

**AUDIT COMMITTEE EFFECTIVENESS AND  
VOLUNTARY DISCLOSURE IN MALAYSIA: PRE AND  
POST INTRODUCTION OF THE REVISED MALAYSIAN  
CODE ON CORPORATE GOVERNANCE 2007**

**HISHAM K. MADI**

**DOCTOR OF BUSINESS ADMINISTRATION  
UNIVERSITI UTARA MALAYSIA  
October 2012**

**AUDIT COMMITTEE EFFECTIVENESS AND VOLUNTARY DISCLOSURE IN  
MALAYSIA: PRE AND POST INTRODUCTION OF THE REVISED  
MALAYSIAN CODE ON CORPORATE GOVERNANCE 2007**

**By**

**HISHAM K.M. MADI**

**Dissertation Submitted to  
Othman Yeop Abdullah Graduate School of Business,  
Universiti Utara Malaysia,  
In Partial Fulfillment of the Requirement for the Degree of  
Doctor of Business Administration**

## **CERTIFICATION OF DISSERTATION WORK**

I declare that this thesis is my own account of my research and contains work which has not previously been submitted for a degree at any tertiary education institution.

**Hisham K. M. Madi**

## **PERMISSION TO USE**

In presenting this dissertation in partial fulfillment of the requirements for a Post Graduate degree from the Universiti Utara Malaysia (UUM), I agree that the Library of this university may make it freely available for inspection. I further agree that permission for copying this dissertation in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or in her absence, by the Dean of Othman Yeop Abdullah Graduate School of Business where I did my dissertation. It is understood that any copying or publication or use of this dissertation or parts of it for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the UUM in any scholarly use which may be made of any material in my dissertation.

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

Dean of Othman Yeop Abdullah Graduate School of Business  
Universiti Utara Malaysia  
06010 UUM Sintok  
KedahDarulAman

## ABSTRACT

Global economic crisis in 2008 has increased the focus on the role of audit committee in ensuring integrity and transparency in corporate reporting. Audit committee characteristics are crucial in determining the ability of audit committee in carrying out its responsibilities effectively. Hence, this study aims to investigate the contribution of audit committee characteristics to audit committee effectiveness over corporate voluntary disclosure by Malaysian listed firms. This study also examines the effect of board of directors' characteristics on the level of voluntary disclosure. In addition, this study investigates the moderating effect of corporate board governance and concentrated ownership with audit committee effectiveness and corporate voluntary disclosure. Based on annual reports of 2006 and 2009, the study used 292 firms listed on Bursa Malaysia. The empirical results reveal that higher proportion of independent directors on audit committee, and totally independent audit committee members can lead to significantly a higher level of voluntary disclosure. Further, members with accounting expertise and multiple directorships, and also the size of audit committee are significantly associated with corporate voluntary disclosure. Surprisingly, results on board of directors indicate that none of the board attributes appear to determine corporate voluntary disclosure. The results further reveal that neither board governance nor concentrated ownership moderate the association between audit committee effectiveness and the level of voluntary disclosure. The findings of this study show that audit committee characteristics enhance the effectiveness of audit committee as a monitoring role, and hence mitigating the agency problems associated with corporate disclosure practices. Policy makers and regulatory bodies should interpret this evidence as motivation for them to strengthen corporate boards' practices to effectively deal with the unique features of corporate governance in emerging economies such as Malaysia.

**Keyword:** Audit Committee, Board of Directors, Corporate Voluntary Disclosure, Corporate Governance, Malaysia

## ABSTRAK

Tumpuan terhadap peranan jawatankuasa audit dalam memastikan integriti dan ketelusan pelaporan korporat meningkat sejak berlakunya krisis ekonomi global pada tahun 2008. Ciri-ciri jawatankuasa audit adalah penting bagi menentukan kemampuan jawatankuasa audit melaksanakan tanggungjawabnya dengan berkesan. Oleh itu, kajian ini bertujuan menyelidik sumbangan ciri-ciri jawatankuasa audit terhadap keberkesanan jawatankuasa tersebut ke atas pendedahan sukarela korporat oleh firma yang tersenarai di Malaysia. Kajian ini juga meneliti kesan ciri-ciri lembaga pengarah terhadap tahap pendedahan secara sukarela. Di samping itu, kajian ini menyiasat kesan moderasi ke atas hubungan tadbir urus lembaga pengarah dan pemilikan yang tertumpu dengan keberkesanan jawatankuasa audit dan pendedahan sukarela korporat. Berdasarkan laporan tahunan 2006 dan 2009, kajian ini melibatkan 292 buah firma yang tersenarai di Bursa Malaysia. Dapatan empirikal menunjukkan bahawa peningkatan kadar pengarah bebas dalam jawatankuasa audit dan jawatankuasa audit yang ahlinya bebas sepenuhnya dapat meningkatkan pendedahan sukarela secara signifikan. Di samping itu, kepakaran ahli dalam perakaunan dan keahlian dalam pelbagai lembaga pengarah, serta saiz jawatankuasa audit mempunyai kaitan dengan pendedahan sukarela korporat secara signifikan. Agak memeranjatkan, dapatan bagi lembaga pengarah menunjukkan bahawa tiada sumbangan lembaga pengarah terhadap pendedahan sukarela korporat. Keputusan seterusnya mendapati bahawa tadbir urus lembaga mahupun pemilikan tertumpu tidak mempunyai kesan moderasi terhadap hubungan antara keberkesanan jawatankuasa audit dan tahap pendedahan sukarela korporat. Dapatan kajian ini menunjukkan bahawa ciri-ciri jawatankuasa audit dapat meningkatkan keberkesanan jawatankuasa audit dalam memainkan peranannya sebagai pemantau. Ini seterusnya dapat mengurangkan masalah agensi berkaitan dengan amalan pendedahan korporat. Pembuat dasar dan badan kawalselia boleh mentafsirkan bukti ini sebagai satu bentuk motivasi bagi mereka mengukuhkan amalan lembaga korporat dalam menangani secara berkesan ciri-ciri unik tadbir urus korporat dalam ekonomi baru seperti Malaysia.

**Katakunci:** Jawatankuasa Audit, Lembaga Pengarah, Pendedahan Sukarela Korporat, Tadbir Urus Korporat, Malaysia

## ACKNOWLEDGMENT

First, I would like to express my utmost gratitude to Almighty Allah for his creation and making me submissive to Him.

I would like to gratefully acknowledge the enthusiastic supervision of my thesis supervisor, Associate Professor Dr. Zuaini Binti Ishak I could not have imagined having a better adviser and mentor for my Dissertation, and without her inspiration, stimulating suggestions, sound advice, guidance, and active participation in the process of work, I would never have finished.

Parts of this work would not have been possible without the active contribution of my colleagues DBA. I thank them for the long discussions we had, and their valuable feedback; among them are Dr Zaitul, Dr Abdullah Al-Swedee, Dr Ahmad Maiyaki, Abood, and many others.

I am also grateful to Othman Yeop Graduate School of Business and School of Accountancy, UUM College of Business, for providing research facilities and related resources that facilitates my study. It was an enjoyable place to work and study.

Finally, I am immeasurably grateful to my family for their kindness and support. They have always been there and encourage me; without their selfless love, I know I could not have successfully completed my doctoral studies.

## TABLE OF CONTENTS

|   |              |
|---|--------------|
| <b>TITLE PAGE</b> .....                                     | <b>i</b>     |
| <b>CERTIFICATION OF DISSERTATION WORK</b> .....             | <b>ii</b>    |
| <b>PERMISSION TO USE</b> .....                              | <b>iv</b>    |
| <b>ABSTRACT</b> .....                                       | <b>v</b>     |
| <b>ABSTRAK</b> .....  | <b>vi</b>    |
| <b>ACKNOWLEDGMENT</b> .....                                 | <b>vii</b>   |
| <b>TABLE OF CONTENTS</b> .....                              | <b>viii</b>  |
| <b>LIST OF TABLES</b> .....                                 | <b>xvi</b>   |
| <b>LIST OF FIGURES</b> .....                                | <b>xviii</b> |
| <b>LIST OF ABBREVIATIONS</b> .....                          | <b>xix</b>   |
| <b>CHAPTER ONE INTRODUCTION</b> .....                       | <b>1</b>     |
| 1.1 Introduction .....                                      | 1            |
| 1.2 Background of the Study .....                           | 1            |
| 1.3 Problem Statement .....                                 | 11           |
| 1.4 Research Questions .....                                | 19           |
| 1.5 Research Objectives .....                               | 20           |
| 1.6 Significance of the Study .....                         | 21           |
| 1.6.1 Literature Contribution .....                         | 22           |
| 1.6.1.1 Contribution to Voluntary Disclosure .....          | 22           |
| 1.6.1.2 Contribution to Audit Committee Effectiveness ..... | 24           |
| 1.6.2 Theoretical Contribution .....                        | 27           |
| 1.6.3 Methodological Contribution .....                     | 28           |
| 1.6.4 Practical Contribution .....                          | 30           |
| 1.7 Scope of the Study .....                                | 30           |
| 1.8 Organization of the Dissertation .....                  | 31           |
| <b>CHAPTER TWO: LITERATURE REVIEW</b> .....                 | <b>32</b>    |
| 2.1 Introduction .....                                      | 32           |



|         |   |     |
|---------|---|-----|
| 2.2     | Voluntary Disclosure .....  | 33  |
| 2.2.1   | Benefits of Voluntary Disclosure.....   | 34  |
| 2.2.2   | Motives for Voluntary Disclosure.....   | 37  |
| 2.2.3   | The Classification of the Content of Voluntary Disclosure .....   | 38  |
| 2.3     | Corporate Governance .....  | 39  |
| 2.4     | Corporate Governance in Asian Countries .....   | 41  |
| 2.5     | Corporate Governance in Malaysia.....   | 45  |
| 2.6     | The Development of Audit Committee in Malaysia .....  | 50  |
| 2.7     | Audit Committee Effectiveness .....   | 51  |
| 2.7.1   | Audit Committee Characteristics .....   | 52  |
| 2.7.1.1 | Audit Committee Independence.....   | 54  |
| 2.7.1.2 | Audit Committee Financial Expertise.....  | 68  |
| 2.7.1.3 | Audit Committee Diligence .....   | 81  |
| 2.7.1.4 | Audit Committee Size .....  | 85  |
| 2.7.1.5 | Multiple Directorships of Audit Committee Members .....   | 87  |
| 2.8     | Board of Directors Characteristics .....  | 93  |
| 2.8.1   | Board composition .....   | 93  |
| 2.8.2   | Board Size .....  | 99  |
| 2.8.3   | Leadership Structure .....  | 102 |
| 2.8.4   | Board Shareholding.....   | 106 |
| 2.9     | Board Governance Attributes.....  | 110 |
| 2.10    | The Concentration of Ownership.....   | 115 |
| 2.11    | Audit Committee Characteristics, Board of directors, Ownership Concentration<br>and Voluntary Disclosure..... | 122 |
| 2.12    | Chapter Summary.....  | 128 |

