, Indian 7.1%, non-Malaysian citizens 6.6 % and others 1.2%, with a total population of 25.5 million in 2004 (Department of Statistics Malaysia).

group, which accounts for 57% of board seats. Interestingly, on average, foreigners account for 7% of board seats. The results indicate that newly listed Malaysian companies are ethnically diversified, which is likely to have the indirect effect of creating harmonious relations between people from different racial and ethnic backgrounds.

The remainder of this paper is organised as follows. Section 2 provides related literature concerning board diversity. This is followed by a description of the data and methods in Section 3. Section 4 reports the results of the empirical analysis and Section 5 concludes the paper.

## LITERATURE REVIEW

Prior literature (e.g., Richard, 2000) advocates that different opinions given by culturally diverse groups result in better-quality decisions. This 'value-in-diversity hypothesis' suggests that ethnic diversity benefits decision making and creates value. A study undertaken by Carter *et al.* (2003) examines whether board diversity is associated with improved company value for Fortune 1000 companies. They define board diversity as the percentage of women, African Americans, Asians, and Hispanics on the board of directors. They find significant positive relationships between the fraction of women and minorities on the board and company value. Kang *et al.* (2007) suggest that diversity gives new insights and perspectives to the board and thus improves company value and performance.

Richard (2000) concludes that the value obtained from cultural diversity is hard to imitate by competitors due to the fact that the socially complex dynamics in companies with diverse human resources due to their mix of talents are not transferable across organisations. He argues that organisations with diverse human capital benefit in terms of creativity, quality of ideas and innovation, which contributes to their success. In addition, cultural diversity can provide companies with diverse experience and knowledge (Priem *et al.*, 1995). On the other hand, diversity may be interpreted as a human resource cost to be managed (Richard, 2000) and companies' top managers may not see the value in it (Wright *et al.*, 1995). Diversity in human resources may also create additional costs arising from increased coordination and control (Goodstein *et al.*, 1994; Milliken and Martins, 1996).

Milliken and Martin (1996) provide a detailed review of the literature on how diversity in organizational groups affects outcome. They conclude that heterogeneity in groups provide both opportunities (e.g., more diverse groups have a potential to produce higher quality ideas or solutions) and challenges (e.g., more diverse groups are likely to be less integrated). In addition, Ruigrok *et al.* (2007) argue that task-related diversity (e.g., educational background and tenure) are often associated with positive cognitive and signalling outcomes such as creativity, innovation and improved image. In contrast, the more relationship-oriented diversity (e.g., age, gender and nationality) can lead to poor communication and emotionally-driven outcomes such as lower decision speed, misunderstandings and conflicts.

## METHODS

### Sample Selection and Data

We gathered unique data on an important aspect of national culture, i.e., the ethnicity of the board members of newly listed companies disclosed in IPO prospectuses, for companies listed on both the Main and Second Boards of Bursa Malaysia for the period 1999-2006. This study focuses on ethnicity as it directly reflects Malaysian culture. Data concerning the characteristics of corporate boards were hand-collected from offering prospectuses under the section 'corporate information' and were cross-checked with the 'director, senior management and employee' section.

In selecting the sample, all companies listed on the Main and Second Boards of Bursa Malaysia during the period 1999-2006 were initially considered. The full list of companies was obtained from the Bursa Malaysia website. In total, there were 253 companies listed on both listing boards. We subsequently excluded financial companies (consisting of four Finance companies, seven Real Estate Investment Trusts (REITS) and one Closed-end Fund) due to their different regulatory requirements. In addition, these companies might have different criteria for selecting board members. Following Ahmad-Zaluki *et al.*

(2007), two companies listed via introduction and four Infrastructure Project Companies (IPC) were also excluded. This sample selection procedure generated a final sample of 235 companies. Our dataset consists of 1,785 corporate directorship observations over the sample period.

### Measure of Culture

The cultural characteristic that is used in this study is the ethnic profile (i.e., Malay, Chinese, Indian and others) of the board of directors. In order to identify this ethnic profile, we first examine the nationality of directors as stated in the prospectus. First, the names of directors with Malaysian nationality were individually checked. If the name was a Muslim's name (i.e., either with 'binti' or 'bin'), then the director was assumed to be Malay. Similar to Yatim *et al.* (2006), a director is considered to be Chinese if the name is of Chinese origin, such as Lee, Chin, etc. Meanwhile, directors with Indian names (e.g., Valiyappan, Khrisnan, etc) followed by either 'a/l' or 'a/p'<sup>95</sup> were recorded as Indian. Our 'others' ethnic category consists of non-Malaysian citizen or foreigners, regardless of their specific nationality. In addition, board members were also included in the 'others' category if there was uncertainty about the origins of their name.

