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Globalizing the Boardroom among Family-Controlled Companies on Bursa Malaysia: The effects of corporate governance on firm performance

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Abstract

This paper aimed to determine the research gap between corporate governance and its effects on firm performance among family-controlled listed companies on Bursa Malaysia with a globalized boardroom after implementing MCGG 2012. The study focused on family-controlled companies listed on Bursa Malaysia from 2013 to 2018. The sample size includes 240 firm-year observations. Panel data analysis (fixed and random effect) model and Hausman tests were used. Results from panel data analysis (Eviews) found no significant effects between corporate governance and firm performance of family-controlled companies listed on Bursa Malaysia with a globalized boardroom.

Keywords: Corporate Governance; Firm Performance; Family-Controlled Companies; Globalized Boardroom

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1.0 Introduction

Family-controlled companies played a significant role in Asian countries. Research by Doucet and Requejo (2022) revealed that a significant percentage of listed companies in East Asia's countries, especially Malaysia, are governed by a family-based board of directors (BODs).

The board of directors becomes a vital element in a firm's corporate governance (CG) system. The board served two functions: the monitoring and advisory roles (Jaturat et al., 2021). Board diversity (e.g., gender diversity, nationality diversity) has been a commonly examined characteristic on boards because it was believed that the board quality could be improved with distinct members from dominant members in the group. Mnzava (2022), the researcher recommended that foreign directors bring both benefits and costs to firms. They further argued that foreign directors' global perspective and foreign expertise were valuable additions to boards, but a higher cost is needed.

Most previous research studied the CG of family-controlled companies (Alhebri et al., 2021; Amin et al., 2022; Poletti-Hughes & Martínez Garcia, 2022). There was insufficient research that studied on impact of CG among family-controlled companies with a globalized boardroom. Only a few research studies the impact of CG in a globalized boardroom, but not among family-controlled companies (Adams & Baker, 2021; Huo et al., 2021). Although the studies on CG have recently increased, there is still a lack of research that determines the mechanisms of CG affect family-controlled companies in Bursa Malaysia. The CG impact on firm performance was being studied in most of the existing empirical literature. However, there were inconsistent results as different studies yielded mixed results (Alodat et al., 2021a;

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Farooq et al., 2022; Mendoza-Velázquez et al., 2022). These resulted in a vast gap between the significance and insignificance impacts of CG on firm performance.

This research could contribute to both theoretical knowledge and development practices for the stakeholders, policymakers, and academia. Good CG practices can help draw in new investors and capital as it would create a positive relationship between a company and its wider business environment.

2.0 Literature Review

2.1 Family-Controlled Companies

According to (Parra et al. 2021), family firms refer to small businesses held by a family and large multinational firms. They were publicly traded companies directly controlled by one or more families or by an individual who has publicly uncovered his objective to pass the stick to one of his relatives. Studies that were done by Widagdo et al. (2021) stated that family-controlled firms were the firms where families hold shares according to a particular amount of equity while the family members appear on the board.

2.2 Globalized Boardroom

According to Machado and Sonza (2021), the Board of Directors (BOD) was referred to as a collection of individuals with diverse competencies and capabilities being gathered together to perform monitoring and advisory functions in a company. Diversified boards appeared to be an essential governance issue. The benefit of Foreign Independent Directors (FIDs) was that they could deliver valuable international knowledge and information to companies. FID usually has first-hand knowledge of foreign markets, which was the critical element in aiding the company in developing a network with foreign contacts. However, Ahmed and Iwasaki (2021), claimed that FID tends to be less effective in management compared to the local directors.

2.3 Corporate Governance in Malaysia

According to (Khatib et al., 2022), CG deals with the relationship between management, BODs, shareholders, and stakeholders, but it also deals with how the companies are being managed and controlled. CG is influential in shaping up and making the firm more competitive globally. Due to the Asian Financial Crisis from 1997 to 1998, the development of CG was influenced by most Southeast Asian countries, including Malaysia. Thus, remedial actions such as the introduction of MCCG have been taken since most countries have started to realize the importance of CG (Bakri et al., 2021). The Malaysian Code of Corporate Governance (MCCG) was introduced in 2000. This has become an essential tool to reform CG and brought positive impacts to the CG practices of companies (MCCG, 2017). MCCG applies to all the listed companies in Malaysia. Some practices are only applicable to large companies on the FTSE Bursa Malaysia Top 100 Index or those with a market capitalization of RM2 billion or above. Since MCCG is targeted at listed companies, the non-listed entities are encouraged to adopt these guidelines to improve their responsibility, transparency, and sustainability.