|   |            |
|---|------------|
| <b>CHAPTER THREE: METHODOLOGY.....</b>                          | <b>130</b> |
| 3.1 Introduction .....  | 130        |
| 3.2 Research Framework.....                                     | 130        |
| 3.2.1 Agency Theory.....  | 130        |
| 3.2.2 Resources Dependence Theory .....                         | 133        |
| 3.2.3 Political Economy Theory.....                             | 135        |
| 3.2.4 Theoretical Framework .....                               | 136        |
| 3.3 Hypotheses Development .....                                | 144        |
| 3.3.1 Audit Committee Characteristics .....                     | 144        |
| 3.3.1.1 Audit Committee Independence.....                       | 144        |
| 3.3.1.2 Audit Committee Financial Expertise.....                | 148        |
| 3.3.1.3 Audit Committee Diligence .....                         | 151        |
| 3.3.1.4 Audit Committee Size.....                               | 153        |
| 3.3.1.5 Multiple Directorships of Audit Committee Members ..... | 154        |
| 3.3.2 Board of Directors' Characteristics.....                  | 157        |
| 3.3.2.1 Board Independence.....                                 | 157        |
| 3.3.2.2 Board Size .....  | 159        |
| 3.3.2.3 Leadership Structure .....                              | 161        |
| 3.3.2.4 Board Shareholding.....                                 | 163        |
| 3.3.3 Strong Board Governance.....                              | 165        |
| 3.3.4 The Concentration of Ownership.....                       | 168        |
| 3.3.5 Control Variables .....                                   | 171        |
| 3.3.5.1 The Revised MCCG (2007) .....                           | 171        |
| 3.3.5.2 Firm Size .....   | 171        |
| 3.3.5.3 Profitability .....                                     | 172        |

|         |  |     |
|---------|--|-----|
| 3.3.5.4 | Leverage.....  | 173 |
| 3.3.5.5 | Audit Firm.....  | 173 |
| 3.4     | Measurement of Dependent Variable.....                 | 174 |
| 3.4.1   | Voluntary Disclosure Index.....                        | 174 |
| 3.5     | Measurement of Independent Variables.....              | 179 |
| 3.5.1   | The Characteristics of Audit Committee.....            | 179 |
| 3.5.1.1 | Audit Committee Independence.....                      | 179 |
| 3.5.1.2 | Audit Committee Financial Expertise.....               | 182 |
| 3.5.1.3 | Diligence of Audit Committee.....                      | 183 |
| 3.5.1.4 | Audit Committee Size.....                              | 183 |
| 3.5.1.5 | Multiple Directorships of Audit Committee Members..... | 183 |
| 3.5.1.6 | Audit Committee with Effective Characteristics.....    | 184 |
| 3.5.2   | Board of Directors' Characteristics.....               | 185 |
| 3.5.2.1 | Board Composition.....                                 | 185 |
| 3.5.2.2 | Board Size.....  | 185 |
| 3.5.2.3 | Leadership Structure.....                              | 185 |
| 3.5.2.4 | Board Shareholding.....                                | 186 |
| 3.5.3   | Strong Board Governance.....                           | 186 |
| 3.5.4   | Concentration of Ownership.....                        | 187 |
| 3.5.5   | Control Variables.....                                 | 188 |
| 3.5.5.1 | The Revised MCCG (2007)-Year.....                      | 188 |
| 3.5.5.2 | Firm Size.....   | 188 |
| 3.5.5.3 | Profitability.....                                     | 188 |
| 3.5.5.4 | Leverage.....  | 189 |

|   |            |
|---|------------|
| 3.5.5.5 Audit Firm.....   | 189        |
| 3.6 Data Collection.....  | 191        |
| 3.6.1 Sample Selection.....                                     | 191        |
| 3.6.2 Sample.....   | 192        |
| 3.6.3 Research Approach .....                                   | 194        |
| 3.7 Research Model.....   | 196        |
| 3.8 Data Analysis .....   | 204        |
| 3.9 Chapter Summary.....  | 205        |
| <b>CHAPTER FOUR: RESULTS AND DISCUSSIONS.....</b>               | <b>206</b> |
| 4.1 Introduction .....  | 206        |
| 4.2 Descriptive Statistics of Variables .....                   | 206        |
| 4.2.1 Level of Voluntary Disclosure.....                        | 206        |
| 4.1.1.1 Percentages of Overall Items and Categories.....        | 207        |
| 4.1.1.2 Percentage and Frequency of Disclosure Scores .....     | 208        |
| 4.2.2 Audit Committee Characteristics .....                     | 210        |
| 4.2.2.1 Audit Committee Independence.....                       | 210        |
| 4.2.2.2 Affiliated Directors on Audit Committee .....           | 213        |
| 4.2.2.3 Audit Committee Financial Expertise.....                | 214        |
| 4.2.2.4 Multiple Directorships of Audit Committee Members ..... | 218        |
| 4.2.2.5 Audit Committee Diligence .....                         | 219        |
| 4.2.2.6 Audit Committee Size .....                              | 220        |
| 4.2.3 Board Characteristics .....                               | 221        |
| 4.2.3.1 Board Composition .....                                 | 221        |
| 4.2.3.2 Board Size .....  | 222        |
| 4.2.3.3 Leadership Structure .....                              | 223        |

|         |   |     |
|---------|---|-----|
| 4.2.3.4 | Board Shareholding.....                                 | 224 |
| 4.2.4   | Concentration of Ownership .....                        | 225 |
| 4.2.5   | Control Variables .....                                 | 226 |
| 4.2.5.1 | Revised MCCG (2007) .....                               | 227 |
| 4.2.5.2 | Audit Firm.....   | 227 |
| 4.2.5.3 | Return on Assets .....                                  | 228 |
| 4.2.5.4 | Leverage.....   | 228 |
| 4.2.5.5 | Firm size.....  | 229 |
| 4.3     | Diagnostics Test.....                                   | 229 |
| 4.3.1   | Outliers.....   | 230 |
| 4.3.2   | Normality and linearity .....                           | 230 |
| 4.3.3   | Multicollinearity.....                                  | 231 |
| 4.3.4   | Homoscedasticity .....                                  | 233 |
| 4.4     | Univariate analysis.....                                | 234 |
| 4.4.1   | T-Test  | 234 |
| 4.4.2   | Pearson Correlation Matrix .....                        | 237 |
| 4.5     | Multivariate Analysis.....                              | 241 |
| 4.5.1   | Audit Committee Characteristics .....                   | 243 |
| 4.5.1.1 | Audit Committee Independence.....                       | 243 |
| 4.5.1.2 | Audit Committee Financial Expertise .....               | 247 |
| 4.5.1.3 | Audit Committee Diligence .....                         | 248 |
| 4.5.1.4 | Audit Committee Size .....                              | 249 |
| 4.5.1.5 | Multiple Directorships of Audit Committee Members ..... | 250 |
| 4.5.2   | Board Characteristics .....                             | 251 |

|         |   |     |
|---------|---|-----|
| 4.5.2.1 | Board Composition .....   | 251 |
| 4.5.2.2 | Board Size .....  | 251 |
| 4.5.2.3 | Leadership Structure .....  | 252 |
| 4.5.2.4 | Board Shareholding.....   | 253 |
| 4.5.3   | Ownership Concentration.....  | 253 |
| 4.5.4   | Control Variables .....   | 254 |
| 4.5.4.1 | The Revised MCCG (2007) .....   | 254 |
| 4.5.4.2 | Big 4 Audit Firm .....  | 255 |
| 4.5.4.3 | Firm size.....  | 255 |
| 4.5.4.4 | Leverage.....   | 256 |
| 4.5.4.5 | Return on Assets .....  | 256 |
| 4.5.5   | Moderating Effect of Strong Board Governance .....                                | 256 |
| 4.5.6   | Moderating Effect of Ownership Concentration.....                                 | 258 |
| 4.6     | Additional Analysis.....  | 262 |
| 4.6.1   | Audit Committee Characteristics and Different Types of Voluntary Disclosure ..... | 262 |
| 4.6.2   | Board of Directors' Characteristics.....  | 269 |
| 4.6.3   | Ownership Concentration.....  | 270 |
| 4.7     | Discussion .....  | 270 |
| 4.7.1   | Audit Committee Characteristics .....   | 270 |
| 4.7.1.1 | Audit Committee Independence.....   | 270 |
| 4.7.1.2 | Audit Committee Financial Expertise .....   | 274 |
| 4.7.1.3 | Audit Committee Diligence .....   | 278 |
| 4.7.1.4 | Audit Committee Size .....  | 279 |
| 4.7.1.5 | Multiple Directorships of Audit Committee Members .....                           | 280 |

|   |   |            |
|---|---|------------|
| 4.7.2   | Board of Directors.....   | 281        |
| 4.7.2.1   | Board Composition .....   | 281        |
| 4.7.2.2   | Board Size .....  | 285        |
| 4.7.2.3   | Leadership Structure .....  | 287        |
| 4.7.2.4   | Board Shareholdings .....   | 289        |
| 4.7.3   | Board Governance, Audit Committee Effectiveness, and Level of<br>Voluntary Disclosure ..... | 291        |
| 4.7.4   | Concentration of Ownership and Audit Committee Effectiveness .....                          | 294        |
| 4.8   | Chapter Summary.....  | 297        |
| <b>CHAPTER FIVE: CONCLUSION AND RECOMMENDATION.....</b> |   | <b>299</b> |
| 5.1   | Introduction .....  | 299        |
| 5.2   | Summary of the Study.....   | 299        |
| 5.3   | Implications of the Study .....   | 309        |
| 5.3.1   | Theoretical Implications.....   | 310        |
| 5.3.2   | Practical Implications.....   | 312        |
| 5.4   | Limitations and Area for Future Research .....  | 314        |
| 5.5   | Chapter Summary.....  | 316        |
| <b>REFERENCES .....</b>                                 |   | <b>317</b> |
| <b>APPENDICES .....</b>                                 |   | <b>344</b> |