### Measure of Board Diversity

In order to assess the level of board diversity, we employed Blau's (1977) index of heterogeneity:

$$BD = 1 - \left[ \sum_i^n P_i^2 \right]$$

where BD is the board (i.e., ethnic) diversity, P is the proportion of board of directors in an ethnic category and i is the number of different ethnic categories represented in a company. In order to calculate the index, we first obtained the number of directors in each sample company. Then, the data was sorted by ethnic category, as described in the Section 3.2. Next, for every company in the sample, the percentage of each ethnic group was calculated by taking the number of directors in each ethnic category and dividing by the total number of directors on the board. Then, the above formula was applied. The value of the board diversity index (BD) must be within the range of 0 to 1. If the value is 0, this indicates that there is no ethnic diversity among the board members. On the other hand, if the value is closer to 1, it indicates that board members are more ethnically diverse.

## RESULTS

### Composition of Companies

Of 235 newly listed companies, 8 companies are from the Construction sector, 58 companies are from the Consumer Products sector, 98 companies are from the Industrial Products sector, 19 companies are from the Properties sector, 3 companies are from the Technology sector and 47 companies are from the Trading/Services sector. Figure 1 depicts the distribution of our sample by industrial sector. The 235 newly listed companies in the sample are from 7 different industrial sectors, with the majority of companies in the Industrial Products sector (42% of the sample) and the smallest number of companies in Technology sector, consisting of only 1% of our sample.

---

<sup>95</sup> The term 'a/l' or 'a/p' refers to 'son of' or 'daughter of', respectively.

