

**CORPORATE GOVERNANCE AND FIRM  
PERFORMANCE: A STUDY OF PUBLIC LISTED  
COMPANIES IN THE KINGDOM OF SAUDI ARABIA**

**ABDULLAH MOHAMMED ALZHRANI**

**DOCTOR OF PHILOSOPHY  
UNIVERSITI UTARA MALAYSIA  
December 2014**

**CORPORATE GOVERNANCE AND FIRM PERFORMANCE:  
A STUDY OF PUBLIC LISTED COMPANIES IN THE KINGDOM  
OF SAUDI ARABIA**

**By**

**ABDULLAH MOHAMMED ALZHRANI**

**Thesis Submitted to  
Othman Yeop Abdullah Graduate School of Business  
Universiti Utara Malaysia  
in Fulfillment of the Requirement for the Degree of Doctor of Philosophy**

## **PERMISSION TO USE**

In presenting this thesis in fulfillment of the requirements for a postgraduate degree from Universiti Utara Malaysia (UUM), I agree that the Universiti Library may make it freely available for inspection. I further agree that permission for the copying of this thesis in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or in his absence, by the Dean of Othman Yeop Abdullah Graduate School of Business. It is understood that any copying, or publication or use of this thesis or parts of it for financial gain should not be given to me and to UUM in any scholarly use which may be made of any material from my thesis.

Request for permission to copy or to make other use of materials in this thesis in whole or in part should be addressed to:

Dean of Othman Yeop Abdullah Graduate School of Business  
Universiti Utara Malaysia  
06010 UMM Sintok  
Kedah Darul Aman  
Malaysia.

## ABSTRACT

This thesis examines the relationship between CG mechanisms and firm performance among firms in the Saudi Stock Exchange (Tadawul) for the periods 2007-2011. Two models have been developed using the framework of agency theory, stewardship theory, and resource dependence theory to test this study's hypotheses. Model 1 comprises three categories of determinants. The first category is board of directors' characteristics: board Royal family members, board size, independence, board meetings, board financial knowledge, CEO duality, and board multiple directorships. The second category of determinants is audit committee characteristics: audit committee outside financial expertise, multiple directorships, size, independence, meetings, and financial expertise. The third category is ownership structure: Royal family, non-Royal family, government, and domestic corporate ownership. Model 2, including ownership structure, comprises board of directors' effectiveness score and audit committee effectiveness score. This study utilizes the Weighted Least Squares (WLS) models. The final sample comprises 573 observations. The results showed that Royal family members, board size, and CEO duality are positively associated with firm performance. In contrast, board meetings, board financial knowledge, and board multiple directorship are negatively associated with firm performance, whereas board independence has no association. Audit committee characteristics, outside financial expertise, size, independence, and meetings are negatively associated with firm performance. In contrast, financial expertise is positively associated with firm performance, whereas multiple directorships have no relationship. For both models, ownership structure—Royal family, non-Royal family, government, and domestic corporations—is positively associated with firm performance. Board of directors' effectiveness score and audit committee effectiveness score are positively associated with firm performance. It should be noted that the findings established in this study could be useful to regulators, especially the Ministry of Commerce and Industry (MCI), the Capital Market Authority (CMA), Tadawul, and the Saudi Organization for Certified Public Accounting (SOCPA) to improve CG practices. For companies, this study proposes that they should put more emphasis on enhancing the role and the quality of the board of directors and audit committee members, as they are involved in the decisions that improve firm performance.

**Keywords:** firm performance, corporate governance, Saudi Arabia

## ABSTRAK

Tesis ini mengkaji hubungan antara mekanisma CG dan prestasi firma dalam kalangan firma di Bursa Saham Saudi (Tadawul) bagi tempoh 2007-2011. Dua model telah dibentuk dengan menggunakan kerangka teori agensi, teori pengawasan (*stewardship theory*), dan teori kebergantungan sumber bagi menguji hipotesis kajian. Model 1 terdiri daripada tiga kategori penentu. Kategori pertama ialah ciri-ciri lembaga pengarah: ahli keluarga diraja lembaga, saiz lembaga, kebebasan, mesyuarat lembaga, pengetahuan kewangan lembaga, dualiti CEO, dan pelbagai jawatan pengarah lembaga. Kategori penentu kedua ialah ciri-ciri jawatankuasa audit: kepakaran luar kewangan jawatankuasa audit, pelbagai jawatan pengarah, saiz, kebebasan, mesyuarat, dan kepakaran kewangan. Kategori ketiga ialah struktur pemilikan: keluarga diraja, bukan keluarga diraja, kerajaan, dan pemilikan korporat domestik. Model 2, termasuk struktur pemilikan, terdiri daripada skor keberkesanan lembaga pengarah dan skor keberkesanan jawatankuasa audit. Kajian ini menggunakan model *Weighted Least Squares* (WLS). Sampel akhir terdiri daripada 573 penelitian. Kajian menunjukkan bahawa ahli keluarga diraja, saiz lembaga, dan dualiti CEO berkait secara positif dengan prestasi firma. Sebaliknya, mesyuarat lembaga, pengetahuan kewangan lembaga, dan pelbagai jawatan pengarah lembaga berkait secara negatif dengan prestasi firma manakala kebebasan lembaga tidak mempunyai sebarang hubungan kait. Ciri-ciri jawatankuasa audit, kepakaran kewangan luar, saiz, kebebasan, dan mesyuarat berkait secara negatif dengan prestasi firma. Sebaliknya, kepakaran kewangan berkait secara positif dengan prestasi firma manakala pelbagai jawatan pengarah lembaga tidak mempunyai hubungan kait. Bagi kedua-dua model, struktur pemilikan—keluarga diraja, bukan keluarga diraja, kerajaan, dan korporat domestik—berhubung kait secara positif dengan prestasi firma. Skor keberkesanan lembaga pengarah dan skor keberkesanan jawatankuasa audit berhubung kait secara positif dengan prestasi firma. Dapatan kajian yang diperoleh berguna bagi pengawal selia terutamanya di Kementerian Perdagangan dan Industri, Lembaga Pasaran Modal (CMA), Tadawul, dan *Saudi Organization for Certified Public Accounting* (SOCPA) bagi menambah baik amalan CG. Bagi syarikat pula, kajian ini mencadangkan agar syarikat memberikan lebih penekanan terhadap penambahbaikan peranan dan kualiti lembaga pengarah dan ahli jawatankuasa audit memandangkan mereka terlibat dalam membuat keputusan yang boleh meningkatkan prestasi firma.

**Kata kunci:** prestasi firma, tadbir urus korporat, Arab Saudi

## **ACKNOWLEDGEMENTS**

### **In the name of Allah, the Most Gracious and the Most Merciful**

I sincerely thank Almighty Allah for his guidance and blessing on all aspects of life, especially this work, which could have not been accomplished without His will. Prayers and peace be upon Mohammed His servant and Messenger, All praise be to you, we have no knowledge except what you taught us. My excessive gratefulness is to my parents who bless me all the time and work for my best until they pass away (god pleasing them).

Thanking Allah would not be perfect without thanking the people who have helped and supported me throughout this thesis. First and foremost I want to thank my supervisor, Prof. Dr. Ayoib Che Ahmad, for his guidance and encouragement. Without his understanding, consideration and untiring advice, this thesis would not have been accomplished successfully.

I also would like to express my deep appreciation and gratitude to my lecturers Prof. Dr. Kamil Md. Idris, for the course (Research Methodology in Accounting); Associate Prof. Dr. Zuaini Ishak and Prof. Dr. Wan Nordin Wan Hussin for the course (Seminar in Corporate Governance), and Prof. Dr. Zaini Abul Karim for the course (Applied Econometrics). My thanks extend to Associate Prof. Dr. Shamharir Abidin for his advice through my proposal defense. My thanks and appreciation also go to Dr. Noor Afza Amran and Dr. Khaled Salmen Aljaaidi for their advice and support. I also must acknowledge the assistance of UUM academic and administrative staff in completing this journey.

I also would like to say thank you to my family, especially my wife and my kids, Mohammed, Mohanad, Sarah, Sadeem and Norah. They are the ones that gave me power and motivation to finish this thesis.

My heartfelt appreciation to all those involved in making this thesis a reality and those who have contributed towards this profound learning experience. I would like to say to all people who helped me thanks so much.

## TABLE OF CONTENTS

<b>CONTENTS</b>	<b>PAGE</b>
<b>TITLE PAGE</b>	<b>i</b>
<b>CERTIFICATION OF THESIS WORK</b>	<b>ii</b>
<b>PERMISSION TO USE</b>	<b>iv</b>
<b>ABSTRACT</b>	<b>v</b>
<b>ABSTRAK(BAHASA MALAYSIA)</b>	<b>vi</b>
<b>ACKNOWLEDGEMENTS</b>	<b>vii</b>
<b>TABLE OF CONTENTS</b>	<b>ix</b>
<b>LIST OF TABLES</b>	<b>xvii</b>
<b>LIST OF FIGURES</b>	<b>xviii</b>
<b>LIST OF ABBREVIATIONS</b>	<b>xix</b>
<b>CHAPTER ONE: INTRODUCTION</b>	
1.1 Background and Motivation of the Study	1
1.2 Problem Statement	7
1.3 Research Questions	11
1.4 Research Objectives	12
1.5 Research Significance and Expected Contribution	13
1.6 Research Scope	16
1.7 Research Structure	17



**CHAPTER TWO: SAUDI ARABIAN BACKGROUND AND  
INSTITUTIONAL ENVIRONMENT**

2.1 Introduction	20
2.2 Background of Saudi Arabia	20
2.3 Ownership Structure in Saudi Arabia	25
2.4 Institutional Framework in Saudi Arabia	28
2.5 Regulatory Organizations	31
2.5.1 The Ministry of Commerce and Industry (MCI)	31
2.5.2 The Capital Market Authority (CMA)	32
2.5.3 The Saudi Stock Market (Tadawul)	34
2.5.4 The Saudi Organization for Certified Public Accounting (SOCPA)	36
2.6 Accounting and Auditing Development in Saudi Arabia	37
2.7 Corporate Governance Development in Saudi Arabia	39
2.7.1 The Company Act	40
2.7.2 The Code of Corporate Governance	41
2.7.2.1 Board of Director	43
2.7.2.2 Audit Committee	45
2.8 Summary and Conclusion	45

**CHAPTER THREE: FIRM PERFORMANCE AND ITS RELATED  
THEORIES: A REVIEW AND SYNTHESIS OF  
THE LITERATURE**

3.1 Introduction	47
------------------	----

3.2 Theories Associated with Firm Performance	48
3.2.1 Agency Theory	48
3.2.2 Stewardship Theory	51
3.2.3 Resource Dependence Theory	52
3.3 Firm Performance	54
3.3.1 Market-based Measurement (Tobin's Q)	54
3.3.2 Accounting-based Measurement (ROA & ROE)	55
3.4 Corporate Governance Definition	55
3.5 Corporate Governance Mechanisms	60
3.5.1 Board of Directors Effectiveness	60
3.5.1.1 Board Royal Family Members	63
3.5.1.2 Board Size	65
3.5.1.3 Board Independence	70
3.5.1.4 Board Meetings	75
3.5.1.5 Board Financial Knowledge	77
3.5.1.6 CEO Duality	80
3.5.1.7 Board Multiple Directorships	86
3.5.1.8 Board of Directors' Effectiveness Score	88
3.5.2 Audit Committee Effectiveness	91
3.5.2.1 Audit Committee Outside Financial Expertise	95
3.5.2.2 Audit Committee Multiple Directorships	97
3.5.2.3 Audit Committee Size	98
3.5.2.4 Audit Committee Independence	100

3.5.2.5 Audit Committee Meetings	102
3.5.2.6 Audit Committee Financial Expertise	105
3.5.2.7 Audit Committee Effectiveness Score	108
3.5.3 Ownership Structure	110
3.5.3.1 Royal Family Ownership	113
3.5.3.2 Non-Royal Family Ownership	114
3.5.3.3 Government Ownership	118
3.5.3.4 Domestic Corporate Ownership	121
3.5 Summary and Conclusion	122
<b>CHAPTER FOUR: RESEARCH DESIGN AND METHODOLOGY</b>	
4.1 Introduction	123
4.2 Theoretical Framework	124
4.3 Hypotheses Development	129
4.3.1 Board of Directors	129
4.3.1.1 Board Royal Family Members	129
4.3.1.2 Board Size	131
4.3.1.3 Board Independence	132
4.3.1.4 Board Meetings	133
4.3.1.5 Board Financial Knowledge	134
4.3.1.6 CEO Duality	135
4.3.1.7 Board Multiple Directorships	137
4.3.1.8 Board of Directors' Effectiveness Score	138

4.3.2 Audit Committee	142
4.3.2.1 Audit Committee Outside Financial Expertise	142
4.3.2.2 Audit Committee Multiple Directorships	143
4.3.2.3 Audit Committee Size	144
4.3.2.4 Audit Committee Independence	145
4.3.2.5 Audit Committee Meetings	146
4.3.2.6 Audit Committee Financial Expertise	148
4.3.2.7 Audit Committee Effectiveness Score	149
4.3.3 Ownership Structure	151
4.3.3.1 Royal Family Ownership	151
4.3.3.2 Non-Royal Family Ownership	153
4.3.3.3 Government Ownership	154
4.3.3.4 Domestic Corporate Ownership	155
4.4 Measurements of Variables	156
4.4.1 Dependent Variables	157
4.4.2 Independent Variables	157
4.4.2. 1 Board of Directors Effectiveness	157
4.4.2. 2 Audit Committee Effectiveness	162
4.4.2. 3 Ownership Structure	166
4.4.3 Control Variables	168
4.4.3.1 Firm Size	169
4.4.3.2 Leverage	170
4.4.3.3 Firm Age	171

4.4.3.4 Management Change	171
4.4.3.5 Financial Crisis	173
4.4.3.6 Market Penalty	174
4.5 Models Specification	176
4.6 Data Collection	180
4.6.1 Sample Selection	180
4.6.2 Procedures	183
4.7 Summary and Conclusion	183
<b>CHAPTER FIVE: RESULTS AND DISCUSSIONS</b>	
5.1 Introduction	185
5.2 Sample Description and Sample Statistics	186
5.3 Descriptive Statistics	188
5.3.1 Independent Variables	188
5.3.1.1 Board of Directors Effectiveness	189
5.3.1.2 Audit Committee Effectiveness	190
5.3.1.3 Ownership Structure	191
5.3.1.3 Control Variables	191
5.3.2 Dependent Variables	192
5.4 Panel Data and Diagnostic Tests	194
5.4.1 Panel Data	194
5.4.1.1 Choosing between Random Effect and Pooled OLS Regression	195
5.4.1.2 Choosing between Fixed Effect and Random Effect models	196