## LIST OF TABLES

| Table.....   | Page |
|--|------|
| Table 3. 1: Measurement of Dependent and Independent Variables ..... | 189  |
| Table 3. 2: Sample Selection.....                                    | 193  |
| Table 3. 3: Distribution of Sampled Firms by Sector .....            | 194  |
| Table 4. 1: Percentages of Overall Items and Categories .....        | 207  |
| Table 4. 2: Percentage and Frequency of Disclosure Scores .....      | 209  |
| Table 4. 3: Proportion of Audit Committee Independence .....         | 211  |
| Table 4. 4: All Independent Audit Committee.....                     | 212  |
| Table 4. 5: Audit Committee with One Non-Independent Director.....   | 213  |
| Table 4. 6: Affiliated Directors on Audit Committee .....            | 213  |
| Table 4. 7: Audit Committee Financial Expertise.....                 | 214  |
| Table 4. 8: Audit Committee Accounting Expertise.....                | 216  |
| Table 4. 9: Audit Committee Non-Accounting Expertise.....            | 217  |
| Table 4. 10: Multiple Directorships of Audit Committee Members.....  | 218  |
| Table 4. 11: Audit Committee Diligence .....                         | 220  |
| Table 4. 12: Audit Committee Size.....                               | 221  |
| Table 4. 13: Board Composition .....                                 | 222  |
| Table 4. 14: Board Size .....  | 223  |
| Table 4. 15: Leadership Structure .....                              | 224  |
| Table 4. 16: Board Shareholdings.....                                | 225  |
| Table 4. 17: Concentration of Ownership.....                         | 226  |
| Table 4. 18: Listed Firms Based on Financial Years Ending.....       | 227  |
| Table 4. 19: Big 4 Audit.....  | 228  |



| Table.....   | Page |
|--|------|
| Table 4. 20: Return on Assets, Leverage, and Firm Size.....  | 229  |
| Table 4. 21: VIF for Model 1, Model 2, Model 3, and Model 4 (N=292).....   | 232  |
| Table 4. 22: T-test Results for Dependent Variable and Independent Variables for the<br>Years 2006 and 2009..... | 236  |
| Table 4. 23: Pearson’s Correlation Test (N=292).....   | 242  |
| Table 4. 24: Evaluating Models (N = 292).....  | 243  |
| Table 4. 25: Multiple Regression Model Results - All models (1-4) (N=292).....                                   | 245  |
| Table 4. 26: Moderated Regression Model Results of ACE with SBGOV on Level of<br>Voluntary Disclosure.....       | 257  |
| Table 4. 27: Moderated Regression Model Results of ACE with OWNCON on Level of<br>Voluntary Disclosure.....      | 258  |
| Table 4. 28: Summary of Hypotheses and Results.....  | 260  |
| Table 4. 29: Multiple Regression Results Model1-Different Types of Voluntary<br>Disclosure Information.....      | 263  |
| Table 4. 30: Multiple Regression Results Model2-Different Types of Voluntary<br>Disclosure Information.....      | 264  |
| Table 4. 31: Multiple Regression Results Model 3 -Different Types of Voluntary<br>Disclosure Information.....    | 265  |
| Table 4. 32: Multiple Regression Results Model 4 -Different Types of Voluntary<br>Disclosure Information.....    | 267  |

## LIST OF FIGURES

| Figure     |   | Page |
|------------|---|------|
| Figure 3.1 | Theoretical framework   | 141  |
| Figure 3.2 | The moderating effect of strong board governance and concentrated ownership | 144  |

## LIST OF ABBREVIATIONS

|        |  |
|--------|--|
| ACI    | Audit Committee Institute                                      |
| AMEX   | American Stock Exchange  |
| ASX    | Australian Securities Exchange                                 |
| BNM    | Bank Negara Malaysia   |
| BRC    | Blue Ribbon Committee  |
| CAO    | Chief Analytics Officer  |
| CEO    | Chief Executive Officer  |
| CFA    | Chartered Financial Analyst                                    |
| CFO    | Chief Financial Officer  |
| CIC    | Capital Issues Commission                                      |
| CPA    | Certified Public Accountant                                    |
| CSR    | Social Responsibility Disclosure                               |
| FCCG   | Finance Committee on Corporate Governance                      |
| IPO    | Initial Public Offering  |
| JCCG   | Joint Committee on Corporate Governance                        |
| KLSE   | Kuala Lumpur Stock Exchange                                    |
| MCCG   | Malaysian Code on Corporate Governance                         |
| MESDAQ | Malaysian Exchange of Securities Dealing & Automated Quotation |
| MIA    | Malaysian Institute of Accountant                              |
| MICG   | Malaysian Institute of Corporate Governance                    |
| NACD   | National Association of Corporate Directors                    |
| NASDAQ | National Association of Securities Dealers Automated Quotes    |
| NYSE   | The New York Stock Exchange                                    |
| OECD   | Organization for Economic Cooperation and Development          |
| OLS    | Ordinal Least Squares  |

|         |                                    |
|---------|------------------------------------|
| PwC     | PricewaterhouseCoopers             |
| ROA     | Return on Assets                   |
| S&P 500 | Standard & Poor's 500 Index        |
| SC      | Securities Commission              |
| SEC     | Securities and Exchange Commission |
| SOX     | Sarbanes-Oxley Act                 |
| TC      | Treadway Commission                |
| UE      | European Union                     |
| UK      | United Kingdom                     |
| US      | Unite states                       |

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Introduction**

This chapter is organized into the following sections. Section 1.2 discusses the background of the study. The problem statement is discussed in section 1.3. This is followed by research questions and research objectives in section 1.4 and 1.5 respectively. Next, the significance and contribution of the study are explained in section 1.6. Then, the scope of the study is presented in section 1.7. Finally, section 1.8 presents the organization of the study.

### **1.2 Background of the Study**

Recent collapses of high profile business failures worldwide have captured great attention of investors, regulators, and academicians. The tragic collapses and losses of giant companies such as Enron Corporation, WorldCom and Tyco International in the United States, further reinforced the critical need to improve the corporate governance system in both developed and developing countries. Additionally, other scandals such as Parmalat in Italy and many others (e.g. Bre-X and YBM Magnex in Canada, Royal Ahold in the Netherlands, Credit Lyonnais and Vivendi in France, Metalgesellschaft in Germany, and HIH Insurance Ltd. in Australia), have drawn attention to corporate governance reforms around the world (Bedard & Gendron, 2010; HassabElnaby, Said, & Wolfe, 2007; Kent, Routledge, & Stewart, 2010). Further, a spate of financial crisis in 2008 has been

The contents of  
the thesis is for  
internal user  
only

## REFERENCES

- Abbott, L., Parker, S., & Peters, G. (2002). Audit committee characteristics and financial misstatement: A study of the efficacy of certain blue ribbon committee recommendations. *Working Paper*, University of Memphis.
- Abbott, L. J., Park, Y., & Parker, S. (2000). The effects of audit committee activity and independence on corporate fraud. *Managerial Finance*, 26(11), 55-68.
- Abbott, L. J., Parker, S., & Peters, G. F. (2004). Audit committee characteristics and restatements. *Auditing: A Journal of Practice & Theory*, 23(1), 69-88.
- Abbott, L. J., Parker, S., & Peters, G. F. (2010). Serving two masters: The association between audit committee internal audit oversight and internal audit activities. *Accounting Horizons*, 24(1), 1-24.
- Abbott, L. J., Parker, S., Peters, G. F., & Raghunandan, K. (2003). The association between audit committee characteristics and audit fees. *Auditing: A Journal of Practice & Theory*, 22(2), 17-32.
- Abdel Wahab, E. A., Haron, H., Lok, C. L., & Yahya, S. (2010). Does corporate governance matter? evidence from related Party transactions in Malaysia. *Advances in Financial Economics*, 14, 131-164.
- Abdelsalam, O. H., & Street, D. L. (2007). Corporate governance and the timeliness of corporate internet reporting by UK listed companies. *Journal of International Accounting, Auditing and Taxation*, 16(2), 111-130.
- Abdul-Hamid, M. A., Mohamed, S., & Nassir, A. M. (1999). Effectiveness of audit committee: Some evidence. *Akuntant Nasional* 12, 5-9.
- Abdul-Kadir, A. (2002, October 3). Towards better Corporate Governance and transparency. from Speech presented at International conference on Corporate Governance in Asia. Retrieved November 12, 2010, from <http://www.sc.com.my/main.asp?pageid=375&linkid=471&yearno=2002&mod=paper>
- Abdul-Rahman, R., & Haniffa, R. M. (2005). The effect of role duality on corporate performance in Malaysia. *Corporate Ownership and Control*, 2(2), 40-47.
- Abdul Rahman, R., & Mohamed Ali, F. H. (2006). Board, audit committee, culture and earnings management: Malaysian evidence. *Managerial Auditing Journal*, 21(7), 783-804.
- Abdul Samad, M. F. A., Amir, A., & Ibrahim, H. (2008). Board Structure and Corporate Performance: Evidence from Public-Listed Family-Ownership in Malaysia. Retrieved on March 15, 2011, from <http://ssrn.com/abstract=129212082>.
- Abdul Wahab, E. A., Mat Zain, M., & James, K. (2011). Political connections, corporate governance and audit fees in Malaysia. *Managerial Auditing Journal*, 26(5), 393-418.
- Abdul Wahab, E. A., Mat Zain, M., James, K., & Haron, H. (2009). Institutional investors, political connection and audit quality in Malaysia. *Accounting Research Journal*, 22(2), 167-195.