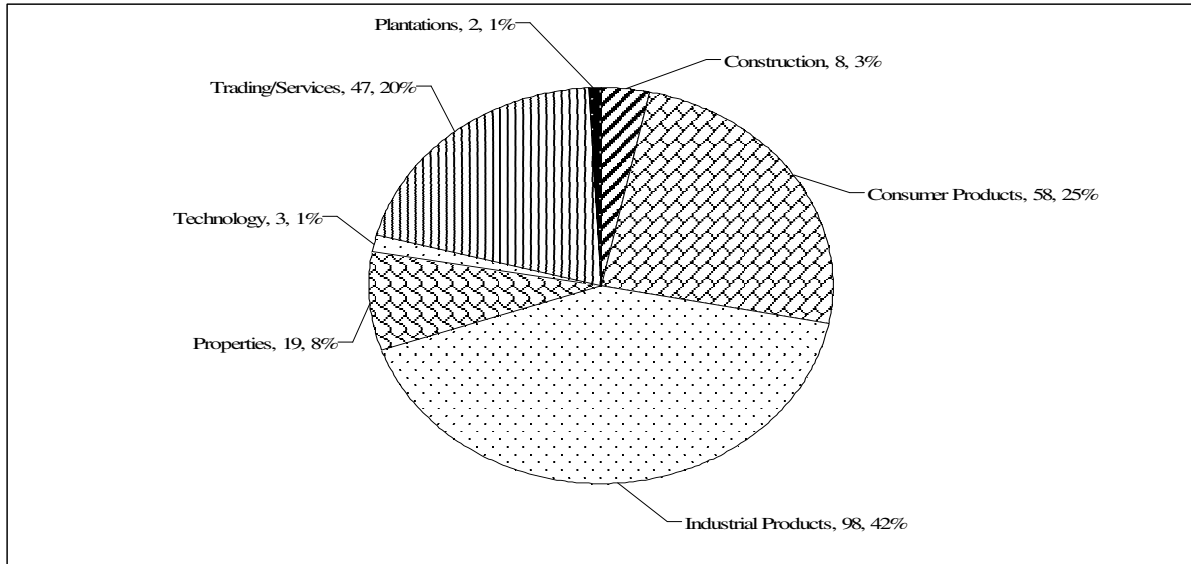


Figure 1: *Industrial Sector Classification*

#### Descriptive Statistics

Table 1 provides the descriptive statistics for our sample. The table is broken down into three panels. Panel A provides descriptive statistics for the full sample (235 companies) while Panels B and C provide descriptive statistics for the sample companies listed on the Main Board (83 companies) and the Second Board (152 companies), respectively. As reported in Table 1, there is a quite significant variation in board size. For the full sample, the minimum number of board members is four and the maximum is sixteen. Both Main Board and Second Board companies have a minimum of four directors but the maximum number of directors on Main Board companies is lower than that on Second Board companies. On average, there are 7.60 directors on the boards of newly listed Malaysian companies. The average number of directors is slightly lower on Main Board (7.49) compared to Second Board (7.65) companies, but the difference is not statistically significant ( $t$ -stat for difference = -0.629,  $p$ -value = 0.530).

The average ethnic diversity index of Blau (1977) reported in Table 1 for the full sample is 0.39. The result indicates the existence of ethnic diversity among board members of newly listed Malaysian companies. Our ethnic diversity index is slightly higher than that reported by Richard (2000) of 0.30 for the US. Main Board companies are slightly more diverse than Second Board companies, shown by average diversity index values of 0.41 and 0.39, respectively. However, the difference between these values is not statistically significant ( $t$ -stat for difference = 1.059,  $p$ -value = 0.291). Both Main Board and Second Board companies have the highest ethnic diversity index value of 0.67. Further investigation of the data, not reported in the table, reveals that 25 companies had an ethnic diversity index value of zero, indicating that the board members in these newly listed companies are not diversified at all. Of these 25 companies, 10 are listed on the Main Board while 15 are listed on the Second Board. Also, not reported in the table, 14 companies (Main Board: 5 companies, Second Board: 9 companies) consist of only Chinese directors, while 11 companies (Main Board: 5 companies, Second Board: 6 companies) comprise only Malay directors.

In order to fully understand the nature of ethnic diversity, we break down the ethnic profile of our sample by the four ethnic groups: Malay, Chinese, Indian, and others. As can be seen in Panels A, B and C of Table 1, the minimum number of ethnic groups is one and the maximum is four. The table also reports that the mean and median of the number of ethnic groups for the full sample are 2.18 and 2.00, respectively. The results indicate that, on average, there are two ethnic groups represented on the boards of newly listed companies in Malaysia.

**Table 1: Descriptive statistics for sample companies**

	<i>Mean</i>	<i>Median</i>	<i>Standard deviation</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Number of companies</i>
<b>Panel A: All</b>						
Board size	7.60	8.00	1.83	4.00	16.00	235
Ethnic diversity	0.39	0.44	0.18	0.00	0.67	235
Ethnic groups	2.18	2.00	0.63	1.00	4.00	235
Chinese (%)	56.99	62.50	26.70	0.00	100.00	235
Malay (%)	34.66	30.00	24.54	0.00	100.00	235
Indian (%)	0.96	0.00	3.72	0.00	25.00	235
Others (%)	7.39	0.00	16.04	0.00	66.67	235
<b>Panel B: Main Board</b>						
Board size	7.49	7.00	1.93	4.00	14.00	83
Ethnic diversity	0.41	0.47	0.19	0.00	0.67	83
Ethnic groups	2.27	2.00	0.72	1.00	4.00	83
Chinese (%)	51.92	57.14	27.87	0.00	100.00	83
Malay (%)	36.15	30.00	25.87	0.00	100.00	83
Indian (%)	1.83	0.00	5.00	0.00	25.00	83
Others (%)	10.09	0.00	18.91	0.00	66.67	83
<b>Panel C: Second Board</b>						
Board size	7.65	8.00	1.78	4.00	16.00	152
Ethnic diversity	0.38	0.43	0.18	0.00	0.67	152
Ethnic groups	2.13	2.00	0.57	1.00	4.00	152
Chinese (%)	59.76	66.67	25.71	0.00	100.00	152
Malay (%)	33.84	30.00	23.83	0.00	100.00	152
Indian (%)	0.49	0.00	2.68	0.00	16.67	152
Others (%)	5.91	0.00	14.09	0.00	66.67	152

*Note:* This table shows the descriptive statistics for a sample of 235 newly listed Malaysian companies during the period 1999-2006. Data related to board of director characteristics are taken from each of the sample offering prospectuses.