2.4 Dependent Variables

2.4.1 Return on Assets (ROA)

According to Kyere and Ausloos (2021), ROA was calculated as net income divided by total assets and as an indicator of short-term performance. The rate of return on a firm's assets can reflect the efficiency of the usage of a firm's assets. Some studies have shown that board characteristics have a significant positive impact on ROA (Guluma, 2021a; Kyere & Ausloos, 2021). However, some studies concluded no impact between CG and ROA (Bakay Ergene & Karadeniz, 2021).

2.4.2 Return on Equity (ROE)

According to Alodat et al. (2021), ROE was referred to as the amount of net income that was returned as a percentage of shareholders' equity. ROE was also considered to be one of the measures to determine the effectiveness of the management of a firm using its firm's assets to make a profit. Several studies have used ROE to measure the firms' performance (Alodat et al., 2021; Alshirah et al., 2022; Bawazir et al., 2021). Some of the previous research found mixed results when analyzing the CG mechanisms with firm performance. Alshirah et al. (2022) concluded that ROE had a positive insignificant relationship with women directors; a negative significant relationship with board size.

2.4.3 Tobin's Q

Tobin's Q refers to the total market value of the company added with liabilities divided by total book value with liabilities. The previous studies showed mixed results when analyzing the CG mechanisms with firm performance. A study by Kyere and Ausloos (2021) on the governance and financial data of 252 firms listed on the London Stock Exchange has found no impact between the frequency of audit committee meetings and firms' Tobin's Q value. This was then supported by the findings of another study by Carvalho et al. (2021), who

also stated that CG has no impact on Tobin's Q. However, some research concluded a significant relationship between CG and Tobin's Q (Hossain, 2022; Neves et al., 2022).

2.5 Independent Variables

2.5.1 Board Size (BS)

Based on Lipton and Lorsh's (1992) study, they have suggested that an effective board should be small and only comprised of a maximum of eight members. An oversized board will cause difficulties in expressing ideas and opinions, controlling and functioning. Some research resulted that when BS grows, the value of the firm declines as there is a negative relationship between BS and firm performance (Alabdullah et al., 2021; Waheed & Malik, 2021). According to (Ngatno et al., 2021), there was no effect on firm performance when the BS was at six or fewer members, but an adverse effect was seen when there were more than six members on the board. Research by Khatib et al. (2022) found a significant relationship between BS and firm performance. Nevertheless, Read (2021) also found a significant and positive affiliation between BS and firm performance with the ROE and ROA. A large board was also proved to perform better than a smaller board. Based on the past studies, it was hypothesized that:

H1A: BS has a significant effect on firm performance (ROA).

H1B: BS has a significant effect on firm performance (ROE).

H1C: BS has a significant effect on firm performance (Tobin's Q).

2.5.2 Number of Independent Directors (NOID)

Independent refers to a director who can act independently in management and has no conflict of interest (Tuo et al., 2021). Hence, independent directors are always expected to practice fair and independent judgment in shareholders' interests. Firms that have their board independent tend to face lesser financial pressure. Family owners view independent directors as a source of expertise instead of monitoring. Family owners were the ones who appointed the independent directors; thus, the independent directors would like to lend support to the board at times, which then renders the effectiveness of internal governance (Guluma, 2021). Research by Tuo et al. (2021) showed that a board with more outside directors increased board independence and positively affected the firm performance.

Moreover, some studies reported a direct relationship between board independence and business performance (Fariha et al., 2022; Read, 2021). On the contrary, it was argued by Li and Rainville (2021) that no evidence supporting higher board independence could increase firm performance. Besides, some studies concluded no relationship between NOID and financial performance (Guluma, 2021). Based on the past studies, it was hypothesized that:

H2A: NOID has a significant effect on firm performance (ROA).

H2B: NOID has a significant effect on firm performance (ROE).

H2C: NOID has a significant effect on firm performance (Tobin's Q).

