

**DETERMINANTS OF VOLUNTARY DISCLOSURE: AN EMPIRICAL INVESTIGATION ON JORDANIAN  
PUBLIC LISTED COMPANIES**

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### **ABSTRACT**

This study aims to shed light on the determinants of the extent of voluntary disclosure in the Jordanian listed firms for the year 2008. Findings reveal that Jordanian companies adopt voluntary disclosure on different types of information including strategic, non-financial and financial information. This study additionally examined the effect of four corporate governance factors namely, managerial ownership, government ownership, block holder ownership, and board composition, on the extent of voluntary disclosure. A linear regression analysis is applied for this purpose. Findings reveal that lower managerial ownership, more independent directors are associated with higher voluntary disclosure in Jordanian companies. However, block holder ownership does not appear to have a significant impact on the extent of voluntary disclosure. The study also reveals that larger companies disclosure more information than smaller companies in Jordan.

## DEDICATION

*My great beloved father Mr. Qasem Hussien*

## **DECLARATION**

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HAZIM QASSIM HUSSIEN ALRAWASHDEH

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# **CHAPTER ONE**

## **BACKGROUND**

### **1.0 Introduction**

According to Chobpichien, (2008) voluntary disclosure is the external reporting done beyond what is mandated. It covers all data which concerns both subsidiaries and the group itself. However, the increasing amount of voluntary disclosure among firms all over the world have motivated the researchers in this particular area to wonder and explore factors that could make the firm to disclose information that it is not mandated to disclose it in the first place

Over years, corporations have had to disclose certain information regarding the company's financial position, management, creditors, competitors, and shareholders. This type of disclosure is considered as a mandatory disclosure, meaning that corporation must disclose certain information.

Boesso and Kumar (2007) argue that, in recent years dissatisfaction with corporate mandatory disclosure has led the investors, financial markets and other key stakeholders to demand that companies voluntarily provide more comprehensive information about their long-term strategies and performance. This dissatisfaction with the quality and the effectiveness of financial reporting has also received worldwide attention from the academics.

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