In Table 1, the ethnic profile of board members at the time of public offerings is also reported. The fact that Indians represent only a small percentage of Malaysian society (7.7%) compared to graphical presentation of the data is shown in Figure 2, which also breaks down the ethnic profile by Board of listing. It shows that the Chinese ethnic category contributes more than 50% of board members, of which 52% serve on Main Board companies and 60% on Second Board companies. The difference in the percentage Chinese ethnic representation between the two listing boards is statistically significant at the 5% level ( $t$ -stat for difference = -2.17,  $p$ -value = -2.17). The second largest ethnic representation is Malay, consisting of 35% of our full sample. On average, Main Board companies have slightly higher Malay directors (36%) than Second Board companies (34%). However, the difference between the average number of Malay directors on Main and Second Board companies is not statistically significant ( $t$ -stat for difference = 0.691,  $p$ -value = 0.491).

On average, 7% of the board of directors, for the full sample, are 'others' (i.e., foreigners and other ethnic groups that cannot be classified as Malay, Chinese or Indian). Interestingly, 'others' represent 10% of board seats on the Main Board and 6% on the Second Board. This percentage is higher than one might expect due to fact that non-Malaysian citizens and other groups represented only 6.6% and 1.2% of Malaysian society, respectively, as of 2004. In addition, the difference between the percentage of board seats occupied by 'others' on both Boards of listing is statistically significant at the 10% level ( $t$ -stat for difference = 1.923,  $p$ -value = 0.056). The smallest ethnic representation is Indian, which accounts for only 1% of the board seats of the 235 companies in our sample. On average, 1.8% of board members of Main Board companies are Indian, and only 0.5% of board members of Second Board companies are Indian. This figure is as one might expect due to

Malay (50.3%) and Chinese (23.8%).<sup>96</sup> Overall, we can conclude that the Chinese ethnic group dominates the boards of newly listed Malaysian companies.

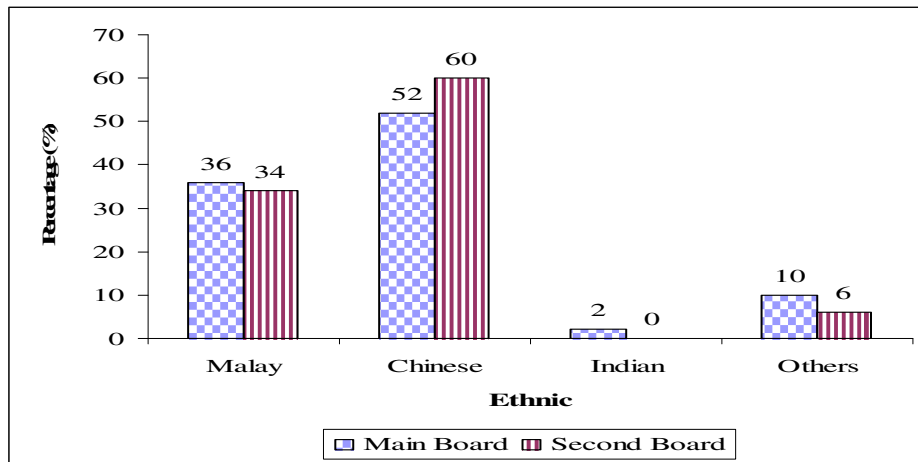


Figure 2: Ethnic profile of board members

#### Cross-Sectional Patterns of Ethnic Diversity

This section presents the cross-sectional pattern of the ethnic diversity index by classifying the sample companies by year of listing and industrial sector classification. This enables us to assess whether there is a variation in ethnic diversity in terms of the year of going public and the industry in which the sample companies operate.

Table 2 reports the distribution of the ethnic diversity index, classified by year of listing (Panel A) and industrial sector (Panel B). Both means and medians are reported since the normality test on the ethnic diversity index data reveals that the data are not normally distributed (Kolmogorov-Smirnov statistic = 0.151,  $p$ -value = 0.000). Focusing first on Panel A, the mean and median ethnic diversity index values are significantly different from zero at the 1% level for each year of listing. Interestingly, the median results indicate that the companies which went public in 2005 are less diverse, as indicated by the ethnic diversity index value of 0.33. On the other hand, companies that went public in the year of 2000 and 2004 are more diverse. The results of further tests as to whether some years are different from others are reported at the bottom of Table 2. With a Chi-Square value of 5.879 ( $p$ -value = 0.554) obtained from the Kruskal-Wallis test, it can be said that none of the years has a significantly different median ethnic diversity index from the others. An insignificant result for means is also evident when oneway ANOVA is performed (F-ratio = 1.221,  $p$ -value = 0.292). Due to the non-normality of the data noted earlier we rely on median results in making statistical inferences.