2.5.3 CEO Duality (CEOD)

CEO duality (CEOD) refers to the board leadership structure where the Chief Executive Officer (CEO) and chairman are entrusted to one person. A CEO is responsible for planning and implementing strategic plans. However, Khan et al. (2021) stated that CEO duality could be perceived as compromising the board's independence as one possesses a massive amount of power and authority. According to Musah and Adutwumwaa (2021), CEO duality will lead to biased decisions and cause one to monopolize. Imbalanced power will be created within the firm, resulting in ineffective and highly biased decisions. A study by Khan et al. (2021) has concluded that companies with independent chairman positively affect companies' performance. According to Hsu et al. (2021), CEO duality was found to affect the firm performance of ROA negatively significantly. However, there were some inconsistent results where another study found that CEO duality does not affect a company's profitability (Musah & Adutwumwaa, 2021). Research by Law and Ningnan (2022) on Chinese firms found that CEO duality has a non-significant effect on the relationship with firm performance.

Based on the past studies, it was hypothesized that:

H3A: CEOD has a significant effect on firm performance (ROA).

H3B: CEOD has a significant effect on firm performance (ROE).

H3C: CEOD has a significant effect on firm performance (Tobin's Q).

2.5.4 Number of Women Directors (NOWD)

According to Sattar et al. (2021), the number of women directors is referred to as the proportion of people on board who are women. Gender diversity on board has become a popular topic of CG lately. According to Arora (2021), women directors could share distinct values, norms and understanding besides having valuable skills and knowledge. Thus, women directors can improve decision-making. Saleh et al. (2021) also claimed that women directors with unique qualities such as open-mindedness and sympathy are essential in solving problems in meetings. According to Sattar et al. (2021), they concluded a significant effect between gender diversity and firm

performance. Besides, a positive and significant association between NOWD and firm performance was also shown (Arora, 2021). However, Saleh et al. (2021) found that women directors do not have a strong relationship with the firm's financial performance.

Based on the past studies, it was hypothesized that:

H4A: NOWD has a significant effect on firm performance (ROA).

H4B: NOWD has a significant effect on firm performance (ROE).

H4C: NOWD has a significant effect on firm performance (Tobin's Q).

2.5.5 Number of Foreign Directors (NOFD)

According to Oh et al. (2021), the profiles of all the directors in a company's annual report will be read to determine whether the person is a foreign or local citizen. Thus, the number of foreign directors is being measured manually. Research by Bekiaris (2021) stated that foreign directors could lead to less effective monitors. Foreign directors may also be less effective on corporate boards due to their physical, cultural, and language differences (Ali et al., 2021). On the other hand, foreign directors possess the foreign experience to improve firm performance (Ali et al., 2021). All the empirical results on the impact of foreign directors' appointments on a firm's performance were inconsistent. Alodat et al. (2021) conducted a cross-country study and concluded that the impact of foreign directors on firm performance is positive. Another study by Oh et al. (2021) showed a positive impact of foreign directors' presence on the firm's performance. Study Bekiaris (2021) of have shown that the presence of foreign directors that have negatively influenced the firms' performance. However, Adegboyegun and Igbekoyi (2022) proved that foreign directors lead to poor firm performance.

Based on the past studies, it was hypothesized that:

H5A: NOFD has a significant effect on firm performance (ROA).

H5B: NOFD has a significant effect on firm performance (ROE).

H5C: NOFD has a significant effect on firm performance (Tobin's Q).

2.5.6 Number of Directors with Foreign Qualifications (NODFQ)

Every organization has a BOD, a group of people who oversee a firm and represent shareholders. According to Machado and Sonza (2021), the subject of the personal profile needs to be focused on since the performance benefits from career specifics are not strictly associated with demographics (i.e., females or foreigners). Ananda et al. (2021) stated that the factor of the place of education (domestic or abroad) might show more significance than the demographic attributes when explaining firm performance. Research by Machado and Sonza (2021) found that the higher the NODFQ, the lower their FP. Another study by Ananda et al. (2021) also found that NODFQ has no impact on FP.

Based on the past studies, it was hypothesized that:

H6A: NODFQ has a significant effect on firm performance (ROA).

H6B: NODFQ has a significant effect on firm performance (ROE).

H6C: NODFQ has a significant effect on firm performance (Tobin's Q).