5.4.1.3 Results of Fixed Effect	197
5.4.2 Diagnostic Tests	200
5.4.2.1 Test of Multicollinearity	201
5.4.2.2 Test of Heteroscedasticity	205
5.4.2.3 Test of Autocorrelation	206
5.5 Multivariate Results	208
5.5.1 Multivariate Results for Model 1	208
5.5.1.1 Board of Directors Effectiveness	211
5.5.1.2 Audit Committee Effectiveness	217
5.5.1.3 Ownership Structure	221
5.5.1.4 Control Variables	224
5.5.2 Multivariate Results for Model 2	226
5.5.2.1 Board of Directors' Effectiveness Score	228
5.5.2.2 Audit Committees Effectiveness Score	229
5.5.2.3 Ownership Structure	230
5.5.2.4 Control Variables	232
5.6 Sensitivity Tests	235
5.6.1 Testing Both Models Before Excluding Outliers	235
5.6.2 Testing Both Models Including the Audit Committee Members to the Board of Directors	239
5.7 Summary and Conclusion	243

## **CHAPTER SIX: SUMMARY AND CONCLUSION**

6.1 Introduction	246
6.2 Summary of Results	247
6.2.1 The Results of Model 1	247
6.2.2 The Results of Model 2	253
6.3 Implications of the Study	255
6.3.1 Implications for Theory	255
6.3.2 Implications for Practice	257
6.3.4 Implications to Academia	259
6.4 Limitations of the Study and Suggestions for Future Research	260
6.5 Conclusion	262
<b>REFERENCES</b>	266

## LIST OF TABLES

<b>TABLE</b>		<b>PAGE</b>
2.1	Saudi Arabian Key Economic Data	24
2.2	Summary of Saudi market statistics 1990- 2011	35
2.3	the names of committees and their members' background and their numbers	37
4.1	Summary of operationalization and the expected sign of the board of directors for firm performance	141
4.2	Summary of operationalization and the expected sign of the audit committee for firm performance	151
4.3	Calculating board of directors' effectiveness Score (BDE_SCORE)	162
4.4	Calculating audit committee effectiveness Score (ACE_SCORE)	166
4.5	Summary of Operationalization and the expected sign of the ownership structure for firm performance	168
4.6	Summary of operationalization and the expected sign of the control variables for firm performance	176
4.7	Analysis of the sample	182
5.1	Descriptive Statistics of Continuous Variables	193
5.2	Descriptive Statistics (percentage) for dummy variables	193
5.3	Lagrange Multiplier Test	196
5.4	Hausman Specification Tests	197
5.5	Model 1, Fixed-Effects results based on TOBINS_Q, ROA, and ROE	198
5.6	Model 2, Fixed-Effects results based on TOBINS_Q, ROA, and ROE	200
5.7	Correlation Matrix of Independent Variables Model 1	202
5.8	Correlation Matrix of Independent Variables Model 2	203
5.9	Tolerance (1/VIF) and Variance Inflation Factor (VIF)Tests for model 1 & model 2	204
5.10	Breusch-Pagan/Cook-Weisberg Test	205
5.11	Durbin-Watson Test TOBINS_Q, ROA, and ROE	207
5.12	Model 1, WLS results based on TOBINS_Q, ROA, and ROE	210
5.13	Model 2, WLS results based on TOBINS_Q, ROA, and ROE	227
5.14	Model 1, WLS results based on TOBINS_Q, ROA, and ROE (Before Outlier)	237
5.15	Model 2, WLS results based on TOBINS_Q, ROA, and ROE (Before Outlier)	239
5.16	Model 1, WLS results based on TOBINS_Q, ROA, and ROE without excluding the audit committee members from the board of directors	241
5.17	Model (2), WLS results based on TOBINS_Q, ROA, and ROE without excluding the audit committee members from the board of directors	243



## LIST OF FIGURES

<b>FIGURE</b>	<b>DESCRIPTION</b>	<b>PAGE</b>
1.1	Research Structure	19
4.1	Research Framework	128
5.1	Durbin-Watson Value	207

## LIST OF ABBREVIATIONS

<b>Abb.</b>	<b>Full List</b>
CG	- Corporate Governance
CMA	- Capital Market Authority
CML	- Capital Market Law
CPA	- Certified Public Accounting
ESIS	- Electronic Securities Information System
FE	- Fixed Effects models
GAAP	- General Accepted Accounting Principles
IFRS	- International Financial Reporting Standards
KSA	- Kingdom of Saudi Arabia
LM test	- Lagrange Multiplier Test
MCI	- Ministry of Commerce and Industry
MENA	- Middle East and North-African
OPEC	- Organization of the Petroleum Exporting Countries
RE	- Random Effects models
ROA	- Return on Assets
ROE	- Return on Equity
SAMA	- Saudi Arabian Monetary Agency
SEC	- Securities Exchange Commission
SOCPA	- Saudi Organization for Certified Public Accountants
SOX	- Sarbanes–Oxley Act
SSRC	- Saudi Share Registration Company
Tadawul	- Saudi Stock Exchange
VIF	- Variance Inflation Factor
WLS	- Weighted Least Squares
WTO	- World Trade Organization

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background and Motivation of the Study

Firm performance has been under scrutiny, especially after the Asian, Russian Federation, and Brazil financial crisis that started in 1997, and the failing of some companies in the United States such as Enron, Xerox, Worldcom, and Parmalat, and the Saudi Stock Exchange (Tadawul) crash in early 2006. In addition, the separation and conflicts of interest between shareholders and managers in companies may lead to agency problems (Berle & Means, 1932; Fama & Jensen, 1983; Ishak & Napier, 2006; Jensen & Meckling, 1976; Mustapha & Che Ahmad, 2011). Corporate Governance (CG) is one solution to the problems stemming from these crises and to align shareholder and management interests, or to reduce conflicts of interest which will, consequently, result in enhancing firm performance (Al-Abbas, 2008; Al-Hamidy, 2010; Al-Hussain, 2009; Al-Moataz & Basfar, 2010; Al-Twajjry, 2007).

Most empirical studies have documented a positive link between CG mechanisms and CG, even though it is not easy to establish the link between the two (Bhagat, Bolton & Romano, 2008). There is a wide belief that CG best practices could lead to superior firm performance (Young, 2003). Different ideas and theories have surfaced; the most important issue is that a huge amount of empirical research in the firm performance discipline has reported an association between the practice of good CG and firm performance in different contexts in the world. For example, Aguilera and Cuervo-

The contents of  
the thesis is for  
internal user  
only

## REFERENCES

- Aba-Alkhail, K. I. (2001). Regulating the auditing profession in Saudi Arabia: the formulation of early auditing standards (Doctoral Dissertation, University of Essex).
- Abbott, L. J., & Parker, S. (2000). Auditor selection and audit committee characteristics. *Auditing: A Journal of Practice and Theory*, 19(2), 47-66.
- Abbott, L. J., Parker, S., & Peters, G. F. (2004). Audit committee characteristics and restatements. *Auditing: A Journal of Practice & Theory*, 23(1), 69-87.
- Abbott, L. J., Parker, S., Peters, G. F., & Raghunandan, K. (2003). An empirical investigation of audit fees, nonaudit fees, and audit committees. *Contemporary Accounting Research*, 20(2), 215-234.
- Abbott, L. J., Parker, S., Peters, G. F., & Rama, D. V. (2007). Corporate governance, audit quality, and the Sarbanes-Oxley Act: Evidence from internal audit outsourcing. *The Accounting Review*, 82(4), 803-835.
- Abdel Shahid, S. F. (2003). Does ownership structure affect firm value? Evidence from the Egyptian stock market. *Evidence from the Egyptian Stock Market (January 2003)*.
- Abdul Rahman, R., & Al-Janadi, Y. (2006). Corporate Governance in Saudi Arabia. *Journal of International Business and Entrepreneurship*, 12(1), 1-16.
- Abdul Rahman, R., & Mohamed Ali, F. (2006). Board, audit committee, culture and earnings management: Malaysian evidence. *Managerial Auditing Journal*, 21(7), 783-804.
- Abdul Rahman, R., and Ali, F. H., 2006. Board, Audit Committee, Culture and Earnings Management. *Managerial Auditing Journal*, 21(7), 783-804.

- Abdul Wahab, E. A., How, J. C., & Verhoeven, P. (2007). The impact of the Malaysian code on corporate governance: Compliance, institutional investors and stock performance. *Journal of Contemporary Accounting & Economics*, 3(2), 106-129.
- Abdullah, S. N. (2004). Board composition, CEO duality and performance among Malaysian Listed Companies. *Corporate Governance*, 4(4), 47-61.
- Abu-Musa, A. A. (2006). Exploring perceived threats of CAIS in developing countries: the case of Saudi Arabia. *Managerial Auditing Journal*, 21(4), 387-407.
- Ackert, L. F., & Athanassakos, G. (2003). A simultaneous equations analysis of analysts' forecast bias, analyst following, and institutional ownership. *Journal of Business Finance and Accounting*, 30(7-8), 1017-1042.
- Adams, M. B. (1994). Agency theory and the internal audit. *Managerial Auditing Journal*, 9(8), 8-12.
- Adams, R., Hermalin, B., & Weisbach, M. (2010). The role of boards of directors in corporate governance: conceptual framework and survey. *Journal of Economic Literature*, 48(1), 20-47.
- Agrawal, A., & Knoeber, C. R. (1996). Firm performance and mechanisms to control agency problems between managers and shareholders. *Journal of Financial and Quantitative Analysis*, 31(03), 377-397.
- Agrawal, A., & Mandelker, G. N. (1990). Large shareholders and the monitoring of managers: The case of antitakeover charter amendments. *Journal of Financial and Quantitative analysis*, 25(02), 143-161.
- Aguilera, R. V., & Cuervo-Cazurra, A. (2004). Codes of good governance worldwide: what is the trigger? *Organization Studies*, 25(3), 415-443.

- Aguilera, R. V., & Cuervo-Cazurra, A. (2009). Codes of good governance. *Corporate Governance: An International Review*, 17(3): 376-387.
- Al-Abbas, M. (2006). Effect of information about auditor reputation and audit quality on Saudi Stock Market. *King Haled University, Accounting Department*. [In Arabic].
- Al-Abbas, M. (2009). Corporate governance and earnings management: An empirical study of the Saudi market. *Journal of American Academy of Business, Cambridge, Hollywood*, 15(1), 301-310.
- Al-Abbas, M. A. (2008). Do Saudi companies underestimate us in the application of governance? *Aleqtisadia Journal* February 29, 2008, is available online at [http://www.aleqt.com/2008/02/29/article\\_11668.save](http://www.aleqt.com/2008/02/29/article_11668.save).
- Al-Ammari, S. R. (1989). The development of accounting standards and practices in the Kingdom of Saudi Arabia. (Doctoral dissertation, University of Glasgow).
- Al-Angari, H. (2004). The impacts of compliance with local auditing standards on audit firms in the Kingdom of Saudi Arabia. *King Abul-Aziz University Journal*, 18(1), 165-203.
- Aldamen, H., Duncan, K., Kelly, S., McNamara, R., & Nagel, S. (2012). Audit committee characteristics and firm performance during the global financial crisis. *Accounting and Finance*, 52(4), 971-1000.
- Alexander, J. A., Fennell, M. L., & Halpern, M. T. (1993). Leadership instability in hospitals: The influence of board-CEO relations and organizational growth and decline. *Administrative Science Quarterly*, 74-99.
- Al-Farsy, F. (1997). *Modernity and tradition, the Saudi Equation, Channel Islands: Knight Communication Ltd.*

- Al-Ghamdi, S. A. (2012). Investigation into earnings management practices and the role of corporate governance and external audit in emerging markets: empirical evidence from Saudi Listed Companies (Doctoral dissertation, Durham University).
- Al-Hamid, A. (2010). The global financial crisis: impact on Saudi Arabia. *This volume BIS Papers*, 54, 347- 357.
- Al-Harkan, A. A. M. (2005). An investigation into the emerging corporate governance framework in Saudi Arabia (Doctoral dissertation, Cardiff University).
- Al-Hussain, A. H. (2009). Corporate governance structure efficiency and bank performance in Saudi Arabia. (Doctoral dissertation, University of Phoenix).
- Al-Hussaini, A & Al-Sultan, W. (2008). Development of enforcement mechanisms following adoption of international accounting standards in the Gulf Co-Operation Council member states. *International Journal Of Business Strategy*, 8(3), 50-71.
- Ali, A. J. (1990). Management theory in a transitional society: The Arab's experience. *International Studies of Management and Organization*, 20(3), 7-35.
- Ali, A. J. (1995). Cultural discontinuity and Arab management thought. *International Studies of Management and Organization*, 25(3), 7-30.
- Ali, A., Chen, T. Y., & Radhakrishnan, S. (2007). Corporate disclosures by family firms. *Journal of Accounting and Economics*, 44(1), 238-286.
- Al-Janadi, Y., Rahman, R. A., & Omar, N. H. (2013). Corporate Governance Mechanisms and Voluntary Disclosure in Saudi Arabia. *Research Journal of Finance and Accounting*, 4(4), 25-35.
- Aljifri, K., & Moustafa, M. (2007). The impact of corporate governance mechanisms on the performance of UAE firms: an empirical analysis. *Journal of Economic and*



*Administrative Sciences*, 23(2), 71-93.