- Abdul Wahab, E. A., Zain, M. M., James, K., & Haron, H. (2009). Institutional investors, political connection and audit quality in Malaysia. *Accounting Research Journal*, 22(2), 167-195.
- Abdullah, S. N. (2001). Characteristics of board of directors and audit committees. *Akauntan Nasional*, 14(10), 18-21.
- Abdullah, S. N. (2002). Audit committee establishment in Malaysia: Some insight prior to the Asian 1997 financial crisis. *Malaysian Management Journal*, 3(1), 1-17.
- Abdullah, S. N. (2004). Board composition, CEO duality and performance among Malaysian listed companies. *Corporate Governance*, 4(4), 47-61.
- Abdullah, S. N. (2006). Board structure and ownership in Malaysia: the case of distressed listed companies. *Corporate Governance*, 6(5), 582-594.
- Abdullah, S. N. (2007). Board composition, audit committee and timeliness of corporate financial reports in Malaysia. *Corporate Ownership and Control*, 4(2), 33-45.
- Abdullah, S. N., & Al-Murisi, A. (1997). Perceived audit committee effectiveness in Malaysia. *The Malaysian Management Review*, 32(4), 34-42.
- Abdullah, S. N., Ismail, K., & Izah, K. N. (1999). Audit committee effectiveness among Malaysian listed companies. *Malaysian Management Journal*, 3(2), 1-13.
- Abdullah, S. N., Mohamad-Yusof, N. Z., & Mohamad-Nor, M. N. (2010). Financial restatements and corporate governance among Malaysian listed companies. *Managerial Auditing Journal*, 25(6), 526-552.
- Abdullah, S. N., & Mohd-Nasir, N. (2004). Accrual management and the roles of boards of directors and audit committees among Malaysian listed companies: Evidence during the Asian financial crisis. *IJUM Journal of Management & Economics*, 12(1), 49-80.
- Abeysekera, I. (2003). Political economy of accounting in intellectual capital reporting. *Journal of Management and Public Policy*, 2(1), 65-79.
- Abeysekera, I. (2010). The role of corporate governance in intellectual capital disclosure of Kenyan listed firms. *Journal of Intellectual Capital*, 11(4), 14.
- Abeysekera, I., & Guthrie, J. (2005). An empirical investigation of annual reporting trends of intellectual capital in Sri Lanka. *Critical Perspectives on Accounting*, 16(3), 151-163.
- Adams, M., & Hossain, M. (1998). Managerial discretion and voluntary disclosure: Empirical evidence from the New Zealand life insurance industry. *Journal of Accounting and Public Policy*, 17(3), 245-281.
- Adelopo, I. A. (2011). Voluntary disclosure practices among listed companies in Nigeria. *Advances in Accounting*, 27(2), 338-345.
- Agrawal, A., & Chadha, S. (2005). Corporate governance and accounting scandals. *The Journal of Law and Economics*, 48(2), 371-406.
- Ahmad-Zaluki, N. A., & Wan-Hussin, W. N. (2010). Corporate governance and earnings forecasts accuracy. *Asian Review of Accounting*, 18(1), 50-67.
- Ahmed, A. S., & Duellman, S. (2007). Accounting conservatism and board of director characteristics: An empirical analysis. *Journal of Accounting and Economics*, 43(2-3), 411-437.



- Ahmet, A., & Serife, Ö. (2007). Voluntary disclosure in Turkey: a study on firms listed in Istanbul stock exchange (ISE). *Problems and Perspective in Management*, 5(3), 241-286.
- Akhigbe, A., & Martin, A. D. (2006). Valuation impact of Sarbanes-Oxley: evidence from disclosure and governance within the financial services industry. *Journal of Banking & Finance*, 30(3), 989-1006.
- Akhtaruddin, M., & Haron, H. (2010). Board ownership, audit committees' effectiveness, and corporate voluntary disclosures. *Asian Review of Accounting*, 18(3), 245-259.
- Akhtaruddin, M., Hossain, M. A., Hossain, M., & Yao, L. (2009). Corporate governance and voluntary disclosure in corporate annual reports of Malaysian listed firms. *Journal of Applied Management Accounting Research*, 7(1), 1-19.
- Al-Lehaidan, I. (2006). Audit Committee Effectiveness: Australia and Saudi Arabia. *Working paper*, Victoria University. Australia.
- Al Arussi, A. S., Selamat, M. H., & Hanefah, M. M. (2009). Determinants of financial and environmental disclosures through the internet by Malaysian companies. *Asian Review of Accounting*, 17(1), 59-76.
- Alchian, A. A., & Demsetz, H. (1972). Production, information costs, and economic organization. *The American Economic Review*, 62(5), 777-795.
- Ali, A., Chen, T. Y., & Radhakrishnan, S. (2007). Corporate disclosures by family firms. *Journal of Accounting and Economics*, 44(1-2), 238-286.
- Allegrini, M., & Greco, G. (2011). Corporate boards, audit committees and voluntary disclosure: evidence from Italian Listed Companies. *Journal of Management and Governance*, 15(3), 1-30.
- Allen, J. (2000). Code convergence in Asia: smoke or fire? *Corporate Governance International*, 3(1), 23-37.
- Amoah, N. Y., & Tang, A. P. (2010). Board, audit committee and restatement-induced class action lawsuits. *Advances in Accounting*, 26(2), 155-169.
- Amran, A. B., & Devi, S. S. (2007). Corporate social reporting in Malaysia: an institutional perspective. *World Review of Entrepreneurship, Management and Sustainable Development*, 3(1), 20-36.
- Anderson, D., Francis, J. R., & Stokes, D. J. (1993). Auditing, directorships and the demand for monitoring. *Journal of Accounting and Public Policy*, 12(4), 353-375.
- Anderson, K. L., Deli, D. N., & Gillan, S. L. (2004). Boards of directors, audit committees, and the information content of earnings. *Working paper*, Weinberg Center for Corporate Governance, University of Delaware.
- 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.
- Ashbaugh-Skaife, H., Collins, D. W., & LaFond, R. (2006). The effects of corporate governance on firms' credit ratings. *Journal of Accounting and Economics* 42(2006), 203-243.
- Bangho, J., & Plenborg, T. (2008). Value relevance of voluntary disclosure in the annual report. *Accounting & Finance*, 48(2), 159-180.

- Barako, D. G., Hancock, P., & Izan, H. (2006). Factors influencing voluntary corporate disclosure by Kenyan companies. *Corporate Governance: An International Review*, 14(2), 107-125.
- Barriga, R. D. (2009). *Earnings management and the board's audit committee: The pre and post Sarbanes-Oxley experience*. Unpublished doctoral dissertation, TUI University, US.
- Barry, C. B., & Brown, S. J. (1984). Differential information and the small firm effect. *Journal of financial Economics*, 13(2), 283-294.
- Barry, C. B., & Brown, S. J. (1985). Differential information and security market equilibrium. *Journal of Financial and Quantitative Analysis*, 20(04), 407-422.
- Bartholomeusz, S., & Tanewski, G. A. (2006). The relationship between family firms and corporate governance. *Journal of Small Business Management*, 44(2), 245-267.
- Bauwhede, H. V., & Willekens, M. (2008). Disclosure on corporate governance in the European Union. *Corporate Governance: An International Review*, 16(2), 101-115.
- Baxter, P. (2010). Factors associated with the quality of audit committees. *Pacific Accounting Review*, 22(1), 57-74.
- Baxter, P., & Cotter, J. (2009). Audit committees and earnings quality. *Accounting & Finance*, 49(2), 267-290.
- Baysinger, B., & Hoskisson, R. E. (1989). Diversification strategy and R&D intensity in multiproduct firms. *Academy of Management Journal*, 310-332.
- Bazerman, M. H., & Schoorman, F. D. (1983). A limited rationality model of interlocking directorates. *Academy of Management Review*, 206-217.
- Beasley, M. S., Carcello, J. V., Hermanson, D. R., & Lapedes, P. (2000). Fraudulent financial reporting: consideration of industry traits and corporate governance mechanisms. *Accounting Horizons* 14(4), 441-454.
- Beasley, M. S., Carcello, J. V., Hermanson, D. R., & Neal, T. L. (2009). The audit committee oversight process. *Contemporary Accounting Research*, 26(1), 65-122.
- Beasley, M. S., Carcello, J. V., Hermanson, D. R., & Neal, T. L. (2010). Fraudulent financial reporting 1998-2007; An analysis of U.S. public companies. *Committee of Sponsoring Organization of the Treadway Commission*
- 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.
- Beattie, V., & Jones, M. (2008). Corporate reporting using graphs: a review and synthesis. *Journal of Accounting Literature*, 27(3), 71-110.
- Becht, M., Bolton, P., & Roell, A. (2003). Corporate governance and control. *Handbook of the Economics of Finance*, 1, 1-109.
- Bedard, J., Chtourou, S. M., & Courteau, L. (2004). The effect of audit committee expertise, independence, and activity on aggressive earnings management. *Auditing*, 23(2), 13-36.
- Bédard, J., Coulombe, D., & Courteau, L. (2008). Audit committee, underpricing of IPOs, and accuracy of management earnings forecasts. *Corporate Governance: An International Review*, 16(6), 519-535.
- Bedard, J., & Gendron, Y. (2010). Strengthening the financial reporting system: Can audit committees deliver? *International Journal of Auditing*, 14(2), 174-210.