2.5.7 Audit Committee Size (ACS)

An audit committee is a sub-committee of the board of directors. ACS refers to the number of directors serving on the board of audit (Marei, 2021). According to Fariha et al. (2022), the number of audit committee members is not encouraged to be too high to prevent dispersion of responsibility. Similarly, audit committees must be at least three members in Malaysia (Malaysia Bursa Securities Limited, 2014). Research by Mieseigha and Adeyemi (2021) concluded a positive relationship between ACS and firm performance. According to Bendigeri and Hyderabad (2021), the results showed that ACS and firm performance are negatively and significantly related to the availability of broader knowledge and broader authority. However, Fariha et al. (2022) found that ACS showed a negative relationship with Tobin's Q. Al-ahdal and Hashim (2022) could not provide any relationship between the size of ACS and firm performance.

Based on the past studies, it was hypothesized that:

H7A: ACS has a significant effect on firm performance (ROA).

H7B: ACS has a significant effect on firm performance (ROE).

H7C: ACS has a significant effect on firm performance (Tobin's Q).

3.0 Methodology

3.1 Research Design and Data Collection Method

This study aimed to determine if CG has any effect on firm performance among family-controlled companies in Bursa Malaysia from the year 2013 to 2018. A quantitative research method is used in this research. All the data involved in this study was secondary data obtained from the annual reports of family-controlled companies on Bursa Malaysia from 2013 to 2018 from respective companies' websites and Bloomberg. In order to run the panel data analysis, complete data for the six years was required. Data used to calculate ROA, ROE and Tobin's Q was extracted from the financial statements in the annual reports and Bloomberg.

3.2 Sampling Frame

The sampling frame in this research referred to the complete list of family-controlled companies listed on Bursa Malaysia, which was obtained from the book — Family Controlled Companies in Bursa Malaysia by Tan (2016).

3.3 Sampling Size

Cross-sectional yearly data were used in the panel data analysis, resulting in 240 firms for the yearly observations. For the Multiple Linear Regression analysis, the sample size included was 40 family-controlled firms.

Table 1. The Number of Firms in Yearly Observations for 6 years

Firm Yearly Observations	Number of Firms
2013-2018	240

Table 2. The Sample Size for 6-Years Period

Year	2013	2014	2015	2016	2017	2018
Sample Size	40	40	40	40	40	40

3.4 Research Instruments

The data was obtained from financial statements and annual reports from 2013 to 2018. All annual reports were downloaded to gather all the figures and data for IVs. All variables were then transferred into EViews version 8 to perform panel data analysis. Statistical Package for Social Science (SPSS) Version 21 was also used to analyze the descriptive analysis.

3.5 Data Analysis

Descriptive analysis was applied in this research. In order to describe the minimum, maximum, means and standard deviations for DVs and IVs, a descriptive table was used. According to Mishra et al. (2021), panel regression techniques were way superior to classical regression techniques considering both the time dimension and cross-sectional dimension. According to Din et al. (2021), the panel data regression model was made up of Pooled Ordinary Least Square (OLS), Fixed Effects Model (FEM) and Random Effects Model (REM). However, only FEM and REM were used. The Hausman test has to be conducted when deciding on which effects model to be used. The idea of the Hausman test was that when the probability value (P-value) was more significant than 0.05, the REM was used unless the Hausman test rejected the null hypothesis (Chouaibi et al., 2021).

4.0 Findings and Discussions

4.1 Descriptive Analysis

4.1.1 Dependent Variables

Table 3. Descriptive Statistics for ROA, ROE and Tobin's Q

Year	Sample	ROA		ROE		Tobin's Q	
		Mean	S.D.	Mean	S.D.	Mean	S.D.
2013	40	5.445	5.652	10.991	9.504	1.315	0.698
2014	40	5.008	5.653	10.577	9.920	1.337	0.816
2015	40	4.194	5.019	8.836	8.816	1.362	0.994
2016	40	3.744	6.787	7.840	13.122	1.326	0.851
2017	40	4.867	3.708	10.436	6.754	1.392	0.822
2018	40	3.630	6.246	7.608	13.002	1.397	1.299
Average	40	4.481	5.511	9.381	10.186	1.355	0.913