- Alkafaji, Y. A. (1983). An empirical investigation into the association between major politico-socio-economic factors and accounting practices in a sample of World Counties. (Doctoral dissertation, Mississippi State University).
- Allen, J. W., & Phillips, G. M. (2000). Corporate equity ownership, strategic alliances, and product market relationships. *The Journal of Finance*, 55(6), 2791-2815.
- Al-Moataz, E. (2003). The effectiveness of audit committees within Saudi Corporations: an empirical investigation (Doctoral dissertation, Loughborough University).
- Al-Moataz, E., & Basfar, A. (2010). The role of audit committees in corporate governance: An empirical investigation on Saudi corporations. *Journal of King Abdulaziz University: Economics and Administration*, 24(2), 193-239.
- Al-Moataz, E., & Hussainey, K. (2012). Determinants of corporate governance disclosure in Saudi companies. *Journal of Economics and Management*.
- Al-Mulhem, A. A. (1997). An empirical investigation of the level of financial disclosure by Saudi Arabian corporations (Doctoral dissertation, University of Hull).
- Al-Rasheed, M. (2002). A History of Saudi Arabia. Cambridge University Press.
- Al-Razeen, A., & Karbhari, Y. (2007). An empirical investigation into the importance, use, and technicality of Saudi annual corporate information. *Advances in International Accounting*, 20, 55-74.
- Alsaeed, K. (2006). The association between firm-specific characteristics and disclosure: the case of Saudi Arabia. *Managerial Auditing Journal*, 21(5), 476-496.
- Al-Sayari, H., S. (2002), Development of the Saudi banking system. SAMA.
- Al-Sehali, M., & Spear, N. (2004). The decision relevance and timeliness of accounting

- earnings in Saudi Arabia. *The International Journal of Accounting*, 39(2), 197-217.
- Al-Shammari, B., Brown, P., & Tarca, A. (2008). An investigation of compliance with international accounting standards by listed companies in the Gulf Co-Operation Council member states. *The International Journal of Accounting*, 43(4), 425-447.
- Alshetwi, M. A. M. (2011). The impact of internal audit function of financial reporting quality among Saudi listed companies. (Doctoral dissertation, Universiti Putra Malaysia).
- Al-Shiab, M., & Abu-Tapanjeh, A. (2005). Ownership structure and firm performance: The case of Jordan. *Journal of Business Administration*, 1(2)
- Al-Tonsi, F. (2003). A Cross-Firm analysis of the impact of corporate governance practices on corporate performance in Saudi Arabia. *Conference of Corporate Governance Al-Gassim University*.
- Al-Turki, K. H. (2006). Corporate governance in Saudi Arabia: overview and empirical investigation (Doctoral dissertation, Victoria University).
- Al-Twajjry, A. (2007). Saudi stock market historical view and crisis effect: graphical and statistical analysis. *Journal of Human Sciences*, Online Journal Available at: <http://www.ulum.nl>.
- Al-Twajjry, A. A., Brierley, J. A., & Gwilliam, D. R. (2004). An examination of the relationship between internal and external audit in the Saudi Arabian corporate sector. *Managerial Auditing Journal*, 19(7), 929-944.
- Al-Twajjry, A., Brierley, J., & Gwilliam, D. (2002). An examination of the role of audit committees in the Saudi Arabian corporate sector. *Corporate Governance*, 10(4), 288–297.

- Alzharani, A. M., Che Ahmad, A. B., & Aljaaidi, K., S. (2011). An empirical investigation of factors associated with firm performance: evidence from kingdom of Saudi Arabia. *International Conference on E-business, Management and Economics*, 25, 30-36.
- Ameer, R., & Rahman, R. A. (2009). The impact of minority shareholder watchdog group activism on the performance of targeted firms in Malaysia. *Asian Academy of Management Journal of Accounting and Finance*, 5(1), 67-92.
- Ammer, J., Holland, S. B., Smith, D. C., & Warnock, F. E. (2008). Why do US cross-listings matter? [Internet document] (Social Science Research Network) [ create May 2008], available from SRN:// [papers.ssrn.com/so13/pares.cfm?abstract\\_id=1146605](http://papers.ssrn.com/so13/pares.cfm?abstract_id=1146605).
- Amran, N. A. (2010). Corporate governance mechanisms, succession planning and firm performance: evidence from Malaysian family and non-family controlled companies. (Doctoral dissertation, Universiti Utara Malaysia).
- Amran, N. A., & Che Ahmad, A. (2009). Family business, board dynamics and firm value: Evidence from Malaysia. *Journal of Financial Reporting and Accounting*, 7(1), 53-74.
- Amran, N. A., & Che Ahmad, A. (2010). Corporate governance mechanisms and performance: Analysis of Malaysian family and non-family controlled companies. *Journal of Modern Accounting and Auditing*, 6(2), 1-15.
- Anderson, B. S., & Eshima, Y. (2013). The influence of firm age and intangible resources on the relationship between entrepreneurial orientation and firm growth among Japanese SMEs. *Journal of Business Venturing*, 28, 413–429.

- Anderson, R. C., & Reeb, D. M. (2003). Founding-family ownership and firm performance: evidence from the S&P 500. *The journal of finance*, 58(3), 1301-1327.
- Anderson, R. C., Mansi, S. A., & Reeb, D. M. (2004). Board characteristics, accounting report integrity, and the cost of debt. *Journal of Accounting and Economics*, 37(3), 315-342.
- Ang, J. S., & Ding, D. K. (2006). Government ownership and the performance of government-linked companies: The case of Singapore. *Journal of Multinational Financial Management*, 16(1), 64-88.
- Archambeault, D., & DeZoort, F. T. (2001). Auditor opinion shopping and the audit committee: An analysis of suspicious auditor switches. *International Journal of Auditing*, 5(1), 33-52.
- Armour, J., Deakin, S., Lele, P., & Siems, M. (2009). How do legal rules evolve? Evidence from a cross-country comparison of shareholder, creditor, and worker protection. *American Journal of Comparative Law*, 57(3), 579-629.
- Arslan, O., Karan, M. B., & Eksi, C. (2010). Board structure and corporate performance. *Managing Global Transitions*, 8(1), 3-22.
- Ashbaugh-Skaife, H., Collins, D. W., & LaFond, R. (2006). The effects of corporate governance on firms' credit ratings. *Journal of Accounting and Economics*, 42(1), 203-243.
- Audretsch, D. B., & Mahmood, T. (1994). Firm selection and industry evolution: the post-entry performance of new firms. *Journal of Evolutionary Economics*, 4(3), 243-260.
- Aussenegg, W., & Jelic, R. (2003). Operating Performance of Privatized Companies in

- Transition Economies-The Case of Poland, Hungary and the Czech Republic. In *EFMA 2003 Helsinki Meetings*.
- Australian Corporations Act. (2001) S.324 (10). Available at: <http://www.comlaw.gov.au/Details/C2011C00173>.
- Baek , J . Kang, J. and Park, K. (2004). Corporate governance and firm value: evidence from the Korea financial crisis. *Journal of Financial Economics*, 71, 265- 313.
- Baek, J. S., Kang, J. K., & Suh Park, K. (2004). Corporate governance and firm value: Evidence from the Korean financial crisis. *Journal of Financial economics*, 71(2), 265-313.
- Bai, C. E., Liu, Q., Lu, J., Song, F. M., & Zhang, J. (2004). Corporate governance and market valuation in China. *Journal of Comparative Economics*, 32(4), 599-616.
- Baltagi, B. (2008). *Econometric analysis of panel data*. John Wiley & Sons.
- Banderlipe, M. S. (2009). The impact of selected corporate governance variables in mitigating earnings management in the Philippines. *DLSU Business and Economics Review*, 19(1), 17-27.
- Bantel, K. A., & Jackson, S. E. (1989). Top management and innovations in banking: does the composition of the top team make a difference? *Strategic Management Journal*, 10(S1), 107-124.
- Barclay, M. J., & Holderness, C. G. (1989). Private benefits from control of public corporations. *Journal of financial Economics*, 25(2), 371-395.
- Bauer, R., Frijns, B., Otten, R., & Tourani-Rad, A. (2008). The impact of corporate governance on corporate performance: Evidence from Japan. *Pacific-Basin Finance Journal*, 16(3), 236-251.

- Bauer, R., Guenster, N., & Otten, R. (2004). Empirical evidence on corporate governance in Europe: The effect on stock returns, firm value and performance. *Journal of Asset Management*, 5(2), 91-104.
- Baysinger, B. D., & Butler, H. N. (1985). Corporate governance and the board of directors: Performance effects of changes in board composition. *Journal of Law, Economics, & Organization*, 1(1), 101-124.
- Bazerman, M. H., & Schoorman, F. D. (1983). A Limited Rationality Model of Interlocking Directorates. *Academy of Management Review*, 8(2), 206-217.
- Beasley, M. S. (1996). An empirical analysis of the relation between the board of director composition and financial statement fraud. *Accounting Review*, 443-465.
- Beasley, M. S., & Salterio, S. E. (2001). The Relationship between board characteristics and voluntary improvements in Audit Committee composition and experience. *Contemporary Accounting Research*, 18(4), 539-570.
- Beasley, M. S., Carcello, J. V., Hermanson, D. R., & Lapides, P. D. (2000). Fraudulent financial reporting: Consideration of industry traits and corporate governance mechanisms. *Accounting Horizons*, 14(4), 441-454.
- Beatty, R. P. (1989). Auditor reputation and the pricing of initial public offerings. *Accounting Review*, 693-709.
- Bebchuk, L. A., & Hamdani, A. (2009). The elusive quest for global governance standards. *University of Pennsylvania law review*, 1263-1317.
- Bebchuk, L., Cohen, A., & Ferrell, A. (2009). What matters in corporate governance? *Review of Financial Studies*, 22(2), 783-827.
- Becht, M., Bolton, P., & Roell, A. (2002). Corporate governance and control Finance.

*Working Paper* No. 02/2002 Updated August (2005), ECGI.

- Becker, C. L., DeFond, M. L., Jiambalvo, J., & Subramanyam, K. R. (1998). The Effect of Audit Quality on Earnings Management. *Contemporary accounting research*, 15(1), 1-24.
- Bedard, J. C., & Biggs, S. F. (1991). The effect of domain-specific experience on evaluation of management representations in analytical procedures. *Auditing: A Journal of Practice and Theory*, 10, 77-90.
- Bedard, J., Chtourou, S. M., & Courteau, L. (2004). The effect of audit committee expertise, independence, and activity on aggressive earnings management. *Auditing: A Journal of Practice and Theory*, 23(2), 13-35.
- Bennedsen, M., Nielsen, K. M., & Nielsen, T. V. (2007). Private contracting and corporate governance: Evidence from the provision of tag-along rights in an emerging market. Working paper.
- Benos, E., & Weisbach, M. S. (2004). Private benefits and cross-listings in the United States. *Emerging Markets Review*, 5(2), 217-240.
- Berle, A. A., & Means, G. G. C. (1932). *The modern corporation and private property*. Transaction Books.
- Bethel, J. E., Liebeskind, J. P., & Opler, T. (1998). Block share purchases and corporate performance. *The Journal of Finance*, 53(2), 605-634.
- Bhagat, S., & Black, S. (2002). The non-correlation between board independence and long-term firm performance. *Journal of Corporation Law*, 27(2), 231 -274.
- Bhagat, S., & Bolton, B. (2008). Corporate governance and firm performance. *Journal of Corporate Finance*, 14(3), 257-273.

- Bhandari, S., & Weiss, L. (1996). *Corporate Bankruptcy*. Cambridge University Press.
- Bhagat, S., B. Bolton, and R. Romano, 2008, The promise and peril of corporate governance indices. *Columbia Law Review*, 108, 1803-1882.
- Bhojraj, S., & Sengupta, P. (2003). Effect of corporate governance on bond ratings and yields: The role of institutional investors and outside directors. *The Journal of Business*, 76(3), 455-475.
- Binder, G. (2009). *Corporate governance in Arab countries: development of corporate governance in Arab and MENA countries*. [Doctoral Dissertation]. University of Vienna, Vienna.
- Birnbaum, P. H. (1984). The choice of strategic alternatives under increasing regulation in high technology companies. *Academy of Management Journal*, 27(3), 489-510.
- Black, B., & Kim, W. (2012). The effect of board structure on firm value: A multiple identification strategies approach using Korean data. *Journal of Financial Economics*, 104(1), 203-226.
- Black's Law Dictionary, (2009) 9th Edition. St. Paul, MN: West Group.
- Blair, M. M. (1995). *Ownership and control: Rethinking corporate governance for the twenty-first century*. Brookings Institution Press.
- Bley, J., & Chen, K. H. (2006). Gulf Cooperation Council (GCC) stock markets: The dawn of a new era. *Global Finance Journal*, 17(1), 75-91.
- Block, S. (1999). The role of non-affiliated outside directors in monitoring the firm and the effect on shareholder wealth. *Journal of Financial and Strategic Decisions*, 12(1), 1-8.
- Blue Ribbon Committee on Improving the Effectiveness of Corporate Audit



- Committees. (1999). Report and Recommendations of the Blue Ribbon Committee on Improving the Effectiveness of Corporate Audit Committees. New York, NY.
- Boardman, A. E., & Vining, A. R. (1989). Ownership and performance in competitive environments: A comparison of the performance of private, mixed, and state-owned enterprises. *Journal of Law and Economics*, 32(1), 1-33.
- Boon, K., McKinnon, J., & Ross, P. (2007). Attributes Affecting Auditor Appointment in Compulsory Audit Tendering: Survey Evidence.
- Boone, P., Breach, A., & Friedman, F. S. (2000). Corporate Governance in the Asian Financial Crisis. *Journal of Financial Economics*.
- Borokhovich, K. A., Brunarski, K., Harman, Y. S., & Parrino, R. (2006). Variation in the Monitoring Incentives of Outside Stockholders. *Journal of Law and Economics*, 49(2), 651-680.
- Boyd, B. K. (1995). CEO duality and firm performance: A contingency model. *Strategic Management Journal*, 16(4), 301-312.
- Bradbury, M. E., Mak, Y. T., & Tan, S. M. (2006). Board characteristics, audit committee characteristics and abnormal accruals. *Pacific Accounting Review*, 18(2), 47-68.
- Breusch, T. S., & Pagan, A. R. (1980). The Lagrange multiplier test and its applications to model specification in econometrics. *The Review of Economic Studies*, 47(1), 239-253.
- Brickley, J. A., Coles, J. L., & Jarrell, G. (1997). Leadership structure: Separating the CEO and chairman of the board. *Journal of corporate Finance*, 3(3), 189-220.
- Brierley, J. A., & Gwilliam, D. R. (2002). An examination of the role of audit

- committees in the Saudi Arabian corporate sector. *Corporate Governance: An International Review*, 10(4), 288-297.
- Bronson, S. N., Carcello, J. V., Hollingsworth, C. W., & Neal, T. L. (2009). Are fully independent audit committees really necessary? *Journal of Accounting and Public Policy*, 28(4), 265-280.
- Brown, P., Beekes, W., & Verhoeven, P. (2011). Corporate governance, accounting and finance: A review. *Accounting and finance*, 51(1), 96-172.
- Bugeja, M., Rosa, R. D. S., & Lee, A. (2009). The impact of director reputation and performance on the turnover and board seats of target firm directors. *Journal of Business Finance & Accounting*, 36(1-2), 185-209.
- Burkart, M., Gromb, D., & Panunzi, F. (1998). Why higher takeover premia protect minority shareholders. *Journal of political Economy*, 106(1), 172-204.
- Bursa Malaysia Listing Requirements. Retrieved September 11, 2007, from [http://www.klse.com.my/website/bm/regulation/rules/listing\\_requirements](http://www.klse.com.my/website/bm/regulation/rules/listing_requirements)
- Bushman, R. M., & Piotroski, J. D. (2006). Financial reporting incentives for conservative accounting: The influence of legal and political institutions. *Journal of Accounting and Economics*, 42(1), 107-148.
- Bushman, R. M., & Smith, A. J. (2001). Financial accounting information and corporate governance. *Journal of accounting and Economics*, 32(1), 237-333.
- Bushman, R. M., Piotroski, J. D., & Smith, A. J. (2004). What determines corporate transparency?. *Journal of accounting research*, 42(2), 207-252.
- Business Roundtable. (1997). Statement on corporate governance *Governance Principles*, 24-25.