- Ben-Amar, W., & Zeghal, D. (2011). Board of directors' independence and executive compensation disclosure transparency Canadian evidence. *Journal of Applied Accounting Research*, 12(1), 43-60.
- Bhattacharyay, B. (2004). Strengthening corporate governance in developing countries in Asia: Prospects and problems. In *Corporate governance: An International Perspective*, Malaysia: Malaysian Institute of Corporate Governance Publication. 1-12.
- Bizjak, J., Lemmon, M., & Whitby, R. (2009). Option backdating and board interlocks. *Review of Financial Studies*, 22(11), 4821-4847.
- Bliss, M. A., Muniandy, B., & Majid, A. (2007). CEO duality, audit committee effectiveness and audit risks: A study of the Malaysian market. *Managerial Auditing Journal*, 22(7), 716-728.
- Boesso, G., & Kumar, K. (2007). Drivers of corporate voluntary disclosure: A framework and empirical evidence from Italy and the United States. *Accounting, Auditing & Accountability Journal*, 20(2), 269-296.
- Boo, E., & Sharma, D. (2008). Effect of regulatory oversight on the association between internal governance characteristics and audit fees. *Accounting & Finance*, 48(1), 51-71.
- Botosan, C. A. (1997). Disclosure level and the cost of equity capital. *Accounting Review*, 323-349.
- Botosan, C. A., & Plumlee, M. A. (2002). A re-examination of disclosure level and the expected cost of equity capital. *Journal of Accounting Research*, 40(1), 21-40.
- Boubaker, S., & Labégorre, F. (2008). Ownership structure, corporate governance and analyst following: A study of French listed firms. *Journal of Banking & Finance*, 32(6), 961-976.
- Bradbury, M., Mak, Y. T., & Tan, S. (2006). Board characteristics, audit committee characteristics and abnormal accruals. *Pacific Accounting Review*, 18(2), 47-68.
- Bradbury, M. E. (1990). The incentives for voluntary audit committee formation. *Journal of Accounting and Public Policy*, 9(1), 19-36.
- Braiotta, L. (1994). Audit committees: asking new questions. *Corporate Board*, 15(88), 1-3.
- Braiotta, L., Hickok, R. S., & Biegler, J. C. (2004). *The audit committee handbook*: John Wiley & Sons Inc.
- Brickley, J. A., & James, C. M. (1987). The takeover market, corporate board composition, and ownership structure: The case of banking. *Journal of Law and Economics*, 30(1), 161-180.
- 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.
- Bryan, D., Liu, M. H. C., Tiras, S. L., & Zhuang, Z. (2011). *Optimal versus suboptimal choices of accounting expertise on audit committees and earnings informativeness*. Paper presented at the Journal of Contemporary Accounting & Economics Doctoral Consortium 2012. Monash University Sunway Campus, Malaysia

- 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.
- Carcello, J. V., & Neal, T. L. (2000). Audit committee composition and auditor reporting. *Accounting Review*, 75(4), 453-467.
- Carcello, J. V., & Neal, T. L. (2003a). Audit committee characteristics and auditor dismissals following "new" going-concern reports. *Accounting Review*, 78(1), 95-117.
- Carcello, J. V., & Neal, T. L. (2003b). Audit committee independence and disclosure: choice for financially distressed firms. *Corporate Governance: An International Review*, 11(4), 289-299.
- Carcello, J. V., Neal, T. L., Hollingsworth, C. W., & Klein, A. (2006). Audit committee financial expertise, competing corporate governance mechanisms, and earnings management. *Working Paper*, University of Tennessee.
- Carcello, J. V., Neal, T. L., Palmrose, Z. V., & Scholz, S. (2011). CEO involvement in selecting board members, audit committee effectiveness, and restatements. *Contemporary Accounting Research*, 28(2), 396-430.
- Carcello, V., & Neal, T. L. (2006). Audit committee financial experts: A closer examination using firm designations. *Accounting Horizons*, 20(4), 351-373.
- Cavana, R. Y., Delahaye, B. L., & Sekaran, U. (2001). *Applied business research: Qualitative and quantitative methods*: Wiley and Sons, Australia
- Cerbioni, F., & Parbonetti, A. (2007). Exploring the effects of corporate governance on intellectual capital disclosure: an analysis of European biotechnology companies. *European Accounting Review*, 16(4), 791-826.
- Certo, S. T., Daily, C. M., & Dalton, D. R. (2001). Signaling firm value through board structure: an investigation of initial public offerings. *Entrepreneurship Theory and Practice*, 26(2), 33-50.
- 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.
- Chang, A. L. A., & Shazali, A. M. (2005). Can good corporate governance practices contribute to firms' financial performance?—evidence from Malaysian companies. *International Journal of Business Governance and Ethics*, 1(4), 350-362.
- Chau, G., & Gray, S. J. (2010). Family ownership, board independence and voluntary disclosure: Evidence from Hong Kong. *Journal of International Accounting, Auditing and Taxation*, 19(2), 93-109.
- Chau, G., & Leung, P. (2006). The impact of board composition and family ownership on audit committee formation: evidence from Hong Kong. *Journal of International Accounting, Auditing and Taxation*, 15(1), 1-15.
- Chau, G. K., & Gray, S. J. (2002). Ownership structure and corporate voluntary disclosure in Hong Kong and Singapore. *The International Journal of Accounting*, 37(2), 247-265.

- Che Ahmad, A., Ishak, Z., & Manaf, N. A. A. (2003). Corporate governance, ownership structure and corporate diversification: Evidence from the Malaysian listed companies. *Asian Academy of Management Journal*, 8(2), 67-89.
- Che Haat, M. H., Abdul Rahman, R., & Mahenthiran, S. (2008). Corporate governance, transparency and performance of Malaysian companies. *Managerial Auditing Journal*, 23(8), 744-778.
- Chen, C. J. P., & Jaggi, B. (2000). Association between independent non-executive directors, family control and financial disclosures in Hong Kong. *Journal of Accounting and Public Policy*, 19(4-5), 285-310.
- Chen, E. T., & Nowland, J. (2010). Optimal board monitoring in family-owned companies: evidence from asia. *Corporate Governance: An International Review*, 18(1), 3-17.
- 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, S., Chen, X., & Cheng, Q. (2008). Do family firms provide more or less voluntary disclosure? *Journal of Accounting Research*, 46(3), 499-536.
- Chen, V. Z., Li, J., & Shapiro, D. M. (2011). Are OECD-prescribed "good corporate governance practices" really good in an emerging economy? *Asia Pacific Journal of Management*, 28(1), 115-138.
- 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.
- Cheng, E., & Courtenay, S. M. (2006). Board composition, regulatory regime and voluntary disclosure. *The International Journal of Accounting*, 41(3), 262-289.
- Cheng, M. Y., Hossain, S., & Law, S. H. (2001). *An introduction to econometrics using Shazam*. Kuala Lumpur: McGraw Hill.
- Cheung, S. Y. L., & Chan, B. Y. (2005). Corporate governance in Asia. *Asia-Pacific development journal*, 11(2), 1-31.
- Chiu, P. C., Teoh, S. H., & Tian, F. (2011). Board interlocks and earnings management contagion. *Working paper*, University of California.
- Cho, D. S., & Kim, J. (2007). Outside directors, ownership structure and firm profitability in Korea. *Corporate Governance: An International Review*, 15(2), 239-250.
- Chobpichien, J., Haron, H., & Ibrahim, D. (2007). Quality of board of directors, ownership structure and level of voluntary disclosure of listed companies in Thailand. *Euro Asia Journal of Management* 17(33), 3-39.
- Choi, S. H., Frye, M. B., & Yang, M. (2008). Shareholder rights and the market reaction to Sarbanes-Oxley. *The Quarterly Review of Economics and Finance*, 48(4), 756-771.
- Chu, E. Y., & Cheah, K. G. (2006). Does ownership structure matter? evidence from Malaysian equity market. *Corporate Ownership and Control*, 4(1), 77-90.
- Claessens, S., Djankov, S., Fan, J. P. H., & Lang, L. H. P. (2002). Disentangling the incentive and entrenchment effects of large shareholdings. *The Journal of Finance*, 57(6), 2741-2771.
- Claessens, S., Djankov, S., & Lang, L. H. P. (1999). Who Controls East Asian Corporations? *Working papers*, World Bank Policy Research.

- Claessens, S., Djankov, S., & Lang, L. H. P. (2000). The separation of ownership and control in East Asian corporations. *Journal of Financial Economics*, 58(1-2), 81-112.
- Cohen, J., Krishnamoorthy, G., & Wright, A. (2004). The corporate governance mosaic and financial reporting quality. *Journal of Accounting Literature*, 23(1), 87-152.
- Cohen, J., Krishnamoorthy, G., & Wright, A. M. (2002). Corporate governance and the audit process. *Contemporary Accounting Research*, 19(4), 573-594.
- Cohen, J. R., Krishnamoorthy, G., & Wright, A. M. (2008). Form versus substance: The implications for auditing practice and research of alternative perspectives on corporate governance. *Auditing: A Journal of Practice & Theory*, 27, 181-198.
- Coles, J. L., Daniel, N. D., & Naveen, L. (2008). Boards: Does one size fit all. *Journal of Financial Economics*, 87(2), 329-356.
- Collett, P., & Hraskey, S. (2005). Voluntary disclosure of corporate governance practices by listed Australian companies. *Corporate Governance: An International Review*, 13(2), 188-196.
- Collier, P., & Zaman, M. (2005). Convergence in European corporate governance: The audit committee concept. *Corporate Governance: An International Review*, 13(6), 753-768.
- Cooke, T. E. (1989). Voluntary corporate disclosure by Swedish companies. *Journal of International Financial Management & Accounting*, 1(2), 171-195.
- Cooke, T. E. (1991). An assessment of voluntary disclosure in the annual reports of Japanese corporations. *The International Journal of Accounting*, 26(3), 174-189.
- Cooke, T. E. (1992). The impact of size, stock market listing and industry type on disclosure in the annual reports of Japanese listed prospectus. *Accounting and Business Research*, 22(87), 229-237.
- Cooke, T. E. (1993). Disclosure in Japanese corporate annual reports. *Journal of Business Finance & Accounting*, 20(4), 521-535.
- Coombs, P., & Wong, S. (2006). Chairman and CEO-One Job or Two? *The McKinsey Quarterly*, 43-47.
- Coombs, H. M., & Tayib, M. (1998). *Developing a Disclosure Index for Local Authority Published Accounts-A Comparative Study of Local Authority Published Financial Reports Between the UK and Malaysia*. Paper presented at the Asian Pacific Interdisciplinary Research in Accounting Conference in Osaka, August.
- Cooper, D. R., Schindler, P. S., & Sun, J. (2003). *Business research methods*: McGraw-Hill/Irwin New York.
- Core, J., Holthausen, R., & Larcker, D. (1999). Corporate governance, CEO compensation, and firm performance. *Journal of Financial Economics*, 51(3), 371-406.
- Cowen, A. P., & Marcel, J. J. (2011). Damaged Goods: Board Decisions To Dismiss Reputationally Compromised Directors. *The Academy of Management Journal (AMJ)*, 54(3), 509-527.
- Coy, D., & Dixon, K. (2004). The public accountability index: crafting a parametric disclosure index for annual reports. *The British Accounting Review*, 36(1), 79-106.
- Coy, D., Tower, G., & Dixon, K. (1993). Quantifying the quality of tertiary education annual reports. *Accounting & Finance*, 33(2), 121-129.