S.D.: Standard Deviation

4.1.2 Independent Variables

Table 4. Descriptive Statistic for CEO D

Year	Sample	CEO D	
		Yes (%)	No (%)
2013	40	8 (20%)	32 (80%)
2014	40	7 (17.5%)	33 (82.5%)
2015	40	7 (17.5%)	33 (82.5%)
2016	40	7 (17.5%)	33 (82.5%)
2017	40	5 (12.5%)	35 (87.5%)
2018	40	5 (12.5%)	35 (87.5%)
Average	40	39 (16.25%)	201 (83.75%)

Table 5. Descriptive Statistics for BS, NOID, NOWD, NOFD, NODEQ and ACS

Year	Sample	BS	NOID	NOWD	NOFD	NODFQ	ACS
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		Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
2013	40	8.875	2.090	3.925	1.141	0.900	1.081	0.500	1.038	5.750	2.629	3.450	0.714
2014	40	8.850	1.968	3.825	1.152	0.875	0.911	0.500	1.038	5.650	2.627	3.425	0.675
2015	40	8.775	1.981	3.950	1.085	0.950	1.061	0.500	1.013	5.675	2.556	3.450	0.677
2016	40	8.625	1.863	4.000	1.086	1.075	1.118	0.550	0.959	5.700	2.514	3.375	0.628
2017	40	8.800	1.786	4.150	1.075	1.350	1.122	0.525	0.905	5.975	2.607	3.475	0.716
2018	40	8.550	2.264	4.075	1.207	1.575	1.217	0.575	1.107	5.750	2.519	3.375	0.540
Avg	40	8.746	1.992	3.988	1.124	1.121	1.085	0.525	1.010	5.750	2.575	3.425	0.658

4.2 Panel Data Analysis

4.2.1 ROA

Table 6. Random Effect Model of ROA

Dependent Variable: ROA				
Method: Panel EGLS (Cross-section random effects)				
Date: 08/01/19 Time: 23:44				
Sample: 2013 2018				
Periods included: 6				
Cross-sections included: 40				
Total panel (balanced) observations: 240				
Swamy and Arora estimator of component variances				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
BS	0.835415	0.351144	2.379123	0.0182
NO_ID	-0.329811	0.501719	-0.657362	0.5116
CEO_D	-1.756326	1.414620	-1.241553	0.2157
NO_WD	-0.111398	0.393717	-0.282939	0.7775
NO_FD	-0.104126	0.524213	-0.198634	0.8427
NO_DFQ	0.018680	0.294689	0.063390	0.9495
ACS	-0.010914	0.626809	-0.017412	0.9861
C	-1.067866	2.527604	-0.422481	0.6731

As shown in the results, only BS with the P-value of 0.018 had a significant effect on ROA as its P-value was lesser than 0.05 and 0.10. NOID (0.512), CEO_D (0.216), NOWD (0.778), NOFD (0.843), NODFQ (0.950) and ACS (0.986) had P-values that were greater than 0.05 and 0.10. Hence, they did not show any significant effect on ROA. The variation in the seven IVs could explain 4.53% of the variation in ROA.

4.2.2 ROE

Table 7. Random Effect Model of ROE

Dependent Variable: ROE				
Method: Panel EGLS (Cross-section random effects)				
Date: 08/01/19 Time: 23:55				
Sample: 2013 2018				
Periods included: 6				
Cross-sections included: 40				
Total panel (balanced) observations: 240				
Swamy and Arora estimator of component variances				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
BS	1.552576	0.648263	2.394981	0.0174
NO_ID	-0.597153	0.965121	-0.618733	0.5367
CEO_D	-6.000147	2.536775	-2.365266	0.0188
NO_WD	-0.703944	0.759128	-0.927307	0.3547
NO_FD	0.621082	0.982309	0.632267	0.5278
NO_DFQ	0.140483	0.527975	0.266079	0.7904
ACS	-0.050501	1.232108	-0.040988	0.9673
C	-0.945488	4.862182	-0.194458	0.8460

As shown in the results, BS with a P-value of 0.017 and CEO_D with a P-value of 0.019 had a significant effect on ROE as their P-values were lesser than 0.05 and 0.10. NOID (0.537), NOWD (0.355), NOFD (0.528), NODFQ (0.790) and ACS (0.967) had P-values that

were greater than 0.05 and 0.10. Hence, they did not show any significant effect on ROE. The variation in the seven IVs could explain 7.45% of the variation in ROE.