- Byard, D., Li, Y., & Weintrop, J. (2006). Corporate governance and the quality of financial analysts' information. *Journal of Accounting and Public Policy*, 25(5), 609-625.
- Byrd, J. W., & Hickman, K. A. (1992). Do outside directors monitor managers?: Evidence from tender offer bids. *Journal of Financial Economics*, 32(2), 195-221.
- Cadbury, A., Butler, J., Lipworth, S., Macdonald, N., Smith, A. H., Brown, S., & Item, A. (1992). Committee On The Financial Aspects of Corporate Governance. *Gee, London*.
- Cai, J., Qian, Y., & Liu, Y. (2009). Information asymmetry and corporate governance. *Drexel College of Business Research Paper*, (2008-02).
- Campbell, N. (1990). Holding audit committees accountable. *Canadian Business Law Journal*, 16(2), 134-159.
- Capital Market Authority. (2014). Available at: <http://www.cma.org.sa>.
- Capital Market Law. (2004). Is available online at <http://www.cma.org.sa/En/AboutCMALaw/Pages/default.aspx>.
- Carcello, J. V., Hermanson, D. R., & Raghunandan, K. (2005a). Factors associated with US public companies' investment in internal auditing. *Accounting Horizons*, 19(2), 69-84.
- Carcello, J. V., Hermanson, D. R., & Raghunandan, K. (2005b). Changes in internal auditing during the time of the major US accounting scandals. *International Journal of Auditing*, 9(2), 117-127.
- Carcello, J. V., Hollingsworth, C. W., & Neal, T. L. (2006). Audit committee financial experts: A closer examination using firm designations. *Accounting Horizons*, 20(4),

351-373.

Carcello, J., Hermanson, D., Neal, T., & Riley Jr, R. (2002). Board characteristics and audit fees. *Contemporary Accounting Research*, 19(3), 365-384.

Carey, P., & Simnett, R. (2006). Audit partner tenure and audit quality. *The Accounting Review*, 81(3), 653-676.

Cassell, C. A., Giroux, G. A., Myers, L. A., & Omer, T. C. (2012). The effect of corporate governance on auditor-client realignments. *Auditing: A Journal of Practice and Theory*, 31(2), 167-188.

Cavana, R. Y., Delahaye, B. L., & Sekaran, U. (2001). *Applied business research: Qualitative and quantitative methods*. Singapore: John Wiley & Sons.

Center for International Private Enterprise and Global Corporate Governance Forum. (2011). *Advancing corporate governance in the Middle East and North Africa: Stories and Solutions*. Available at [www.cipe.org/publications/bookstore/.../advancingCGinTheMENA.p](http://www.cipe.org/publications/bookstore/.../advancingCGinTheMENA.p).

Chaganti, R. S., Mahajan, V., & Sharma, S. (1985). Corporate board size, composition and corporate failures in retailing industry. *Journal of Management Studies*, 22(4), 400-417.

Chahine, S. (2007). Activity-based diversification, corporate governance, and the market valuation of commercial banks in the Gulf Commercial Council. *Journal of Management & Governance*, 11(4), 353-382.

Chahine, S., & Tohmé, N. S. (2009). Is CEO duality always negative? An exploration of CEO duality and ownership structure in the Arab IPO context. *Corporate Governance: An International Review*, 17(2), 123-141.

- Chami, R. (1999). What's different about family business? *Computer World*, 17, 67-69.
- Chan, K. C., & Li, J. (2008). Audit committee and firm value: evidence on outside top executives as expert-independent directors. *Corporate Governance: An International Review*, 16(1), 16-31.
- Chaney, P. K., & Philipich, K. L. (2002). Shredded reputation: The cost of audit failure. *Journal of Accounting Research*, 40(4), 1221-1245.
- Chaney, P. K., Faccio, M., & Parsley, D. (2011). The quality of accounting information in politically connected firms. *Journal of Accounting and Economics*, 51(1), 58-76.
- Chaney, P., Jeter, D., & Shivakumar, L. (2005). Self-selection of auditors and size nonlinearities in audit pricing.
- Che Ahmad, A., Ishak, Z., & Manaf, N. A. (2003). Corporate governance, ownership structure and corporate diversification: Evidence from the Malaysian listed companies. *Asian Academy of Management Journal*, 8, 67-89.
- Che Ahmad, C., Houghton, K. A., & Yusof, N. Z. M. (2006). The Malaysian market for audit services: ethnicity, multinational companies and auditor choice. *Managerial Auditing Journal*, 21(7), 702-723.
- Chen, C., Lin, J. B., & Yi, B. (2008a). CEO duality and firm performance: An endogenous issue. *Corporate Ownership & Control*, 6(1), 58-65.
- Chen, J., Duh, R. R., & Shiue, F. N. (2008). The effect of audit committees on earnings–return association: evidence from foreign registrants in the United States. *Corporate Governance: An International Review*, 16(1), 32-40.
- Chen, K. Y., & Zhou, J. (2007). Audit Committee, Board Characteristics, and Auditor Switch Decisions by Andersen's Clients. *Contemporary Accounting Research*,

24(4), 1085-1117.

Chen, K., & Zhou, J. (2007). Audit committee, board characteristics, and auditor switch decisions by Andersen's clients. *Contemporary accounting research*, 24(4), 1085-1117.

Chen, M. C., Cheng, S. J., & Hwang, Y. (2005). An empirical investigation of the relationship between intellectual capital and firms' market value and financial performance. *Journal of Intellectual capital*, 6(2), 159-176.

Chen, Y. M., Moroney, R., & Houghton, K. (2005). Audit committee composition and the use of an industry specialist audit firm. *Accounting & finance*, 45(2), 217-239.

Chen, Z., & Cheung, Y.L. (2000). Corporate governance firm performance and agency conflicts in closely-held firms: evidence from Hong Kong. Working paper, *City University of Hong Kong*, Hong Kong.

Chhibber, P. K., & Majumdar, S. K. (1999). Foreign Ownership and Profitability: Property Rights, Control, and the Performance of Firms in Indian Industry\*. *The Journal of Law and Economics*, 42(1), 209-238.

Chi, J. D. (2005). Understanding the endogeneity between firm value and shareholder rights. *Financial Management*, 34(4), 65-76.

hu, W. (2011). Family ownership and firm performance: Influence of family management, family control, and firm size. *Asia Pacific Journal of Management*, 28(4), 833-851.

Cicero, D., Wintoki, M., & Yang, T. (2010). Do Firms Adjust to a Target Board Structure? In *CELS 2009 4th Annual Conference on Empirical Legal Studies Paper*, is available online at <http://corporategovernancecenter.org/Research/>

CirMay11.pdf.

- Claessens, S., & Fan, J. P. (2002). Corporate governance in Asia: A survey. *International Review of finance*, 3(2), 71-103.
- Claessens, S., Djankov, S., & Lang, L. H. (2000). The separation of ownership and control in East Asian corporations. *Journal of financial Economics*, 58(1), 81-112.
- Clark, T. (Ed.). (2004). *Theories of corporate governance*, 1-31. New York: Routledge.
- Code of Corporate Governance in Saudi Arabia. Available at: [http://www.cma.org.sa/Ar/Pages/Implementing\\_](http://www.cma.org.sa/Ar/Pages/Implementing_).
- Cohen, J., Krishnamoorthy, G., & Wright, A. M. (2002). Corporate governance and the audit process. *Contemporary accounting research*, 19(4), 573-594.
- Collier, P., & Gregory, A. (1998). Audit committee activity and agency costs. *Journal of Accounting and Public Policy*, 18(4), 311-332.
- Combined Code. (2003). The combined code on corporate governance. London: *Financial Reporting Council*.
- Conyon, M. J. (1994). Corporate governance changes in the United Kingdom. *Corporate Governance: An International Review*, 2, 87-99.
- Conyon, M. J. (1998). Directors' pay and turnover: an application to a sample of large UK firms. *Oxford Bulletin of Economics and Statistics*, 60(4), 485-507.
- Conyon, M. J., & Peck, S. I. (1998). Board size and corporate performance: evidence from European countries. *The European Journal of Finance*, 4(3), 291-304.
- Cools, S. (2004). The real difference in corporate law between the United States & Continental Europe: distribution of powers, 30 DEL. J. CORP *Harvard Law School Cambridge, MA 02138, discussion paper No. 490*, [Internet document]available

- from:[http://lsr.nellco.org/cgi/viewcontent.cgi?article=1278&context=harvard\\_olin](http://lsr.nellco.org/cgi/viewcontent.cgi?article=1278&context=harvard_olin)  
&sei-redir=1#search="The+Real+Difference+in+Corporate+ Law +Between+ the"
- Coram, P., Ferguson, C., & Moroney, R. (2008). Internal audit, alternative internal audit structures and the level of misappropriation of assets fraud. *Accounting & Finance*, 48(4), 543-559.
- Core, J. E., Guay, W. R., & Rusticus, T. O. (2006). Does weak governance cause weak stock returns? An examination of firm operating performance and investors' expectations. *The Journal of Finance*, 61(2), 655-687.
- Core, J. E., Holthausen, R. W., & Larcker, D. F. (1999). Corporate governance, chief executive officer compensation, and firm performance. *Journal of financial economics*, 51(3), 371-406.
- Corporate Governance Regulation In Kingdom of Saudi Arabia. (2006). Capital Market Authority.
- Cox Jr, T. (1991). The multicultural organization. *The Executive*, 34-47.
- Cremers, K. J., & Ferrell, A. (2010). Thirty years of shareholder rights and firm valuation. In *CELS 2009 4th Annual Conference on Empirical Legal Studies Paper*.
- Da Silveira, A., Leal, R., Carvalhal Da Silva, A., & Barros, L. (2007). Evolution and determinants of firm-level corporate governance quality in Brazil. *Available at SSRN 995764*.
- Dahya, J., Dimitrov, O., & McConnell, J. J. (2008). Dominant shareholders, corporate boards, and corporate value: A cross-country analysis. *Journal of Financial Economics*, 87(1), 73-100.
- Dahya, J., Lonie, A. A., & Power, D. M. (1996). The case for separating the roles of



- chairman and CEO: An analysis of stock market and accounting data. *Corporate Governance: An International Review*, 4(2), 71-77.
- Dahya, J., McConnell, J.J., & Travlos, N.G. (2002). The Cadbury Committee, corporate performance and top management turnover. *Journal of Finance*, 57(1), 461-483.
- Daily, C. M., & Dalton, D. R. (1994). Bankruptcy and corporate governance: The impact of board composition and structure. *Academy of Management Journal*, 37(6), 1603-1617.
- Daily, C. M., Dalton, D. R., & Rajagopalan, N. (2003). Governance through ownership: Centuries of practice, decades of research. *Academy of Management Journal*, 46(2), 151-158.
- Dalton, D. R., Daily, C. M., Ellstrand, A. E., & Johnson, J. L. (1998). Meta-analytic reviews of board composition, leadership structure, and financial performance. *Strategic management journal*, 19(3), 269-290.
- Dalton, D. R., Daily, C. M., Johnson, J. L., & Ellstrand, A. E. (1999). Number of directors and financial performance: A meta-analysis. *Academy of Management Journal*, 42(6), 674-686.
- Davidson, R., & MacKinnon, J. G. (1993). *Estimation and Inference in Econometrics*. New York: Oxford University Press.
- Davidson, R., Goodwin-Stewart, J., & Kent, P. (2005). Internal governance structures and earnings management. *Accounting & Finance*, 45(2), 241-267.
- De Toledo, E. P. (2007). Quality of governance and firm performance: evidence from Spain. Available at <http://idem.uab.es/treballs%20recerca/eloisaperez.pdf>.
- DeAngelo, L. E. (1981). Auditor size and audit quality. *Journal of accounting and*

- economics*, 3(3), 183-199.
- DeFond, M. L., Hann, R. N., & Hu, X. (2005). Does the market value financial expertise on audit committees of boards of directors? *Journal of Accounting Research*, 43(2), 153-193.
- Deli, D. N., & Gillan, S. L. (2000). On the demand for independent and active audit committees. *Journal of Corporate Finance*, 6(4), 427-445.
- Demb, A., & Neubauer, F. (1992). The corporate board: Confronting the paradoxes. *Long range planning*, 25(3), 9-20.
- Demirag, I., Sudarsanam, S., & Wright, M. (2000). Corporate governance: overview and research agenda. *The British Accounting Review*, 32(4), 341-354.
- Demsetz, H. (1983). Structure of ownership and the theory of the firm, *The. JL & Econ.*, 26, 375.
- Demsetz, H., & Lehn, K. (1985). The structure of corporate ownership: Causes and consequences. *The Journal of Political Economy*, 93(6), 1155-1177.
- Denis, D. K., & McConnell, J. J. (2003). International corporate governance. *Journal of Financial and Quantitative Analysis*, 38(1), 1-36.
- Dewing, I. P., & Russell, P. O. (2000). Cadbury and beyond: perceptions on establishing a permanent body for corporate governance regulation. *The British Accounting Review*, 32(4), 355-374.
- DeZoort, F. (1998). An analysis of experience effects on audit committee members' oversight judgments. *Accounting, Organizations and Society*, 23(1), 1-21.
- DeZoort, F. T., & Salterio, S. E. (2001). The effects of corporate governance experience and financial-reporting and audit knowledge on audit committee members'

- judgments. *Auditing: A Journal of Practice and Theory*, 20(2), 31-47.
- Dharwadkar, R., George, G., & Brandes, P. (2000). Privatization in emerging economies: An agency theory perspective. *Academy of Management Review*, 25(3), 650–69.
- Di Pietra, R., Grambovas, C. A., Raonic, I., & Riccaboni, A. (2008). The effects of board size and ‘busy’ directors on the market value of Italian companies. *Journal of Management and Governance*, 12(1), 73-91.
- Djankov, S., & Hoekman, B. (2000). Foreign investment and productivity growth in Czech enterprises. *The World Bank Economic Review*, 14(1), 49-64.
- Dogan, M., Elitas, B. L., Agca, V., & Ogel, S. (2013). The impact of CEO duality on firm performance: evidence from Turkey.
- Doidge, C., Karolyi, G. A., & Stulz, R. M. (2004). Why are foreign firms listed in the US worth more? *Journal of Financial Economics*, 71(2), 205-238.
- Donaldson, L., & Davis, J. H. (1991). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian journal of management*, 16(1), 49-64.
- Donoher, W. J., Reed, R., & Storrud-Barnes, S. F. (2007). Incentive alignment, control, and the issue of misleading financial disclosures. *Journal of Management*, 33(4), 547-569.
- Douma, S., George, R., & Kabir, R. (2006). Foreign and domestic ownership, business groups, and firm performance: Evidence from a large emerging market. *Strategic Management Journal*, 27(7), 637-657.
- Dunne, P., & Hughes, A. (1994). Age, size, growth and survival: UK companies in the