In Panel B, the ethnic diversity index is broken down across 7 industrial sectors. We can observe that ethnic diversity among board members of newly listed Malaysian companies is low in the Plantation sector, but high in the Construction, Industrial Products and Technology sectors. Similar to the results observed in Panel A, none of the industries has a mean ethnic diversity index that is significantly different from the other industries in our sample. On the other hand, the median results indicate that at least one industry has a median ethnic diversity index that is significantly different (at the 10% level) from the others, albeit weakly.

<sup>96</sup> The percentage of the total population of Malaysia represented by the different ethnic groups is based on the latest information available from the website of Department of Statistics Malaysia, which is for the year 2004.

Table 2: Distribution of ethnic diversity index by year of listing and industrial sector

Year/Sector	Number of companies	<u>Ethnic diversity index</u>			
		Mean	p-value	Median	p-value
<b>Panel A: Ethnic diversity index by year of listing</b>					
1999	19	0.42***	0.000	0.46***	0.000
2000	38	0.44***	0.000	0.47***	0.000
2001	19	0.35***	0.000	0.42***	0.001
2002	43	0.39***	0.000	0.44***	0.000
2003	35	0.39***	0.000	0.44***	0.000
2004	41	0.40***	0.000	0.47***	0.000
2005	26	0.35***	0.000	0.33***	0.000
2006	14	0.31***	0.001	0.38***	0.009
<b>Panel B: Ethnic diversity index by industrial sector</b>					
Construction	8	0.38***	0.003	0.49**	0.036
Consumer Products	58	0.37***	0.000	0.38***	0.000
Industrial Products	98	0.43***	0.000	0.49***	0.000
Plantation	7	0.25**	0.032	0.37	0.100
Properties	14	0.40***	0.000	0.43***	0.002
Technology	3	0.41**	0.038	0.49	0.181
Trading/Services	47	0.37***	0.000	0.42***	0.000
All	235	0.39***	0.000	0.44***	0.000

*Note:*

1. \*\*\* Significant difference from zero at the 0.01 and 0.05 level, respectively, using a two-tailed test. The Wilcoxon signed-ranks test is used for the medians and the parametric *t*-test is used for the means.
2. Kruskal Wallis test for median differences for all years (Chi-Square = 5.897, *p*-value = 0.554)
3. Oneway ANOVA test for mean differences for all years (F = 1.221, *p*-value = 0.292)
4. Kruskal Wallis test for median differences for all industries (Chi-Square = 11.498, *p*-value = 0.074)
5. Oneway ANOVA test for mean differences for all industries (F = 1.732, *p*-value = 0.115)

**CONCLUSIONS**

Achieving an ideal diversity of board members (in terms of nationality, race, ethnicity, gender and age) is one of the challenges that companies face nowadays. The aim of the paper is to improve our understanding of ethnic diversity on corporate boards, in a country with a unique multicultural society. To achieve this objective, we examined a sample of 235 newly listed Malaysian companies during the period 1999 to 2006. Our study affirms that boards include various ethnic groups in Malaysia. It shows that the Chinese ethnic group dominates the boards of newly listed Malaysian companies, followed by Malays, 'others' and Indians.

**RECOMMENDATION AND IMPLICATION**

The results of our study have implications for diversity practice and human resource management. The fact that ethnic diversity is present in our sample and has persisted over the sample period suggests, indirectly, that harmonious relations exist between board members from different racial and ethnic backgrounds in Malaysia. An interesting avenue for future research is to further investigate whether the ethnic diversity index of these newly listed companies has an impact on both the long run stock market and operating performances.