4.2.2 Tobin's Q

Table 8. Random Effect Model of Tobin's Q

Dependent Variable: TOBINQ				
Method: Panel EGLS (Cross-section random effects)				
Date: 08/02/19 Time: 00:02				
Sample: 2013 2018				
Periods included: 6				
Cross-sections included: 40				
Total panel (balanced) observations: 240				
Swamy and Arora estimator of component variances				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
BS	0.032834	0.042727	0.768443	0.4430
NO_ID	0.024480	0.057627	0.424792	0.6714
CEO_D	-0.127727	0.180396	-0.708035	0.4796
NO_WD	0.067025	0.045397	1.476420	0.1412
NO_FD	0.055821	0.061738	0.904151	0.3669
NO_DfQ	0.023989	0.037597	0.638057	0.5241
ACS	0.006706	0.069939	0.095888	0.9237
C	0.718440	0.307261	2.338209	0.0202

As shown in the results, all the variables including BS (0.443), NOID (0.671), CEOD (0.480), NOWD (0.141), NOFD (0.367), NODFQ (0.524) and ACS (0.924) had P-values that were greater than 0.05 and 0.10. Hence, they did not show any significant effect on Tobin's Q. 5.54% of the variation in Tobin's Q could be explained by the variation in the seven IVs.

4.3 Hypothesis Tests Summary

Table 9. Hypothesis Tests Summary

Research Questions	Research Hypothesis	Panel Data Analysis
1. Does BS have a significant relationship with firm performance?	H1A: BS has a significant relationship with firm performance (ROA).	Accept
	H1B: BS has a significant relationship with firm performance (ROE).	Accept
	H1C: BS has a significant relationship with firm performance (Tobin's Q).	Do Not Accept
2. Does the NOID show a significant relationship with firm performance?	H2A: NOID has a significant relationship with firm performance (ROA).	Do Not Accept
	H2B: NOID has a significant relationship with firm performance (ROE).	Do Not Accept
	H2C: NOID has a significant relationship with firm performance (Tobin's Q).	Do Not Accept
3. Is there any significant relationship between CEOD and firm performance?	H3A: CEOD has a significant relationship with firm performance (ROA).	Do not accept
	H3B: CEOD has a significant relationship with firm performance (ROE).	Accept
	H3C: CEOD has a significant relationship with firm performance (Tobin's Q).	Do not accept
4. Can the NOWD affect firm performance significantly?	H4A: NOWD has a significant relationship with firm performance (ROA).	Do not accept
	H4B: NOWD has a significant relationship with firm performance (ROE).	Do not accept
	H4C: NOWD has a significant relationship with firm performance (Tobin's Q).	Do not accept
5. Will the NOFD have a significant relationship with firm performance?	H5A: NOFD has a significant relationship with firm performance (ROA).	Do not accept
	H5B: NOFD has a significant relationship with firm performance (ROE).	Do not accept
	H5C: NOFD has a significant relationship with firm performance (Tobin's Q).	Do not accept
6. Is there any significant relationship between the NODFQ and firm performance?	H6A: NODFQ has a significant relationship with firm performance (ROA).	Do not accept
	H6B: NODFQ has a significant relationship with firm performance (ROE).	Do not accept
	H6C: NODFQ has a significant relationship with firm performance (Tobin's Q).	Do not accept
7. Does the ACS affect the firm performance significantly?	H7A: ACS has a significant relationship with firm performance (ROA).	Do not accept
	H7B: ACS has a significant relationship with firm performance (ROE).	Do not accept
	H7C: ACS has a significant relationship with firm performance (Tobin's Q).	Do not accept

5.0 Conclusion and Recommendations

This research aimed to determine the research gap between CG mechanism and firm performance among family-controlled companies listed on Bursa Malaysia with a globalized boardroom. Generally, most IVs were found to be not significant with the firm performance of family-controlled companies. From the findings, only board size proved significant with firm performance. Findings from panel data analysis corresponded with Multiple Linear Regression results. It also proved that board size was significant with the firm performance (ROA and ROE) in the later years, specifically in 2018. As most of the independent variables were found not significant with firm performance, this indicates that there might be other factors that could be investigated to determine their effects on firm performance. In short, this research concludes that corporate governance has no significant effect on firm performance of family-controlled firms listed on Bursa Malaysia.

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