- 1980s. *The Journal of Industrial Economics*, 42(2), 115-140.
- Durand, R., & Coeurderoy, R. (2001). Age, order of entry, strategic orientation and organizational performance. *Journal of Business Venturing*, 16(5), 471-494.
- Dwyer, S. Richard, O., & Shepherd, D. (1998). An exploratory-prospective customer dyad: testing similarity-performance predictions. *Journal of Personal Selling and Sales Management*, 18(4), 44-71.
- Dye, R. A. (1993). Auditing standards, legal liability, and auditor wealth. *Journal of political Economy*, 101(5), 887-914.
- Ebrahim, A. (2007). Earnings management and board activity: an additional evidence. *Review of Accounting and Finance*, 6(1), 42-58.
- Eisenhardt, K. M. (1989). Agency theory: An assessment and review. *Academy of management review*, 14(1), 57-74.
- El Mehdi, I. K. (2007). Empirical evidence on corporate governance and corporate performance in Tunisia. *Corporate Governance: An International Review*, 15(6), 1429-1441.
- Evans, D. S. (1987a). The relationships between firm growth, size and age: Estimates for 100 manufacturing industries. *Journal of Industrial Economics*, 35(A), 567-581.
- Evans, D. S. (1987b). Tests of alternative theories of firm growth. *Journal of Political Economy*, 95(A), 657-674.
- Ezzine, H. (2012) A cross Saudi firm analysis of the impact of corporate governance on the stock price performance during the recent financial crisis. SABIC Chair for IFMS.
- Fairchild, L., & Li, J. (2005). Director quality and firm performance. *Financial Review*,

40(2), 257-279.

Falgi, K. I. (2009). Corporate governance in Saudi Arabia: a stakeholder perspective (Doctoral dissertation, University of Dundee).

Fallatah, Y., & Dickins, D. (2012). Corporate governance and firm performance and value in Saudi Arabia. *African Journal of Business Management*, 6(36), 10025-10034.

Fama, E. F. (1980). Agency Problems and the Theory of the Firm. *The Journal of Political Economy*, 88(2), 288-307.

Fama, E. F., & Jensen, M. C. (1983). Separation of ownership and control. *Journal of law and economics*, 26(2), 301-325.

Fan, J. P., Wong, T. J., & Zhang, T. (2007). Politically connected CEOs, corporate governance, and Post-IPO performance of China's newly partially privatized firms. *Journal of financial economics*, 84(2), 330-357.

Farber, D. B., 2005, Restoring trust after fraud: does corporate governance matter? *The Accounting Review*, 80, 539-561.

FCCG (2000). Malaysian code of corporate governance (2000), Ministry of Finance (Malaysia).

Federal Research Division. (1993) Saudi Arabia: A Country Study. *Kessinger publishing*.

Fee, C. E., & Hadlock, C. J. (2003). Raids, rewards, and reputations in the market for managerial talent. *Review of Financial Studies*, 16(4), 1315-1357.

Feng, F., Sun, Q., & Tong, W. H. (2004). Do government-linked companies underperform? *Journal of Banking & Finance*, 28(10), 2461-2492.

Ferreira, M. A., & Matos, P. (2008). The colours of investors' money: The role of

- institutional investors around the world. *Journal of Financial Economics*, 88(3), 499-533.
- Ferrer, R. C., Banderlipe, I. I., & Mc Reynald, S. (2012). The influence of corporate board characteristics on firm performance of publicly listed property companies in the Philippines. *Academy of Accounting and Financial Studies Journal*, 16(4), 123-142.
- Ferris, S. P., Jagannathan, M., & Pritchard, A. C. (2003). Too busy to mind the business? Monitoring by directors with multiple board appointments. *The Journal of Finance*, 58(3), 1087-1112.
- Fich, E. M., & Shivdasani, A. (2006). Are busy boards effective monitors? *The Journal of Finance*, 61(2), 689-724.
- Finegold, D., Benson, G. S., & Hecht, D. (2007). Corporate boards and company performance: review of research in light of recent reforms. *Corporate Governance: An International Review*, 15(5), 865-878.
- Fosberg, R. H., & Nelson, M. R. (1999). Leadership structure and business performance. *International Review of Financial Analysis*, 8(1), 83-96.
- Francis, J. R., & Wilson, E. R. (1988). Auditor changes: A joint test of theories relating to agency costs and auditor differentiation. *Accounting Review*, 663-682.
- Freeman, R.E. (1984) "Strategic Management: A Stakeholder Approach" *Pitman Publishing Inc. Massachusetts*.
- Furtado, E. P., & Karan, V. (1990). Causes, consequences, and shareholder wealth effects of management turnover: A review of the empirical evidence. *Financial Management*, 60-75.

- Gao, S. (1996). *China's Economic Reform* London, U.K.: Macmillan.
- Geroski, P. A. (1995). What do we know about entry? *International Journal of Industrial Organization*, 13(4), 421-440.
- Ghauri, P., & Gronhaugh, K. (2002). *Research methods in business studies: A practical guide* (2<sup>nd</sup> ed.). Harlow: Financial Times Prentice Hall.
- Ghazali, N. A. M. (2010). Ownership structure, corporate governance and corporate performance in Malaysia. *International Journal of Commerce and Management*, 20(2), 109-119.
- Ghosh, A. (2001). Does operating performance really improve following corporate acquisitions? *Journal of corporate finance*, 7(2), 151-178.
- Gladstein, D. G. (1984). Groups in Context: A Model of Task Group Effectiveness. *Administrative Science Quarterly*, 29(4), 499-517.
- Goddard, A. R., & Masters, C. (2000). Audit committees, Cadbury Code and audit fees: an empirical analysis of UK companies. *Managerial Auditing Journal*, 15(7), 358-371.
- Gompers, P., Ishii, J., & Metrick, A. (2003). Corporate governance and equity prices. *The Quarterly Journal of Economics*, 118(1), 107-156.
- Gonenc, H., & Aybar, C. B. (2006). Financial crisis and firm performance: empirical evidence from Turkey. *Corporate Governance: An International Review*, 14(4), 297-311.
- Goodstein, J., Gautam, K., & Boeker, W. (1994). The effects of board size and diversity on strategic change. *Strategic management journal*, 15(3), 241-250.
- Greene, W. H. (2003). *Econometric Analysis* (5th ed.). New Jersey: Prentice Hall.

- Greenbury Report. (1995). Directors' Remuneration; Report of a Study Group Chaired by Sir Richard Greenbury, London. Gee Publisheng.
- Grossman, S. J., & Hart, O. D. (1982). Corporate financial structure and managerial incentives. In *The economics of information and uncertainty. University of Chicago Press*, 107-140.
- Gujarati, N. D., & Porter, C. P. (2012). *Basic Econometrics* (5<sup>th</sup> ed.). McGraw Hill.
- Gulf Base. (2009). *GCC economic overview*. Retrieved September, 2009, from <http://www.gulfbase.com/Site/Interface/TheGCC/gccoverview.html>.
- Habbash, M., (2010). The Effectiveness of Corporate Governance and External Audit on constraining Earnings Management Practices in The UK. Unpublished PhD. *Durham University, Business School*.
- Hair, J. F., Anderson, R. E., Tatham, R. L., & Black, W. C. (2006). *Multivariate data analysis* (6th ed.). New Jersey: Prentice Hall.
- Hamdan, A., Al-Hayale, T., & Aboagela, E. (2012). The impact of audit committee characteristics on accounting conservatism: additional evidence from Jordan. *Journal of King Saud University, Riyadh, Saudi Arabia*, 23(2).
- Hamilton, L. C. (2003). *Statistics with Stata: Update for Version 7*, Belmont: Duxbury Press.
- Hampel Report. London Stock Exchange (United Kingdom). (1998). Committee on Corporate Governance final report. London Stock Exchange (United Kingdom):*Gee Publishing Ltd*.
- Han, K. C., Lee, S. H., & Suk, D. Y. (1999). Ownership structure and firm performance: international evidence. *Multinational Business Review*, 7, 92-97.



- Haniffa, R. M., & Cooke, T. E. (2002). Culture, corporate governance and disclosure in Malaysian corporations. *Abacus*, 38(3), 317-349.
- Haniffa, R., & Hudaib, M. (2006). Corporate governance structure and performance of Malaysian listed companies. *Journal of Business Finance and Accounting*, 33(7-8), 1034-1062.
- Hansmann, H., & Kraakman, R. (2000). The End of History for Corporate Law, *Geo. LJ*, 89, 439- 468.
- Harris, M., & Raviv, A. (1991). The theory of capital structure. *Journal of Finance*, 46(1), 297-355.
- Hart, O. (1995). Corporate governance: some theory and implications. *The economic journal*, 105(430), 678-689.
- Haunschild, P. R., & Beckman, C. M. (1998). When do interlocks matter?: Alternate sources of information and interlock influence. *Administrative Science Quarterly*, 815-844.
- Healy, P., & Lys, T. (1987). Auditor changes following Big Eight mergers with non-Big Eight audit firms. *Journal of Accounting and Public Policy*, 5(4), 251-265.
- Helmich, D. (1977). Executive succession in the corporate organization: A current integration. *The Academy of Management Review*, 2(2), 252-266.
- Henry, D. (2005). Directors' recommendations in takeovers: An agency and governance analysis. *Journal of business finance & accounting*, 32(1-2), 129-159.
- Hermalin, B. E., & Weisbach, M. S. (1988). The determinants of board composition. *The RAND Journal of Economics*, 589-606.
- Hermalin, B. E., & Weisbach, M. S. (1991). The effects of board composition and direct

- incentives on firm performance. *Financial Management*, 20(4), 101-112.
- Higgs, D. (2003). Review of the role and effectiveness of non-executive directors. *Stationery Office, London:DTI*, 1-120.
- Hill, C. W., & Snell, S. A. (1988). External control, corporate strategy, and firm performance in research-intensive industries. *Strategic Management Journal*, 9(6), 577-590.
- Hillman, A. J., & Dalziel, T. (2003). Boards of directors and firm performance: Integrating agency and resource dependence perspectives. *Academy of Management Review*, 28(3), 383-396.
- Holmstrom, B., & Kaplan, S. N. (2001). *Corporate Governance and Merger Activity in the US: Making Sense of the 1980s and 1990s* (No. w8220). National Bureau of Economic Research.
- Holthausen, R. W., & Verrecchia, R. E. (1990). The effect of informedness and consensus on price and volume behavior. *Accounting Review*, 191-208.
- Hovey, M., Li, L., & Naughton, T. (2003). The relationship between valuation and ownership of listed firms in China. *Corporate Governance: An International Review*, 11(2), 112-122.
- Huang, H. H., Chan, M. L., Huang, I., & Chang, C. H. (2011). Stock price volatility and overreaction in a political crisis: The effects of corporate governance and performance. *Pacific-Basin Finance Journal*, 19(1), 1-20.
- Hurdle, G. J. (1974). Leverage, risk, market structure and profitability. *The Review of Economics and Statistics*, 56(4), 478-485.
- IFRSs.(2011). Available at: <http://www.ifrs.org/Use+around+the+world/Use+around+>

the + world.htm.

IFRSs.(2013).Availableat :<http://www.ifrs.org/Use+around+the+world/Use+around+the+world.htm>.

INSEAD, The Business School for the World. (2010). *Governance in the Gulf: In search of best practice and a common review*. INSEAD Governance Meeting with support of The Abu Dhabi Center for Corporate Governance (ADCCG) and The Hawkamah, Institute for Corporate Governance. Available at <http://www.insead.edu/facultyresearch/.../governance.../>.

Ishak, Z., & Napier, C. (2006). Expropriation of minority interests and corporate diversification in Malaysia. *Asian Academy of Management Journal of Accounting and Finance*, 2(1), 85-113.

Iskandar, M. R.T., and Saleh, N. (2009). Audit Committee Characteristics in Financially Distressed and Non-distressed companies. *Managerial Auditing Journal*, 24(7), 624-638.

Iyengar, R. J., & Zampelli, E. M. (2009). Self-selection, endogeneity, and the relationship between CEO duality and firm performance. *Strategic Management Journal*, 30(10), 1092-1112.

Jackling, B., & Johl, S. (2009). Board structure and firm performance: Evidence from India's top companies. *Corporate Governance: An International Review*, 17(4), 492-509.

Jaggi, B., Leung, S., & Gul, F. (2009). Family control, board independence and earnings management: Evidence based on Hong Kong firms. *Journal of Accounting and Public Policy*, 28(4), 281-300.