## REFERENCES

- Ahmad-Zaluki, N.A., Campbell, K., and Goodacre, A. (2007), 'The Long Run Share Price Performance of Malaysian Initial Public Offerings (IPOs)', *Journal of Business Finance and Accounting*, Vol. 34, Nos. 1&2, pp 78-110.
- Ahmad-Zaluki, N.A., Campbell, K., and Goodacre, A. (2008), Earnings Management in IPOs: Determinants and Post-IPO Performance: available at <http://papers.ssrn.com/abstract=963085>.
- Blau, P.M. (1977), 'Inequality and Heterogeneity', New York: Free Press.
- Carter, D.A., Simkins, B.J., and Simpson, W.G. (2003), 'Corporate Governance, Board Diversity, and Firm Performance', *Financial Review*, Vol. 38, pp. 33-53.
- Corhay, A., Teo, S., and Rad, A.T. (2002), 'The Long Run Performance of Malaysian Initial Public Offerings (IPOs): Value and Growth Effects', *Managerial Finance*, Vol. 28, No. 2, pp. 52-65.
- Department of Statistics Malaysia (2004), available on the internet at <http://www.statistics.gov.my/>.
- Erhardt N.L., Werbel, J.D., and Shrader, C.B. (2003), 'Board of Director Diversity and Firm Financial Performance', *Corporate Governance: An International Review*, Vol. 11, No. 2, pp. 102-111.
- Goodstein, J., Gautam, K., and Boeker, W. (1994), 'The Effects of Board Size and Diversity on Strategic Change', *Strategic Management Journal*, Vol. 15, No. 3, pp. 241-250.
- Jelic, R., Saadouni, B., and Briston, R. (2001), 'Performance of Malaysian IPOs: Underwriters Reputation and Management Earnings Forecasts', *Pacific-Basin Finance Journal*, Vol. 9, No. 5, pp. 457-486.
- Kang, H., Cheng, M., and Gray, S.J. (2007), 'Corporate Governance and Board Composition: Diversity and Independence of Australian Boards', *Corporate Governance: An International Review*, Vol. 15, No. 2, pp. 194-207.
- Milliken, F., and Martins, L. (1996), Searching for Common Threads: Understanding the Multiple Effects of Diversity in Organizational Groups', *Academy of Management Review*, Vol. 21, pp. 402-433.
- Mohamad, S., Nassir, A.M., and Ariff, M. (1994), 'Analysis of Underpricing in the Malaysian New Issues Market during 1975-1990: Are New Issues Excessively Underpriced?', in Ariff, M., Mohamad, S., and Nassir, A.M., eds., (1998), *Stock Pricing in Malaysia: Corporate Financial and Investment Management*, Chapter 9, pp. 90-97.
- Parhizgar, K.D. (2001), *Multicultural Behavior and Global Business Environments*, Harworth Press Inc., U.S., 454 pp.
- Paudyal, K., Saadouni, B., and Briston, R.J. (1998), 'Privatisation Initial Public Offerings in Malaysia: Initial Premium and Long-term Performance', *Pacific-Basin Finance Journal*, Vol. 6, No. 5, pp. 427-451.
- Priem, R.L., Harrison, D.A., and Muir, N.K. (1995), 'Structured Conflict and Consensus Outcomes in Group Decision Making', *Journal of Management*, Vol. 21, No. 4, pp. 691-710.
- Richard, O.C. (2000), 'Racial Diversity, Business Strategy, and Firm Performance: A Resources-Based View', *Academy of Management Journal*, Vol. 43, No. 2, pp. 164-177.
- Ruigrok, W., Peck, S., and Tacheva, S. (2007), 'Nationality and Gender Diversity on Swiss Corporate Boards', *Corporate Governance: An International Review*, Vol. 15, No. 4, pp. 546-555.
- Sun, Q., and Tong, W.H.S. (2002), 'Malaysia Privatization: A Comprehensive Study', *Financial Management*, Vol. 31, No. 4, pp. 79-105.
- Wright, P., Ferris, S.P., Hiller, J.S., and Kroll, M. (1995), 'Competitiveness through Management of Diversity: Effect on Stock Price Valuation', *Academy of Management Journal*, Vol. 38, pp. 272-287.
- Wu, T.S. (1993), 'The Long Run Performance of Initial Public Offerings in Malaysia', *Capital Market Review*, Vol. 1, No. 1, pp. 61-80.
- Yatim, P., Kent, P. and Clarkson, P. (2006), 'Governance Structures, Ethnicity, and Audit Fees of Malaysian Listed Firms', *Managerial Auditing Journal*, Vol. 21, No. 7, pp. 757-782.