- Cullinan, C. P., Du, H., & Jiang, W. (2010). Is compensating audit committee members with stock options associated with the likelihood of internal control weaknesses? *International journal of auditing*, 14(3), 256-273.
- Dahya, J., Lonie, A. A., & Power, D. (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.
- Daily, C. M., Dalton, D. R., & Cannella, A. A. (2003). Corporate governance: Decades of dialogue and data. *Academy of Management Review*, 28(3), 371-382.
- 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.
- Davidson III, W. N., Jiraporn, P., Kim, Y. S., & Nemecek, C. (2004). Earnings management following duality-creating successions: Ethnostatistics, impression management, and agency theory. *The Academy of Management Journal*, 47(2), 267-275.
- Davidson, R., Goodwin-Stewart, J., & Kent, P. (2005). Internal governance structures and earnings management. *Accounting & Finance*, 45(2), 241-267.
- Dechow, P. M., Sloan, R. G., & Sweeney, A. P. (1996). Causes and consequences of earnings manipulation: An analysis of firms subject to enforcement actions by the SEC. *Contemporary Accounting Research*, 13(1), 1-36.
- DeFond, M. L., & Francis, J. R. (2006). Audit research after Sarbanes-Oxley. *Auditing A Journal of Practice Theory*, 24(Supplement).
- 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.
- DeFond, M. L., & Jiambalvo, J. (1994). Debt covenant violation and manipulation of accruals. *Journal of Accounting and Economics*, 17(1-2), 145-176.
- Deli, D. N., & Gillan, S. L. (2000). On the demand for independent and active audit committees. *Journal of Corporate Finance*, 6(4), 427-445.
- Descombe, M. (2003). *The good research guide*: Buckingham: Open University Press.
- DeZoort, F. T., Hermanson, D. R., & Archambeault, D. S. (2002). Audit committee effectiveness: a synthesis of the empirical audit committee literature. *Journal of Accounting Literature*, 21, 38-75.
- DeZoort, F. T., Hermanson, D. R., & Houston, R. W. (2008). Audit Committee Member Support for Proposed Audit Adjustments: Pre-SOX versus Post-SOX Judgments. *Auditing: A Journal of Practice & Theory*, 27(1), 85.
- DeZoort, F. T., & Salterio, S. (2001). The effects of corporate governance experience and financial reporting and audit knowledge on audit committee members judgments. *Auditing: A Journal of Practice & Theory*, 20(2), 31-47.
- Dhaliwal, D., Naiker, V., & Navissi, F. (2010). The Association Between Accruals Quality and the Characteristics of Accounting Experts and Mix of Expertise on Audit Committees. *Contemporary Accounting Research*, 27(3), 787-827.
- Dhaliwal, D. S., Naiker, V., & Navissi, F. (2006). Audit committee financial expertise, corporate governance and accruals quality: An empirical analysis. *Working Paper*, Monash University. .

- Diamond, D. W., & Verrecchia, R. E. (1991). Disclosure, liquidity, and the cost of capital. *Journal of finance*, 66(4), 1325-1359.
- Dickins, D., Hillison, W., & Platau, S. (2009). Do Financial statement users care about differences in board members' source of financial expertise? views of financial analysts. *Journal of Applied Business and Economics*, 9(2), 21-36.
- Donnelly, R., & Mulcahy, M. (2008). Board structure, ownership, and voluntary disclosure in Ireland. *Corporate Governance: An International Review*, 16(5), 416-429.
- Dye, R. A. (1985). Disclosure of nonproprietary information. *Journal of Accounting Research*, 23(1), 123-145.
- Eichenseher, J. W., & Shields, D. (1985). Corporate director liability and monitoring preferences. *Journal of Accounting and Public Policy*, 4(1), 13-31.
- Elsayed, K. (2010). A multi-theory perspective of board leadership structure: what does the Egyptian corporate governance context tell us? *British Journal of Management*, 21(1), 80-99.
- Elsayed, K. (2011). Board size and corporate performance: the missing role of board leadership structure. *Journal of Management and Governance*, 15(3), 415-446.
- Emmerich, A. O., Racz, G. N., & Unger, J. (2005). Composition of the audit committee: Ensuring members meet the new independence and financial literacy rules. *International Journal of Disclosure and Governance*, 2(1), 67-80.
- Eng, L. L., & Mak, Y. T. (2003). Corporate governance and voluntary disclosure. *Journal of Accounting and Public Policy*, 22(4), 325-345.
- Epping, L. L., & Wilder, W. M. (2011). Factors impacting the credibility of website disclosures. *Journal of Financial Reporting and Accounting*, 9(1), 27-46.
- Erickson, J., Park, Y. W., Reising, J., & Shin, H. H. (2005). Board composition and firm value under concentrated ownership: the Canadian evidence. *Pacific-Basin Finance Journal*, 13(4), 387-410.
- Faccio, M., & Lang, L. H. P. (2002). The ultimate ownership of Western European corporations. *Journal of financial Economics*, 65(3), 365-395.
- 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(3), 301-325.
- Fan, J. P. H., & Wong, T. J. (2002). Corporate ownership structure and the informativeness of accounting earnings in East Asia. *Journal of Accounting and Economics*, 33(3), 401-425.
- Farber, D. B. (2005). Restoring trust after fraud: Does corporate governance matter? *Accounting Review*, 80(2), 539-561.
- Felo, A. (2010). Corporate Reporting Transparency, Board Independence and Expertise, and CEO Duality. *Working paper*, The Pennsylvania State University.
- Felo, A. J., Krishnamurthy, S., & Solieri, S. A. (2003). Audit committee characteristics and the perceived quality of financial reporting: an empirical analysis. *Working paper*, Pennsylvania State University
- Felton, R. F., & Watson, M. (2002). Change across the board. *McKinsey Quarterly*, 4, 31-46.



- Felton, R. F., & Wong, S. C. Y. (2004). How to separate the roles of chairman and CEO. *McKinsey Quarterly*, 4, 58-69.
- 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.
- Filatotchev, I., Zhang, X., & Piesse, J. (2011). Multiple agency perspective, family control, and private information abuse in an emerging economy. *Asia Pacific Journal of Management*, 28(1), 69-93.
- Firstenberg, P. B., & Malkiel, B. G. (1994). The twenty-first century boardroom: Who will be in charge? *Sloan Management Review*, 36, 27-27.
- Firth, M. (1979). The impact of size, stock market listing, and auditors on voluntary disclosure in corporate annual reports. *Accounting and Business Research*, 9(36), 273-280.
- Firth, M., & Rui, O. M. (2007). Voluntary audit committee formation and agency costs. *International Journal of Accounting, Auditing and Performance Evaluation*, 4(2), 142-160.
- Forbes, D. P., & Milliken, F. J. (1999). Cognition and corporate governance: Understanding boards of directors as strategic decision-making groups. *Academy of Management Review*, 489-505.
- Frankel, R., McNichols, M., & Wilson, G. P. (1995). Discretionary disclosure and external financing. *Accounting Review*, 70(1), 135-150.
- García-Meca, E., & Sanchez-Ballesta, J. P. (2010). The association of board independence and ownership concentration with voluntary disclosure: a meta-analysis. *European Accounting Review*, 19(3), 603-627.
- García, S. L., Barbadillo, R. E., & Pérez, O. M. (2010). Audit committee and internal audit and the quality of earnings: empirical evidence from Spanish companies. *Journal of Management and Governance*, 16(2), 1-27.
- Gavin, D. J. (2010). Power in the corporate boardroom: development of board power and CEO power indexes. (Doctoral dissertation). Available from ProQuest Dissertations and Theses database. (UMI No. 3413272).
- Ghosh, A., Marra, A., & Moon, D. (2010). Corporate boards, audit committees, and earnings management: pre-and post-SOX evidence. *Journal of Business Finance & Accounting*, 37(9), 1145-1176.
- Gibbins, M., Richardson, A., & Waterhouse, J. (1990). The management of corporate financial disclosure: opportunism, ritualism, policies, and processes. *Journal of Accounting Research*, 28(1), 121-143.
- Giles, J. P. (1998). Evidence on the Relationship between audit committee characteristics and the quality of financial reporting. Rutgers, The State University of New Jersey, Newark, New Jersey.
- Gillan, S., Hartzell, J., & Starks, L. (2006). Evidence on corporate governance: the joint determination of board structures and charter provisions. *Workin Papre*, University of Texas at Austin.

- Gilson, R. J. (2006). Controlling shareholders and corporate governance: Complicating the comparative taxonomy. *Harvard Law Review*, 119, 1641-1679.
- Gilson, S. C. (1990). Bankruptcy, boards, banks, and blockholders: Evidence on changes in corporate ownership and control when firms default. *Journal of financial Economics*, 27(2), 355-387.
- Glassman, C. A. (2003, January 28). SEC initiatives under the Sarbanes-Oxley Act of 2002. from Speech presented at College of Business and Economics, California State University Fullerton. Retrieved November 10, 2010, from <http://www.sec.gov/news/speech/spch012803cag.htm>:
- Globerman, S., Peng, M. W., & Shapiro, D. M. (2011). Corporate governance and Asian companies. *Asia Pacific Journal of Management*, 28(1), 1-14.
- Goodstein, J., Gautam, K., & Boeker, W. (1994). The effects of board size and diversity on strategic change. *Strategic Management Journal*, 15(3), 241-250.
- Gordon, J. N. (2002). What Enron means for the management and control of the modern business corporation: some initial reflections. *University of Chicago Law Review*, 69(4), 1233-1249.
- Grace, M., Ireland, A., & Dunstan, K. (1995). Board composition, non-executive directors' characteristics and corporate financial performance. *Asia-Pacific Journal of Accounting*, 2, 121-137.
- Granovetter, M. (1985). Economic action and social structure: the problem of embeddedness. *American journal of sociology*, 91(3), 481-510.
- Gray, R., Kouhy, R., & Lavers, S. (1995). Corporate social and environmental reporting: a review of the literature and a longitudinal study of UK disclosure. *Accounting, Auditing & Accountability Journal*, 8(2), 47-77.
- Greco, G. (2011). Determinants of board and audit committee meeting frequency: Evidence from Italian companies. *Managerial Auditing Journal*, 26(3), 208-229.
- Gujarati, D. N., & Porter, D. C. (2003). *Essentials of econometrics* (3rd ed.): Singapore: Irwin McGraw-Hill.
- Gul, F. A., & Leung, S. (2004). Board leadership, outside directors' expertise and voluntary corporate disclosures. *Journal of Accounting and Public Policy*, 23(5), 351-379.
- Guthrie, J., & Parker, L. D. (1990). Corporate social disclosure practice: a comparative international analysis. *Advances in Public Interest Accounting*, 3(2), 159-176.
- Hackman, J. R. (1990). *Groups that work (and those that don't): Creating conditions for effective teamwork*: Jossey-Bass San Francisco.
- Haggard, K. S., Martin, X., & Pereira, R. (2008). Does voluntary disclosure improve stock price informativeness? *Financial Management*, 37(4), 747-768.
- Hair, J., Black, W., Babin, B., Anderson, R., & Tatham, R. (2006). *Multivariate Data Analysis* (6th ed.). UK: Pearson Education International.
- Haleblian, J., & Finkelstein, S. (1993). Top management team size, CEO dominance, and firm performance: the moderating roles of environmental turbulence and discretion. *Academy of Management Journal*, 36(4), 844-863.
- Hambrick, D. C., & Jackson, E. M. (2000). Outside directors with a stake: the linchpin in improving governance. *California Management Review*, 42(4), 108-127.