- Jansen, M. C. (1993). The modern industrial revolution, exit and the failure of internal control system. *Journal of Finance*, 48(3), 831-880.
- Jarrell, G., & Peltzman, S. (1985). The impact of product recalls on the wealth of sellers. *The Journal of Political Economy*, 93(3), 512-536.
- Jensen, M. C. (1986). Agency costs of free cash flow, corporate finance and takeovers. *The American Economic Review*, 76(2), 323-329.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of financial economics*, 3(4), 305-360.
- Johannisson, B., & Huse, M. (2000). Recruiting outside board members in the small family business: an ideological challenge. *Entrepreneurship & Regional Development*, 12(4), 353-378.
- Joher, Ali, Shamsher, Annuar & Ariff. (2000). Auditor switch decision of Malaysian listed firms: Tests of determinants and wealth effect. *Pertanika Journal of Social Sciences & Humanities*, 8(2), 77-90.
- Joher, H., Ali, M., Mohd Ramidili, S., & Md Nassir, A. (2000). Auditor Switch Decision of Malaysian Listed Finns: Tests of Determinants and Wealth Effect. *Pertanika Journal of Social Sciences & Humanities*, 8(2), 77-90.
- John, K., & Senbet, L. W. (1998). Corporate governance and board effectiveness. *Journal of Banking & Finance*, 22(4), 371-403.
- Johnson, J. L., Daily, C. M., & Ellstrand, A. E. (1996). Boards of directors: A review and research agenda. *Journal of Management*, 22(3), 409-438.
- Johnson, S. A., Moorman, T. C., & Sorescu, S. (2009). A re-examination of corporate

- governance and equity prices. *Review of Financial Studies*, 22(11), 4753-4786.
- Johnson, S., Boone, P., Breach, A., & Friedman, E. (2000). Corporate governance in the Asian financial crisis. *Journal of financial Economics*, 58(1), 141-186.
- Judge, W. Q., & Zeithaml, C. P. (1992). Institutional and strategic choice perspectives on board involvement in the strategic decision process. *Academy of management journal*, 35(4), 766-794.
- Juran, J.M., Gryna, F.M., & Bingham, R. (1975). Quality Control Textbook. 3<sup>rd</sup> edition, McGraw-Hill, New York.
- Kaempfer, W. H., & Lowenberg, A. D. (1988). The theory of international economic sanctions: A public choice approach. *The American Economic Review*, 78(4), 786-793.
- Kalbers, L. P., & Fogarty, T. J. (1993). Audit committee effectiveness-an empirical- Investigation of the contribution of power. *Auditing-a Journal of Practice & Theory*, 12(1), 24-49.
- Kane, G. D., & Velury, U. (2004). The role of institutional ownership in the market for auditing services: an empirical investigation. *Journal of Business Research*, 57(9), 976-983.
- Kang, E., & Zardkoohi, A. (2005). Board leadership structure and firm performance. *Corporate Governance: An International Review*, 13(6), 785-799.
- Karamanou, I., & Vafeas, N. (2005). The association between corporate boards, audit committees, and management earnings forecasts: An empirical analysis. *Journal of Accounting research*, 43(3), 453-486.
- Karim, A. K. M., & T. Van Zijl, T. (2008). Role of corporate governance in influencing

- auditor choice in emerging audit services market. Victoria University of Wellington, Working Paper.
- Karpoff, J. M., & Lott Jr, J. R. (1999). On the determinants and importance of punitive damage awards. *JL & Econ.*, 42, 52.
- Karpoff, J. M., Lee, D. S., & Martin, G. S. (2004). *The cost of cooking the books*. Working Paper University of Washington, Texas A & M University.
- Karpoff, J. M., Lee, D. S., & Vondracik, V. P. (1999). Defense procurement fraud, penalties, and contractor influence. *Journal of Political Economy*, 107(4), 809-842.
- Karpoff, J. M., Lott, J. R., & Rankine, G. (1999). *Environmental violations, legal penalties, and reputation costs*. University of Chicago, Law School.
- Keenan, J. (2004). Corporate governance in UK/USA boardrooms. *Corporate governance: an international review*, 12(2), 172-176.
- Kennedy, V. A., & Limmack, R. J. (1996). Takeover activity, CEO turnover, and the market for corporate control. *Journal of Business Finance and Accounting*, 23(2), 267-285.
- Kent, P., & Stewart, J. (2008). Corporate governance and disclosures on the transition to International Financial Reporting Standards. *Accounting and Finance*, 48(4), 649-671.
- Kent, P., Routledge, J., & Stewart, J. (2010). Innate and discretionary accruals quality and corporate governance. *Accounting & Finance*, 50(1), 171-195.
- Kervin, B. (1999). *Methods for business research*. (2nd ed.). New York: HarperCollins.
- Kesner, I. F. (1988). Directors' characteristics and committee membership: An investigation of type, occupation, tenure, and gender. *Academy of Management*

*Journal*, 31(1), 66-84.

- Khanna, T., & Palepu, K. (2000). Is group affiliation profitable in emerging markets? An analysis of diversified Indian business groups. *The Journal of Finance*, 55(2), 867-891.
- Kiel, G. C., & Nicholson, G. J. (2003). Board composition and corporate performance: how the Australian experience informs contrasting theories of corporate governance. *Corporate Governance: An International Review*, 11(3), 189-205.
- Kiger, J.E., & Scheiner, J.H. (1997). *Auditing* (2nd ed.). Boston, MA: Houghton Mifflin Company.
- Kim, B., Jung, K., & Kim, I. J. (2005). Internal funds allocation and the ownership structure: Evidence from Korean business groups. *Review of quantitative finance and accounting*, 25(1), 33-53.
- Kimberly, J. R., & Evanisko, M. J. (1981). Organizational innovation: The influence of individual, organizational, and contextual factors on hospital adoption of technological and administrative innovations. *Academy of management journal*, 24(4), 689-713.
- Klapper, L. F., & Love, I. (2004). Corporate governance, investor protection, and performance in emerging markets. *Journal of Corporate Finance*, 10(5), 703-728.
- Klein, A. (1998). Firm Performance and Board Committee Structure 1. *The Journal of Law and Economics*, 41(1), 275-304.
- Klein, A. (2002). Audit committee, board of director characteristics, and earnings management. *Journal of accounting and economics*, 33(3), 375-400.
- Klein, B., & Leffler, K. B. (1981). The role of market forces in assuring contractual

- performance. *The Journal of Political Economy*, 615-641.
- Klein, P., Shapiro, D., & Young, J. (2005). Corporate governance, family ownership and firm value: The Canadian evidence. *Corporate Governance: An International Review*, 13(6), 769-784.
- Knapp, M. (1991). Factors that audit committee members use as surrogates for audit quality. *Auditing: A Journal of Practice and Theory*, 10(1), 35-52.
- Koontz, H. (1967). *The board of directors and effective management*. New York: McGraw-Hill.
- Kota, H. B., & Tomar, S. (2010). Corporate governance practices in Indian firms. *Journal of Management & Organization*, 16(2), 266-279.
- Kren, L., & Kerr, J. L. (1993). The effect of behavior monitoring and uncertainty in the use of performance contingent compensation. *Accounting and Business Research*, 23(9), 159-168.
- Krishnan, G., & Visvanathan, G. (2009). Do auditors price audit committee's expertise? The case of accounting versus nonaccounting financial experts. *Journal of Accounting, Auditing & Finance*, 24(1), 115-144.
- Krishnan, J. (2005). Audit committee quality and internal control: An empirical analysis. *The accounting review*, 80(2), 649-675.
- Kumar, J. (2004). Does ownership structure influence firm value? Evidence from India. *The Journal of Entrepreneurial Finance and Business Ventures*, 9(2), 61-93.
- Kumar, R., Lamb, W. B., & Wokutch, R. E. (2002). The End of South African Sanctions, Institutional Ownership, and the Stock Price Performance of Boycotted Firms Evidence on the Impact of Social/Ethical Investing. *Business and society*,



41(2), 133-165.

La Porta de Silanes, F., La Porta, R., Shleifer, A., & Vishny, R. (1998). Law and finance. *Journal of Political Economy*, 106(2), 1113-1155.

La Porta, R., Lopez-De-Silanes, F., & Shleifer, A. (1999). Corporate ownership around the world. *The journal of finance*, 54(2), 471-517.

Laing, D., & Weir, C. M. (1999). Governance structures, size and corporate performance in UK firms. *Management Decision*, 37(5), 457-464.

Lang, M. H., Lins, K. V., & Miller, D. P. (2003). ADRs, analysts, and accuracy: Does cross listing in the United States improve a firm's information environment and increase market value? *Journal of Accounting Research*, 41(2), 317-345.

Lang, M. H., Lins, K. V., & Miller, D. P. (2004). Concentrated control, analyst following, and valuation: Do analysts matter most when investors are protected least? *Journal of Accounting Research*, 42(3), 589-623.

Latif, R. A., Kamardin, H., Mohd, K. N. T., & Adam, N. C. (2013). Multiple Directorships, Board Characteristics and Firm Performance in Malaysia. *Management*, 3(2), 105-111.

Lee, H. Y., Mande, V., & Ortman, R. (2004). The effect of audit committee and board of director independence on auditor resignation. *Auditing: A Journal of Practice and Theory*, 23(2), 131-146.

Lee, J. (2006). Family firm performance: Further evidence. *Family Business Review*, 19(2), 103-114.

Leech, D., & Leahy, J. (1991). Ownership structure, control type classifications and the performance of large British companies. *Economic Journal*, 101(409), 1418-1437.

Retrieved May 12, 2008, from Business Source Complete database.

- Lehmann, E., Warning, S., & Weigand, J. (2004). Governance structures, multidimensional efficiency and firm profitability. *Journal of Management & Governance*, 8(3), 279-304.
- Lemmon, L. M., & Lins, K. V. (2003). Corporate structure, corporate governance and firm value: Evidence from the East Asian financial crisis. *Journal of Finance*, 58(A), 1445-1468.
- Lennox, C. (1999a). Are large auditors more accurate than small auditors?. *Accounting and business research*, 29(3), 217-227.
- Lennox, C. S. (1999b). Audit quality and auditor size: An evaluation of reputation and deep pockets hypotheses. *Journal of Business Finance & Accounting*, 26(7-8), 779-805.
- Lennox, C. S., & Park, C. W. (2007). Audit Firm Appointments, Audit Firm Alumni, and Audit Committee Independence. *Contemporary Accounting Research*, 24(1), 235-258.
- Letza, S., Sun, X., & Kirkbride, J. (2004). Shareholding versus stakeholding: a critical review of corporate governance. *Corporate Governance: An International Review*, 12(3), 242-262.
- Levrau, A., & Van den Berghe, L. A. A. (2007). Corporate governance and Board Effectiveness: beyond formalism. *ICFAI Journal of Corporate Governance*, 6(4), 58-85.
- Levy, P. I. (1999). Sanctions on South Africa: What did they do? *The American Economic Review*, 89(2), 415-420.

- Li, M., & Simerly, R. L. (1998). The moderating effect of environmental dynamism on the ownership and performance relationship. *Strategic Management Journal*, 19(2), 169-179.
- Lin, J. W., Li, J. F., & Yang, J. S. (2006). The effect of audit committee performance on earnings quality. *Managerial Auditing Journal*, 21(9), 921-933.
- Linck, J. S., Netter, J. M., & Yang, T. (2009). The effects and unintended consequences of the Sarbanes-Oxley Act on the supply and demand for directors. *Review of Financial Studies*, 22(8), 3287-3328.
- Lipton, M., & Lorsch, J. W. (1992). A modest proposal for improved corporate governance. *The Business Lawyer*, 48, 59-77.
- MacAvoy, P. W., & Millstein, I. M. (1999). The active board of directors and its effect on the performance of the large publicly traded corporation. *Journal of Applied Corporate Finance*, 11(4), 8-20.
- Macdonald Commission (1988). Report of the Commission to Study the Public's Expectations of Audits. Canada, The Canadian Institute of Chartered Accountants.
- Mace, M. (1986). *Directors: Myth and Reality* (Harvard Business School Press, Boston, MA).
- Majlis Ash-Shura. (2014) <http://www.shura.gov.sa/wps/wcm/connect/ShuraEn/internet/Home/>.
- Majlish Ash-Shura. (2013). Is available online at <http://www.shura.gov.sa/wps/wcm/connect/ShuraEn/internet/home/>.
- Majumdar, S. K., & Chhibber, P. (1999). Capital structure and performance: Evidence from a transition economy on an aspect of corporate governance. *Public Choice*,

98(3-4), 287-305.

Mak, Y. T., & Li, Y. (2001). Determinants of corporate ownership and board structure: evidence from Singapore. *Journal of Corporate Finance*, 7(3), 235-256.

Malaysia Securities Commission. (1993). Malaysian code of corporate governance.

Mallin, C. A. (2007). Corporate governance. *Oxford University Press*.

Martin, K. J., & McConnell, J. J. (1991). Corporate performance, corporate takeovers, and management turnover. *The Journal of Finance*, 46(2), 671-687.

Masulis, R. W., Wang, C., & Xie, F. (2007). Corporate governance and acquirer returns. *The Journal of Finance*, 62(4), 1851-1889.

Mat Nor, F., & Sulong, Z. (2007). The interaction effect of ownership structure and board governance on dividends: Evidence from Malaysian listed firms. *Capital market review*, 15(1and2), 73-101.

Maug, E. (1998). Large Shareholders as Monitors: Is There a Trade-Off between Liquidity and Control?. *The Journal of Finance*, 53(1), 65-98.

Maury, B. (2006). Family ownership and firm performance: Empirical evidence from Western European corporations. *Journal of Corporate Finance*, 12(2), 321-341.

McConaughy, D. L., Walker, M. C, Henderson, G. V., & Mishra, C. S. (1998). Founding family controlled firms: Efficiency and value. *Review of Financial Economics*, 7(1), 1-19.

McConnell, J. J., & Servaes, H. (1990). Additional evidence on equity ownership and corporate value. *Journal of Financial economics*, 27(2), 595-612.

McKinsey & Institutional Investors Inc. (2003). McKinsey/KIOD survey on corporate governance January, [www.mckinsey.com/clientservice/organizationleadership/](http://www.mckinsey.com/clientservice/organizationleadership/)

*service/corpgovernance/pdf/cg\_survey.*

- McIntosh, A. R., & Gonzalez-Lima, F. (1994). Structural equation modelling and its application to network analysis in functional brain imaging. *Human Brain Mapping*, 2(1-2), 2-22.
- McMullen, D. A. (1996). Audit committee performance: An investigation of the consequences associated with audit committees. *Auditing-A Journal of Practice & Theory*, 15(1), 87-103.
- McWilliams, A., & Siegel, D. (1997). Event studies in management research: Theoretical and empirical issues. *Academy of management journal*, 40(3), 626-657.
- Menon, K., & Williams, D. D. (1991). Auditor credibility and initial public offerings. *Accounting Review*, 313-332.
- Miller, D. P. (1999). The market reaction to international cross-listings: evidence from Depositary Receipts. *Journal of Financial Economics*, 51, 103-123.
- Millstein, I. M., & MacAvoy, P. W. (1998). The active board of directors and performance of the large publicly traded corporation. *Columbia Law Review*, 98(21), 1283-1322.
- Ming, T. C., & Gee, C. S. (2008). The influence of ownership structure on the corporate performance of Malaysian public listed companies. *ASEAN Economic Bulletin*, 25(2), 195-208.
- Ministry of Commerce (1954). Launching the Saudi Ministry of Commerce: The Royal Decree No. 10/22/5/5703 on 11/07/1373Hijri (1954). The Ministry of Commerce in Saudi Arabia; the Arabic version is available online at, <http://www.mci.gov.sa/AboutMinistry/Pages/default.aspx>.