- Hamilton, L. C. (2008). *Statistics with Stata: updated for version 10*: Belmont: Duxbury Press.
- Haniffa, M. H., & AB.Rashid, H.-M. (2004). The Determinants of voluntary disclosures in Malaysia. Paper presented at International Business Management Conference
- Haniffa, R., & Hudaib, M. (2006). Corporate governance structure and performance of Malaysian listed companies. *Journal of Business Finance & Accounting*, 33(7-8), 1034-1062.
- Haniffa, R. M., & Cooke, T. (2005). The impact of culture and governance on corporate social reporting. *Journal of Accounting and Public Policy*, 24(5), 391-430.
- Haniffa, R. M., & Cooke, T. E. (2002). Culture, corporate governance and disclosure in Malaysian corporations. *Abacus*, 38(3), 317-349.
- Haron, H., Jantan, M., & Pheng, E. G. (2005). Audit committee compliance with Kuala Lumpur Stock Exchange listing requirements. *International journal of auditing*, 9(3), 187-200.
- Harrast, S., & Mason-Olsen, L. (2007). Can audit committees prevent management fraud? *CPA Journal*, 77(1), 24-28.
- Harris, I. C., & Shimizu, K. (2004). Too busy to serve? An examination of the influence of overboarded directors. *Journal of Management Studies*, 41(5), 775-798.
- Hashim, F., & Saleh, N. M. (2007). Voluntary Annual Report Disclosures by Malaysian Multinational Corporations. *Malaysian Accounting Review*, 6(1), 29.
- Hashim, H. A., & Devi, S. (2009). Board characteristics, ownership structure and earnings quality: Malaysian evidence. *Reasearc in Accounting in Emerging Economies*, 8(8), 97-123.
- Hashim, H. A., & Devi, S. S. (2008). Board Independence, CEO duality and accrual Management: Malaysian evidence. *Asian Journal of Business and Accounting*, 1(1), 27-46.
- HassabElnaby, H. R., Said, A., & Wolfe, G. (2007). Audit committees oversight responsibilities post Sarbanes-Oxley Act. *American Journal of Business*, 22(2), 19-32.
- Hassan, O., & Marston, C. (2010). Disclosure measurement in the empirical accounting literature: a review article. *Working paper*, Economics and Finance. Brunel University. .
- He, L., Labelle, R., Piot, C., & Thornton, D. B. (2008). Board monitoring, audit committee effectiveness, and financial reporting quality: review and synthesis of empirical evidence. *Journal of Forensic & Investigative Accounting*, 1(2), 1-42.
- Healy, P. M., Hutton, A. P., & Palepu, K. G. (1999). Stock performance and intermediation changes surrounding sustained increases in disclosure. *Contemporary Accounting Research*, 16(3), 485-520.
- Healy, P. M., & Palepu, K. G. (1995). The challenges of investor communication The case of CUC International, Inc. *Journal of financial Economics*, 38(2), 111-140.
- Healy, P. M., & Palepu, K. G. (2001). Information asymmetry, corporate disclosure, and the capital markets: A review of the empirical disclosure literature. *Journal of Accounting and Economics*, 31(1-3), 405-440.
- Hendry, J. (2002). The principal's other problems: honest incompetence and the specification of objectives. *Academy of Management Review*, 27(1), 98-113.

- Hermalin, B. E., & Weisbach, M. S. (2001). Boards of directors as an endogenously determined institution: a survey of the economic literature. *Economic Policy Review*, 7(1), 7-26.
- Hillman, A. J., & Dalziel, T. (2003). Boards of directors and firm performance: integrating agency and resource dependence perspectives. *The Academy of Management Review*, 28(3), 383-396.
- Hirshleifer, D., & Teoh, S. H. (2009). Contagion in capital markets. Edited by W. Ziemba. In *Handbook of Financial Markets: Dynamics and Evolution*, University of California, Irvine: Elsevier Science.
- Ho, R. (2006). *Handbook of univariate and multivariate data analysis and interpretation with SPSS*: New York: CRC Press.
- Ho, S. S. M., & Wong, K. S. (2001). A study of corporate disclosure practice and effectiveness in Hong Kong. *Journal of International Financial Management & Accounting*, 12(1), 75-102.
- Hossain, M., & Hammami, H. (2009). Voluntary disclosure in the annual reports of an emerging country: the case of Qatar. *Advances in Accounting, incorporating Advances in International Accounting*, 26(2009), 255–265.
- Hossain, M., Perera, M., & Rahman, A. (1995). Voluntary disclosure in the annual reports of New Zealand companies. *Journal of International Financial Management & Accounting*, 6(1), 69-87.
- Hossain, M., & Reaz, M. (2007). The determinants and characteristics of voluntary disclosure by Indian banking companies. *Corporate Social Responsibility and Environmental Management*, 14(5), 274-288.
- Hossain, M., Tan, L. M., & Adams, M. (1994). *Voluntary disclosure in an emerging capital market: some empirical evidence from companies listed on the Kuala Lumpur stock exchange*: Dept. of Accountancy, Massey University.
- Hossain, M., & Taylor, P. (2007). The empirical evidence of the voluntary information disclosure in the annual reports of banking companies: The case of Bangladesh. *Corporate Ownership & Control*, 4(3), 111-125.
- Hsu, H. (2008). Audit committees in US entrepreneurial firms. *Journal of American Academy of Business*, 13(1), 121-127.
- Hu, H. W., Tam, O. K., & Tan, M. G. S. (2010). Internal governance mechanisms and firm performance in China. *Asia Pacific Journal of Management*, 27(4), 727-749.
- Huafang, X., & Jianguo, Y. (2007). Ownership structure, board composition and corporate voluntary disclosure: Evidence from listed companies in China. *Managerial Auditing Journal*, 22(6), 604-619.
- Hussainey, K., & Walker, M. (2009). The effects of voluntary disclosure and dividend propensity on prices leading earnings. *Accounting and Business Research*, 39(1), 37-55.
- Ibrahim, H., & Abdul Samad, F. (2007, 3-6 December). *Agency costs, corporate governance mechanisms and performance of public listed family firms in Malaysia*. Paper presented at the 7th International Business Research Conference, University Technology Sydney, Australia.

- Inchausti, A. G. (1997). The influence of company characteristics and accounting regulation on information disclosed by Spanish firms. *European Accounting Review*, 6(1), 45-68.
- Ismail, H., Mohd Iskandar, T., & Rahmat, M. M. (2008). Corporate reporting quality, audit committee and quality of audit. *Malaysian Accounting Review*, 7(1), 21-42.
- Iyengar, R. J., Land, J., & Zampelli, E. M. (2010). Does board governance improve the quality of accounting earnings? *Accounting Research Journal*, 23(1), 49-68.
- Izma, N. (2012, January / February). Audit committee - the balance device. *Accountants Today*, 25(1), 16-18.
- Jaccard, J., & Turrisi, R. (2003). *Interaction effects in multiple regression*: Sage Publications Newbury Park, CA.
- Jaggi, B., & Leung, S. (2007). Impact of family dominance on monitoring of earnings management by audit committees: Evidence from Hong Kong. *Journal of International Accounting, Auditing and Taxation*, 16(1), 27-50.
- Jensen, M. (1989). Eclipse of the public corporation. *Harvard Business Review* (Sept.-Oct. 1989), revised 1997., 67(5), 61-75.
- Jensen, M. (1993). The modern industrial revolution, exit, and the failure of internal control systems. *Journal of Finance*, July 1993, 48(3), 831-880.
- 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.
- Jiang, H., Habib, A., & Hu, B. (2010). Ownership concentration, voluntary disclosure and information asymmetry in New Zealand. *The British Accounting Review*, 42(1), 1-15.
- 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.
- Joshi, P., & Wakil, A. (2004). A study of the audit committees' functioning in Bahrain: empirical findings. *Managerial Auditing Journal*, 19(7), 832-858.
- Jung, W. O., & Kwon, Y. K. (2002). Disclosure when the market is unsure of information endowment of managers. *Journal of Accounting Research*, 26(1), 146-153.
- Kalbers, L. P., & Fogarty, T. J. (1993). Audit committee effectiveness: An empirical investigation of the contribution of power. *Auditing*, 12, 24-24.
- Kamardin, H., & Haron, H. (2011). Internal corporate governance and board performance in monitoring roles evidence from Malaysia. *Journal of Financial Reporting & Accounting*, 9(2), 119-140.
- Kang, D. L., & Sorensen, A. B. (1999). Ownership organization and firm performance. *Annual Review of Sociology*, 25(2), 121-144.
- Kang, H. H. J. (2006). *Reporting intangible assets: voluntary disclosure practices of the top emerging market companies*. Unpublished doctoral dissertation. University of Nwe South Wales. Australia
- Kaplan, S. N., & Reishus, D. (1990). Outside directorships and corporate performance. *Journal of financial Economics*, 27(2), 389-410.