- Ministry of Commerce and Industry. (2006). Available at: <http://commerce.gov.sa/active/wto.asp>. In 15.12.2006.
- Ministry of Commerce Industry (1965), "The Companies Law (Regulations for Companies): The Royal Decree No. M/6 on 22/3/1385H(1965)." The Ministry of Commerce Industry in Saudi Arabia; the Arabic version is available online at, <http://www.commerce.gov.sa/circular/10-1.asp#2>.
- Ministry of Commerce Industry (2014).<http://www.mci.gov.sa/AboutMinistry/Pages/HistoricalOverview.aspx> & <http://www.mci.gov.sa/AboutMinistry/Pages/MinistryFunctions.aspx>.
- Ministry of Economy and Planning. (2014) Available at: <http://mep.gov.sa/index.jsp>
- Ministry of Finance. (1950). Zakat and Tax Regulations: The Royal Decree No.393 on 6/8/1370(13/5/1951). The Ministry of Finance in Saudi Arabia is available online at <http://www.mof.gov.sa/Arabic/Pages/Home.aspx>.
- Mishra, C. S., Randoy, T., & Jenssen, J. I. (2001). The effect of family influence on firm value and corporate governance. *Journal of International Financial Management and Accounting*, 12(3), 235-259.
- Mitchell, M. L., & Maloney, M. T. (1989). Crisis in the Cockpit-The Role of Market Forces in Promoting Air Travel Safety. *JL & Econ.*, 32, 329.
- Mitton, T. (2002). A cross-firm analysis of the impact of corporate governance on the East Asian financial crisis. *Journal of financial economics*, 64(2), 215-241.
- Monks, R. A. & Minow, N. (2004). Corporate governance *Malden, MA, Blackwell Publishing*.
- Monks, R. A. G. & Nell, M. N. (2008). Corporate governance. *Chichester, UK:Wiley*,

*4th edn.*

- Morck, R., Shleifer, A., & Vishny, R. W. (1988). Management ownership and market valuation: An empirical analysis. *Journal of financial economics*, 20, 293-315.
- Mustapha, M., & Ahmad, A. C. (2011). Agency theory and managerial ownership: evidence from Malaysia. *Managerial Auditing Journal*, 26(5), 419-436.
- Muth, M., & Donaldson, L. (1998). Stewardship theory and board structure: a contingency approach. *Corporate Governance: An International Review*, 6(1), 5-28.
- Myers, J. N., Myers, L. A., & Omer, T. C. (2003). Exploring the term of the auditor-client relationship and the quality of earnings: A case for mandatory auditor rotation?. *The Accounting Review*, 78(3), 779-799.
- Myers, S. C., & Majluf, N. S. (1984). Corporate financing and investment decisions when firms have information that investors do not have. *Journal of Financial Economics*, 13(2), 187-221.
- Naiker, V., & Sharma, D. S. (2009). Former audit partners on the audit committee and internal control deficiencies. *The Accounting Review*, 84(2), 559-587.
- Najid, N.A., & Abdul Rahman, R. (2011). Government ownership and performance of Malaysian government-linked companies. *International Research Journal of Finance and Economics*, 61, 42- 56.
- Ng, T. B. P., & Tan, H. T. (2003). Effects of authoritative guidance availability and audit committee effectiveness on auditors' judgments in an auditor-client negotiation context. *The Accounting Review*, 78(3), 801-818.
- Nicholson, G. J., & Kiel, G. C. (2007). Can Directors Impact Performance? A case-based test of three theories of corporate governance. *Corporate Governance:*

- An International Review*, 15(4), 585-608.
- Nickell, S. J., Nicolitsas, D., & Dryden, N. (1997). What makes firms perform well? *European Economic Review*, 41, 783-796.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd ed.). New York: McGraw-Hill.
- O'Sullivan, M., Percy, M., & Stewart, J. (2008). Australian evidence on corporate governance attributes and their association with forward-looking information in the annual report. *Journal of Management & Governance*, 12(1), 5-35.
- Ocasio, W. (1994). Political dynamics and the circulation of power: CEO succession in US industrial corporations, 1960-1990. *Administrative science quarterly*, 285-312.
- OECD, (1999). Draft OECD principles of corporate governance.
- Omran, M. M., Bolbol, A., & Fatheldin, A. (2008). Corporate governance and firm performance in Arab equity markets: Does ownership concentration matter? *International Review of Law and Economics*, 28(1), 32-45.
- OPEC (2013). Annual Statistical Bulletin. Annual report issued by OPEC. Available at: [http://www.opec.org/opec\\_web/en/](http://www.opec.org/opec_web/en/).
- Ow-Yong, K., & Kooi Guan, C. (2000). Corporate governance codes: A comparison between Malaysia and the UK. *Corporate Governance: An International Review*, 8(2), 125-132.
- Pallant, J. (2001). *SPSS survival manual: A step by step guide to data analysis using SPSS for windows (Version 10)*. Chicago: Allen & Unwin.
- Palmrose, Z. V. (1988). 1987 Competitive Manuscript Co-Winner: An Analysis of Auditor Litigation and Audit Service Quality. *Accounting Review*, LXIII(1), 55-73.



- Patton, A. & Baker, J.C. (1987). Why won't directors rock the boat? *Harvard Business Review*, 65, 10-18.
- Pearce, J. A., & Zahra, S. A. (1992). Board composition from a strategic contingency perspective. *Journal of management studies*, 29(4), 411-438.
- Pearce, J. A., & Zahra, S. A. (1992). Board composition from a strategic contingency perspective. *Journal of management studies*, 29(4), 411-438.
- Peasnell, K. V., Pope, P. F., & Young, S. (2005). Board monitoring and earnings management: do outside directors influence abnormal accruals? *Journal of Business Finance & Accounting*, 32(7-8), 1311-1346.
- Peltzman, S. (1981). Effects of FTC Advertising Regulation, *The. JL & Econ.*, 24, 403.
- Pfeffer, J. (1972). Size and composition of corporate boards of directors: The organization and its environment. *Administrative Science Quarterly*, 18, 218-228.
- Pfeffer, J. (1973). Size, composition, and function of hospital boards of directors: A study of organization-environment linkage. *Administrative Science Quarterly*, 17, 349-364.
- Pfeffer, J. (1983). Organizational demography. In B. Staw & L. Cummings (Eds), *Research in Organizational Behavior*, 5, 329-357. Greenwich, CT: JAI Press.
- Picot, A., & Kaulmann, T. (1989). Comparative performance of government-owned and privately-owned industrial corporations-Empirical results from six countries. *Journal of Institutional and Theoretical Economics (JITE)/Zeitschrift für die gesamte Staatswissenschaft*, 145, 298-316.
- Picou, A., & Rubach, M. J. (2006). Does good governance matter to institutional investors? Evidence from the enactment of corporate governance guidelines.

- Journal of Business Ethics*, 65(1), 55-67.
- Pinkowitz, L., Stulz, R., & Williamson, R. (2006). Does the contribution of corporate cash holdings and dividends to firm value depend on governance? A cross-country analysis. *The Journal of Finance*, 61(6), 2725-2751.
- Ponnu, C. H., & Karthigeyan, R. M. (2010). Board independence and corporate performance: Evidence from Malaysia. *Afr. J. Bus. Manage*, 4(6), 858-868.
- Preffer, J., & Salancik, G. (1978). The external control of organizations: A resource dependence perspective. *The external control of organizations: a resource dependence perspective*.
- Price, R. M. (2011). Management Changes And Performance: The Case Of REITs. *Journal of Business & Economics Research (JBER)*, 9(11), 51-62.
- Provan, K. G. (1980). Board power and organizational effectiveness among human service agencies. *Academy of Management Journal*, 23(2), 221-236.
- Prowse, S. D. (1992). The structure of corporate ownership in Japan. *The Journal of Finance*, 47(3), 1121-1140.
- Pucheta-Martínez, M. C., & De Fuentes, C. (2007). The impact of audit committee characteristics on the enhancement of the quality of financial reporting: An empirical study in the Spanish context. *Corporate Governance: An International Review*, 15(6), 1394-1412.
- Qi, D., Wu, W., & Zhang, H. (2000). Shareholding structure and corporate performance of partially privatized firms: Evidence from listed Chinese companies. *Pacific-Basin Finance Journal*, 8(5), 587-610.
- Raghunandan, K., & Rama, D. V. (2007). Determinants of audit committee diligence.

*Accounting Horizons*, 21(3), 265-279.

Raghunandan, K., Rama, D. V., & Read, W. J. (2001). Audit committee composition, "gray directors," and interaction with internal auditing. *Accounting Horizons*, 15(2), 105-118.

Rainsbury, E. A., Bradbury, M., & Cahan, S. F. (2009). The impact of audit committee quality on financial reporting quality and audit fees. *Journal of Contemporary Accounting & Economics*, 5(1), 20-33.

Rajan, R. G., & Zingales, L. (1998). Which capitalism? Lessons from the east Asian crisis. *Journal of Applied Corporate Finance*, 11(3), 40-48.

Rajan, R. G., & Zingales, L. (2003). The great reversals: the politics of financial development in the twentieth century. *Journal of financial economics*, 69(1), 5-50.

Rajan, R. G., & Zingales, L. (2003). The great reversals: the politics of financial development in the twentieth century. *Journal of financial economics*, 69(1), 5-50.

Ramirez, C. D., & Ling, L. H. (2003). Singapore Inc. versus the private sector: are government-linked companies different? Available at [http://books.google.com.my/books?id=\\_d5HRKVwSJQC&pg=PT2&lpg=PT2&dq=Ramirez+and+Ling,+2003&source=bl&ots=qPIsU40tuT&sig=b0T9NjmRHf1AUeAHOcODt6-Qiw&hl=en&sa=X&ei=-en0Uc2iDom0rAflloHYCQ&redir\\_esc=y#v=onepage&q=Ramirez%20and%20Ling%2C%202003&f=false](http://books.google.com.my/books?id=_d5HRKVwSJQC&pg=PT2&lpg=PT2&dq=Ramirez+and+Ling,+2003&source=bl&ots=qPIsU40tuT&sig=b0T9NjmRHf1AUeAHOcODt6-Qiw&hl=en&sa=X&ei=-en0Uc2iDom0rAflloHYCQ&redir_esc=y#v=onepage&q=Ramirez%20and%20Ling%2C%202003&f=false).

Ramirez, C. D., & Tan, L. H. (2004). Singapore Inc. versus the private sector: are government-linked companies different? *IMF Staff Papers*, 510-528.

Rashid, A., De Zoysa, A., Lodh, S., & Rudkin, K. (2010). Board composition and firm performance: evidence from Bangladesh. *Australasian Accounting Business and*

- Finance Journal*, 4(1), 76-95.
- Rauch, A., Wiklund, J., Lumpkin, G. T., & Frese, M. (2009). Entrepreneurial orientation and business performance: An assessment of past research and suggestions for the future. *Entrepreneurship Theory and Practice*, 33(3), 761-787.
- Rechner, P. L., & Dalton, D. R. (1991). CEO duality and organizational performance: A longitudinal analysis. *Strategic Management Journal*, 12(2), 155-160.
- Richard, O. C. (2000). Racial diversity, business strategy, and firm performance: A resource-based view. *Academy of management journal*, 43(2), 164-177.
- Richard, O. C., Kirby, S. L., & Chadwick, K. (2013). The impact of racial and gender diversity in management on financial performance: how participative strategy making features can unleash a diversity advantage. *The International Journal of Human Resource Management*, (ahead-of-print), 24(23), 1-12.
- Richardson, R. J. (1987). Directorship interlocks and corporate profitability. *Administrative Science Quarterly*, 367-386.
- Rickard, P. (1993). Audit committees - the next generation, *Australian Accountant*, 63(10), 35-38.
- Roberts, J., McNulty, T., & Stiles, P. (2005). Beyond agency conceptions of the work of the non-executive director: Creating accountability in the boardroom. *British Journal of Management*, 16(s1), S5-S26.
- Roosenboom, P., & Van Dijk, M. A. (2009). The market reaction to cross-listings: Does the destination market matter? *Journal of Banking and Finance*, 33(10), 1898-1908.
- Rosenstein, S., & Wyatt, J. G. (1997). Inside directors, board effectiveness, and shareholder wealth. *Journal of Financial Economics*, 44(2), 229-250.

- Ross, S., Westerfield, R., & Jeffrey, J. (2002). *Corporate finance*. NY: McGraw-Hill.
- Rouf, M. A. (2011). The relationship between corporate governance and value of the firm in developing countries: Evidence from Bangladesh. *The International Journal of Applied Economics and Finance*, 5(3), 237-244.
- Ruigrok, W., Peck, S., Tacheva, S., Greve, P., & Hu, Y. (2006). The Determinants and Effects of Board Nomination Committees. *Journal of Management and Governance*, 10(2), 119-148.
- Sabri, H. M. (1995). Cultures and structures: The structure of work organisations across different cultures: Britain, Japan, Sweden, Poland & Jordan: A comparative Approach. Proceedings of the Third Arab Management Conference. University of Bradford, UK.
- Saidi, N. (2011). Corporate governance in the GCC: What has been done and what remains. *Qatar Business Review*, 11-13.
- Saidi, N. A. H. (2004). Corporate governance in MENA countries: improving transparency and disclosure: the second Middle East and North Africa Regional Corporate governance Forum, Beirut, June 3-5, 2004. Lebanese Transparency Association.
- Saleh, N. M., Iskandar, T. M., & Rahmat, M. M. (2007). Audit committee characteristics and earnings management: evidence from Malaysia. *Asian Review of Accounting*, 15(2), 147-163.
- Salinger, M. A. (1984). Tobin's q, unionization, and the concentration-profits relationship. *The Rand Journal of Economics*, 15(2), 159-170.
- SAMA, the Saudi Arabian Monetary Agency. (2006) *The Saudi Economy 2005*

performance, 2006 Forecast, Samba Financial Group ([www.samba.com.sa](http://www.samba.com.sa)).

SAMA, the Saudi Arabian Monetary Agency. (2009) The Saudi Economy 2008 performance, 2006 Forecast, Samba Financial Group ( [www.samba.com.sa](http://www.samba.com.sa)).

SAMA, the Saudi Arabian Monetary Agency. (2010) The Saudi Economy 2009 performance, 2007 Forecast, Samba Financial Group ([www.samba.com.sa](http://www.samba.com.sa)).

SAMA, the Saudi Arabian Monetary Agency. (2013) The Saudi Economy 2012 performance, 2006 Forecast, Samba Financial Group ([www.samba.com.sa](http://www.samba.com.sa)).

Samba. (2009). The Saudi stock market: structural issues, recent performance and outlook Report Series.

Sarbanes, P. (2002, July). Sarbanes- Oxley act of 2002. Washington, DC: US Congress.

Sarkissian, S., & Schill, M. J. (2009). Are there permanent valuation gains to overseas listing?. *Review of Financial Studies*, 22(1), 371-412.

Saudi Accountancy Journal. (2008). SOCPA. No.58. (January) Available at: <http://www.tadawul.com.sa/>.

Saudi Organization for Certified Public Accountants. (2004). *Audit committee, new rules organizing audit committee work in Saudi Arabia*. Available at <http://www.socpa.org.sa/autohtml.php?op=modload&name=moraj.htm&file=index>

Saudi Organization for Certified Public Accounting, (SOCAP). (2014a). is available online at <http://www.socpa.org.sa/Home/Special-Pages/Did-you-know>.

Saudi Organization for Certified Public Accounting, (SOCAP). (2014b). The Commission Arabia project of Certified Public Accountants to shift to standards Accounting and International Standards on Auditing. is available online at [http://www.socpa.org.sa/Home/Special-Pages/Did-you-know/international\\_](http://www.socpa.org.sa/Home/Special-Pages/Did-you-know/international_)

standard.

Saudi Stock Market (Tadawul). (2014) is available online at [http://www.tadawul.com.sa/wps/portal/!ut/p/c1/04\\_SB8K8xLLM9MSSzPy8xBz9CP0os3g\\_A-ewIE8TIwP3g\\_DBTA08Tn2Cj4AAvY\\_dQA\\_3gxCL9gmxHRQB0Zc\\_U/](http://www.tadawul.com.sa/wps/portal/!ut/p/c1/04_SB8K8xLLM9MSSzPy8xBz9CP0os3g_A-ewIE8TIwP3g_DBTA08Tn2Cj4AAvY_dQA_3gxCL9gmxHRQB0Zc_U/).

Securities Exchange Act. of (1934) [As Amended Through P.L. 111-257, Approved October 5, 2010].

Securities and Exchange Commission (SEC). 2002b. *Proposed Rule: Disclosure Required by Sections 404, 406 and 407 of the Sarbanes-Oxley Act of 2002*. October 22. Washington, D.C.: Government Printing Office.

Securities Commission Act (1993).

Shafie, R., Hussin, W. N. W., Yusof, M. A. M., & Hussain, M. H. M. (2009). Audit firm tenure and auditor reporting quality: Evidence in Malaysia. *International Business Research*, 2(2), 99.

Sharif, A. (2006). Gulf suffers from poor corporate governance. *Gulfnews.com*. Retrieved October 14, 2006, is available online at <http://archive.gulfnews.com/business/General/10071914.html>.

Sharma, V. D. (2004). Board of director characteristics, institutional ownership, and fraud: Evidence from Australia. *Auditing: A Journal of Practice and Theory*, 23(2), 105-117.

Sharma, V., Naiker, V., & Lee, B. (2009). Determinants of audit committee meeting frequency: evidence from a voluntary governance system. *Accounting Horizons*, 23(3), 245-263.

Shen, C. H., & Chih, H. L. (2007). Earnings management and corporate governance in

- Asia's emerging markets. *Corporate Governance: An International Review*, 15(5), 999-1021.
- Shleifer, A., & Vishny, R. W. (1986). Large shareholders and corporate control. *The Journal of Political Economy*, LII(2), 461-488.
- Shleifer, A., & Vishny, R. W. (1993). *Corruption* (No. w4372). National Bureau of Economic Research.
- Shleifer, A., & Vishny, R. W. (1994). Politicians and firms. *The Quarterly Journal of Economics*, 109(4), 995-1025.
- Shleifer, A., & Vishny, R. W. (1997). A survey of corporate governance. *The journal of finance*, 52(2), 737-783.
- Shyu, Y. W., & Lee, C. I. (2009). Excess Control Rights and Debt Maturity Structure in Family-Controlled Firms. *Corporate Governance: An International Review*, 17(5), 611-628.
- Siems, M. M. (2008). Shareholder protection around the world (Leximetric II). *Del. J. Corp. L.*, 33, 111.
- Singapore, Inc. Versus the Private Sector: Are Government-Linked Companies Different?
- Smith, C. W. (1992). Economics and ethics: the case of Salomon Brothers. *Journal of Applied Corporate Finance*, 5(2), 23-28.
- Smith, R. (2003). Audit Committees Combined Code Guidance. *London: Financial Reporting Council*.
- Soliman, M. M. (2013). Ownership concentration and firm financial performance evidence from Saudi Arabia. *Electronic copy available at: <http://ssrn.com/>*



*abstract=2257832.*

- Solomon, I., Shields, M. D., & Whittington, O. R. (1999). What do industry-specialist auditors know? *Journal of Accounting Research*, 37(1), 191-208.
- Solomon, J. (2011). Corporate governance and accountability. Wiley. com.
- Solomon, J. and Solomon, A. (2004). Corporate governance and accountability. *John Wiley & Sons Ltd*, West Sussex.
- Spencer, A. C. (1983). On the edge of the organisation: The role of the outside director. *New Jersey: John Wiley*.
- Srivastava, A., & Lee, H. (2008). Firm performance and top management team age, tenure and education: A research synthesis. *International Journal of Business Research*, 8(2), 160-170.
- Stearns, L. B. & Mizruchi, M. S. (1993). Board composition and corporate financing: the impact of financial institution representation on borrowing. *Academy of Management Journal*, 36, 603- 618.
- Sternberg, E. (1997). The defects of stakeholder theory. *Corporate Governance: An International Review*, 5(1), 3-10.
- Stewart, J., & Munro, L. (2007). The impact of audit committee existence and audit committee meeting frequency on the external audit: Perceptions of Australian auditors. *International Journal of Auditing*, 11(1), 51-69.
- Stinchcombe, A.L. (1965). Social structure and organizations. In J.G. March (Ed.), *Handbook of organizations*. Chicago, IL: Rand McNally,142-193.
- Stock, J. H., & Watson, M. W. (2007). *Introduction to econometrics* (2<sup>nd</sup> ed.). Singapore: Pearson.

- Stulz, R. M. (1999). Globalization, corporate finance, and the cost of capital. *Journal of Applied Corporate Finance*, 12(3), 8-25.
- Sun, Q., & Tong, W. H. (2003). China share issue privatization: the extent of its success. *Journal of financial economics*, 70(2), 183-222.
- Sun, Q., Tong, W. H., & Tong, J. (2002). How does government ownership affect firm performance? Evidence from China's privatization experience. *Journal of Business Finance & Accounting*, 29(1-2), 1-27.
- Switzer, L. N., & Huang, Y. (2007). How does human capital affect the performance of small and mid-cap mutual funds? *Journal of Intellectual Capital*, 8(4), 666-681.
- Tam, O. K., & Tan, M. G. S. (2007). Ownership, governance and firm performance in Malaysia. *Corporate Governance: An International Review*, 15(2), 208-222.
- Tannous, G. F., & Cheng, B. (2007). Canadian takeover announcements and the job security of top managers. *Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de l'Administration*, 24(4), 250-267.
- Tawfik, M. S. (1990). An empirical investigation of homogeneity of information needs for diverse users of financial statements: an application of data expansion approach to enhance the Saudi Arabian disclosure standard-setting. *Journal of King Abdulaziz University: Economics and Administration*, 3.
- Teoh, H.Y., & Lim, C.C. (1996). An empirical study of the effects of audit committees, disclosure of nonaudit fees and other issues on audit independence: Malaysian evidence. *Journal of International Accounting, Auditing and Taxation*, 5 (2), 231-248.
- The combined code on corporate governance (2003).

- The Institute for Corporate Governance. (2009, January-February). *Hawkamah Newsletter, Special Hawkamah 2008 conference edition*. Retrieved October 15, 2009, from the Institute for Corporate Governance (Hawkamah) at <http://www.hawkamah.org/base/newsletter/files/09.pd>.
- The National Investor. (2008). *Power matters: A survey of GCC boards*. A study conducted by The National Investor in association with The Institute for Corporate Governance and Institute of Directors.
- Thomas, D. A. (1993). The dynamics of managing racial diversity in developmental relationships. *Administrative Science Quarterly*, 38,169-194.
- Thomsen, S., & Pedersen, T. (2000). Ownership structure and economic performance in the largest European companies. *Strategic Management Journal*, 21(6), 689-705.
- Tirole, J. (2001). Corporate governance *Econometric*, 69(1), 1-35.
- Tosi Jr, H. L., & Gomez-Mejia, L. R. (1989). The decoupling of CEO pay and performance: An agency theory perspective. *Administrative Science Quarterly*, 169-189.
- Treadway Commission. (1987). Report of the national commission on fraudulent financial reporting.
- Tricker, B. (2009). Corporate governance: principles, policies and practices *Oxford University Press Inc., New York*.
- Turnbull Committee (1999). Internal control: guidance for directors on the combined code *Institute of Chartered Accountants in England and Wales, London*.
- Turnbull, S. (1997). Corporate governance: its scope, concerns and theories. *Corporate Governance: An International Review*, 5(4), 180-205.

- Uadiale, O. M. (2010). The impact of board structure on corporate financial performance in Nigeria. *International Journal of Business and Management*, 5(10), 155.
- United States General Accounting Office. (2003). " The study of government auditing standards.
- Uzun, H., Szewczyk, S. H., & Varma, R. (2004). Board composition and corporate fraud. *Financial Analysts Journal*, 60(3), 33-43.
- Vafeas, N. (1999). Board meeting frequency and firm performance. *Journal of Financial Economics*, 53(1), 113-142.
- Vafeas, N. (2003). Length of board tenure and outside director independence. *Journal of Business Finance & Accounting*, 30(7-8), 1043-1064.
- Valenti, M. A., Luce, R., & Mayfield, C. (2011). The effects of firm performance on corporate governance. *Management Research Review*, 34(3), 266-283.
- Vicknair, D., Hickman, K., & Carnes, K. C. (1993). A note on audit committee independence: evidence from the NYSE on "grey" area directors. *Accounting Horizons*, 7(1), 53-57.
- Villalonga, B., & Amit, R. (2006). How do family ownership, control and management affect firm value? *Journal of Financial Economics*, 80(2), 385-417.
- Vinten, G. (1998). Corporate governance: an international state of the art. *Managerial Auditing Journal*, 13(7), 419-431.
- Vintilal, G. & Gherghina S. C. (2012). An empirical examination of the relationship between corporate governance ratings and Listed Companies' Performance. *International Journal of Business and Management*, 7(22), 46-61.
- Wagner III, J. A., Stimpert, J. L., & Fubara, E. I. (1998). Board composition and

- organizational performance: Two studies of insider/outsider effects. *Journal of Management Studies*, 35(5), 655-677.
- Wang, Q., Wong, T. J., & Xia, L. (2008). State ownership, the institutional environment, and auditor choice: Evidence from China. *Journal of Accounting and Economics*, 46(1), 112-134.
- Ward, A. J., Brown, J. A., & Rodriguez, D. (2009). Governance bundles, firm performance, and the substitutability and complementarity of governance mechanisms. *Corporate Governance: An International Review*, 17(5), 646-660.
- Ward, J., & Mendoza, D. (1996). Work in the family business. *Current Research Occupations and Professions*, 9, 167-188.
- Warner, J. B., Watts, R. L., & Wruck, K. H. (1988). Stock prices and top management changes. *Journal of financial Economics*, 20, 461-492.
- Watts, R. L., & Zimmerman, J. L. (1983). Agency problems, auditing, and the theory of the firm: Some evidence. *Journal of law and Economics*, 26(3), 613-633.
- Wei, G. (2007). Ownership structure, corporate governance and company performance in China. *Asia Pacific business review*, 13(4), 519-545.
- Weir, C., Laing, D., & McKnight, P. J. (2002). Internal and external governance mechanisms: their impact on the performance of large UK public companies. *Journal of Business Finance & Accounting*, 29(5-6), 579-611.
- Weisbach, M. S. (1988). Outside directors and CEO turnover. *Journal of financial Economics*, 20, 431-460.
- Wiersema, M. F., & Bantel, K. A. (1992). Top management team demography and corporate strategic change. *The Academy of Management Journal*, 35(1), 91-121.

- Wild, J. J. (1996). The audit committee and earnings quality. *Journal of Accounting, Auditing & Finance*, 11(2), 247-276.
- Wiwattanakantang, Y. (2001) Controlling shareholders and corporate value: Evidence from Thailand. *Pacific-Basin Finance Journal*, 9(A), 323-362.
- Wolnizer, P. W. (1995). Are audit committees red herrings? *Abacus*, 31(1), 45-66.
- Wong, K. A., & Yek, T. C. (1991). Shareholdings of board of directors and corporate performance: evidence from Singapore. *Pacific-Basin Capital Markets Research*, 2, 211-225.
- Xie, B., Davidson, W. N., & DaDalt, P. J. (2003). Earnings management and corporate governance: the role of the board and the audit committee. *Journal of corporate finance*, 9(3), 295-316.
- Xu, X., & Wang, Y. (1999). Ownership structure and corporate governance in Chinese stock companies. *China economic review*, 10(1), 75-98.
- Yammeesri, J., & Herath, S. K. (2010). Board characteristics and corporate value: evidence from Thailand. *Corporate Governance*, 10(3), 279-292.
- Yatim, P., Kent, P., & Clarkson, P. (2006). Governance structures, ethnicity, and audit fees of Malaysian listed firms. *Managerial Auditing Journal*, 21(7), 757-782.
- Yermack, D. (1996). Higher market valuation of companies with a small board of directors. *Journal of financial economics*, 40(2), 185-211.
- Yin Sam, C. (2007). Corporate governance reforms in the post-1997 Asian crisis: is there really a convergence to the Anglo-American Model?. *Global Economic Review*, 36(3), 267-285.
- Young, B. (2003). Corporate governance and firm performance: Is there a relationship?

- Ivery Business Journal*, 86(1), 1-5.
- Zahra, S. A., & Pearce, J. A. (1989). Board composition from a strategic contingency perspective. *Journal of Management Studies*, 29(4), 411-438.
- Zainal Abidin, Z., Mustaffa Kamal, N. & Jusoff, K. (2009). Board structure and corporate performance in Malaysia. *International Journal of Economics and Finance*, 1(1), P150.
- Zajac, E. J., & Westphal, J. D. (1996). Director reputation, CEO/board power, and the dynamics of board interlocks. *In Academy of Management Proceedings*, 1, 254-258.
- Zawya. (2013). Royal Investments. Available at <http://www.zawya.com/story/ZAWYA20110307052017/>.
- Zeitun, R., & Tian, G. G. (2007). Capital structure and corporate performance: evidence from Jordan. *Australasian Accounting Business and Finance Journal*, 1(4), 3-27.
- Zhong, K., Gribbin, D. W., & Zheng, X. (2007). The effect of monitoring by outside blockholders on earnings management. *Quarterly Journal of Business and Economics*, 37-60.
- Zikmund, W. G., Carr, J. C., & Griffin, M. (2012). *Business research methods*. CengageBrain. Com.