- 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.
- Kelton, A. S., & Yang, Y. (2008). The impact of corporate governance on Internet financial reporting. *Journal of Accounting and Public Policy*, 27(1), 62-87.
- Kent, P., Routledge, J., & Stewart, J. (2010). Innate and discretionary accruals quality and corporate governance. *Accounting & Finance*, 50(1), 171-195.
- Kervin, J. B. (1999). *Methods for business research* (2nd. ed.): New York: HarperCollinsPublishers.
- Kiatapiwat, W. (2010). Controlling shareholders, audit committee effectiveness, and earnings quality: the case of Thailand. (doctoral dissertation). Available from ProQuest Dissertations and Theses database.
- Kiel, G. C., & Nicholson, G. J. (2003). *Boards that work: A new guide for directors*: McGraw Hill.
- Kim, O., & Verrecchia, R. E. (1994). Market liquidity and volume around earnings announcements. *Journal of Accounting and Economics*, 17(1-2), 41-67.
- Kim, Y. (2007). The proportion and social capital of outside directors and their impacts on firm value: evidence from Korea. *Corporate Governance: An International Review*, 15(6), 1168-1176.
- Klein, A. (1998). Firm Performance and Board Committee Structure *The Journal of Law and Economics*, 41(1), 275-304.
- Klein, A. (2002a). Audit committee, board of director characteristics, and earnings management. *Journal of Accounting and Economics*, 33(3), 375-400.
- Klein, A. (2002b). Economic determinants of audit committee independence. *Accounting Review*, 77(2), 435-452.
- 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.
- Koh, P. S., Laplante, S. K., & Tong, Y. H. (2007). Accountability and value enhancement roles of corporate governance. *Accounting & Finance*, 47(2), 305-333.
- Kohler, A. (2005). Audit Committees in Germany-theoretical reasoning and empirical evidence. *Schmalenbach Business Review*, 57(3), 229-252.
- KPMG (2009). *Audit Committee Roundtable Highlights - 2009: The Audit Committee – Grappling with Rising Challenges in the Marketplace*: Audit Committee Institute, Malaysia.
- KPMG (2010). *Audit Committee Roundtable Highlights - 2009: The Audit Committee – Grappling with Rising Challenges in the Marketplace*: Audit Committee Institute, Malaysia.
- Krishnamoorthy, G., Wright, A., & Cohen, J. (2002). Audit committee effectiveness and financial reporting quality: Implications for auditor independence. *Australian Accounting Review*, 12(28), 3-13.
- Krishnan, G. V., & Visvanathan, G. (2008). Does the SOX definition of an accounting expert matter? the association between audit committee directors' accounting expertise and accounting conservatism? *Contemporary Accounting Research*, 25(3), 827-858.

- Krishnan, J. (2005). Audit committee quality and internal control: An empirical analysis. *Accounting Review*, 80(2), 649-675.
- Krishnan, J., & Lee, J. E. (2009). Audit committee financial expertise, litigation risk, and corporate governance. *Auditing: A Journal of Practice & Theory*, 28(1), 241-261.
- Kumar, G., Wilder, W. M., & Stocks, M. H. (2008). Voluntary Accounting Disclosures by US-Listed Asian Companies. *Journal of International Accounting Research*, 7(1), 25-50.
- Kuppusamy, K., Nazim, M., & Shanmugam, B. (2003). Audit committees in Malaysia and the blue ribbon committee report: a comparative study. *International Journal of Management*, 20(4), 509-514.
- La Porta, R., Lopez-de-Silanes, F., Shleifer, A., & Vishny, R. (1999). Corporate ownership around the world. *Journal of finance*, 54(2), 471-517.
- Lang, M., & Lundholm, R. (1993). Cross-sectional determinants of analyst ratings of corporate disclosures. *Journal of Accounting Research*, 31(2), 246-271.
- Lang, M. H., & Lundholm, R. J. (2000). Voluntary Disclosure and Equity Offerings: Reducing Information Asymmetry or Hying the Stock? *Contemporary accounting research*, 17(4), 623-662.
- Lange, C., DeMeo, D., Silverman, E. K., Weiss, S. T., & Laird, N. M. (2004). PBAT: tools for family-based association studies. *American Journal of Human Genetics*, 74(2), 367-369.
- Larmou, S., & Vafeas, N. (2010). The relation between board size and firm performance in firms with a history of poor operating performance. *Journal of Management and Governance*, 14(1), 61-85.
- Lee, H. Y., Mande, V., & Ortman, R. (2004). The effect of audit committee and board of director independence on auditor resignation. *Auditing*, 23(2), 131-146.
- Lee, K. W. (2007). Corporate voluntary disclosure and the separation of cash flow rights from control rights. *Review of Quantitative Finance and Accounting*, 28(4), 393-416.
- Lehmann, E., & Weigand, J. (2000). Does the governed corporation perform better? Governance structures and corporate performance in Germany. *European Finance Review*, 4(2), 157-195.
- Lennox, C. S., & Park, C. W. (2007). Audit firm appointments, audit firm alumni, and audit committee independence. *Contemporary Accounting Research*, 24(1), 235-258.
- Leung, S., & Horwitz, B. (2004). Director ownership and voluntary segment disclosure: Hong Kong evidence. *Journal of International Financial Management & Accounting*, Vol. 15, No. 3, pp. 235-260, October 2004.
- Leuz, C., & Verrecchia, R. (2000). The economic consequences of increased disclosure. *Journal of Accounting Research*, 38(3), 91-124.
- Lev, B., & Penman, S. H. (1990). Voluntary forecast disclosure, nondisclosure, and stock prices. *Journal of Accounting Research*, 28(1), 49-76.
- Levitt, A. (1998, March 12). Corporate Governance: Integrity in the Information Age. from Speech presented at New York University's Center for Law and Business,

- New York University. Retrieved November 20,2010, from <http://www.sec.gov/news/speech/speecharchive/1998/spch220.txt>:
- Li, J., Pike, R., & Haniffa, R. (2008). Intellectual capital disclosure and corporate governance structure in UK firms. *Accounting and Business Research*, 38(2), 137-159.
- Liao, C. H. (2009). Does corporate governance reduce information asymmetry of intangibles? *Working paper*, Case Western Reserve University.Cleveland, Ohio, U.S.
- Liew, P. K. (2007). Corporate Governance reforms in Malaysia: the key leading players' perspectives. *Corporate Governance: An International Review*, 15(5), 724-740.
- Lim, S., Matolcsy, Z., & Chow, D. (2007). The association between board composition and different types of voluntary disclosure. *European Accounting Review*, 16(3), 555-583.
- Lin, J. W., & Hwang, M. I. (2010). Audit Quality, Corporate Governance, and Earnings Management: A Meta-Analysis. *International journal of auditing*, 14(1), 57-77.
- 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. (2008). The determinants of board structure. *Journal of financial Economics*, 87(2), 308-328.
- Lipton, M., & Lorsch, J. W. (1992). A modest proposal for improved corporate governance. *Business Lawyer*(48), 59-77.
- Liu, M., & Zhuang, Z. (2008). Does audit committee oversight make management earnings forecasts more useful to analysts. *Working paper*, Oakland University. US.
- Loderer, C., & Peyer, U. (2002). Board overlap, seat accumulation and share prices. *European Financial Management*, 8(2), 165-192.
- Loh, J. (2012, January 6). Mulpha disappointed. *The Star Biz*, p. 1.
- Mace, M. L. (1986). *Directors: Myth and reality*: Harvard Business School Press, Boston, MA.
- Marston, C. L., & Shrides, P. J. (1991). The use of disclosure indices in accounting research: a review article. *The British Accounting Review*, 23(3), 195-210.
- Mautz, R. K., & Sharaf, H. A. (1961). *The philosophy of auditing*: American Accounting Association.
- McAfee, R. P., & McMillan, J. (1991). Optimal contracts for teams. *International Economic Review*, 32(3), 561-577.
- McDaniel, L., Martin, R. D., & Maines, L. A. (2002). Evaluating financial reporting quality: The effects of financial expertise vs. financial literacy. *Accounting Review*, 27(2), 139-167.
- McMullen, D. A. (1996). Audit committee performance: An investigation of the consequences associated with audit committees. *Auditing*, 15, 87-103.
- McMullen, D. A., & Raghunandan, K. (1996). Enhancing audit committee effectiveness. *Journal of Accountancy*, 182(2), 79-81.
- McNichols, M. (1989). Evidence of informational asymmetries from management earnings forecasts and stock returns. *Accounting Review*, 15(1), 1-27.



- Md-Yusof, M. A. (2009). Does Audit Committee Constraint Discretionary Accruals in MESDAQ Listed Companies? *Working paper*, Retrieved 22 June, 2010 from [http://papers.ssrn.com/sol2013/papers.cfm?abstract\\_id=1363632](http://papers.ssrn.com/sol2013/papers.cfm?abstract_id=1363632).
- Meek, G. K., Roberts, C. B., & Gray, S. J. (1995). Factors influencing voluntary annual report disclosures by US, UK and continental European multinational corporations. *Journal of International Business Studies*, 26(3), 555-572.
- Méndez, C. F., & García, R. A. (2007). The effects of ownership structure and board composition on the audit committee meeting frequency: Spanish evidence. *Corporate Governance: An International Review*, 15(5), 909-922.
- Meng, S. C. (2009). Are these directors truly independent. *The Edge*, 13.
- Menon, K., & Williams, D. J. (1994). The use of audit committees for monitoring. *Journal of Accounting and Public Policy*, 13(2), 121-139.
- Merton, R. C., & Management, S. S. o. (1987). A simple model of capital market equilibrium with incomplete information. *Journal of Finance*, 42(3), 483-510.
- Miller, G. S. (2002). Earnings performance and discretionary disclosure. *Journal of Accounting Research*, 40(1), 173-204.
- Millstein, I. M., & MacAvoy, P. W. (1998). Active Board of Directors and Performance of the Large Publicly Traded Corporation, The. *Colum. Law Review*, 98(5), 1283-1322.
- Mohamad-Nor, M. N., Shafie, R., & Wan-Hussin, W. N. (2010). Corporate governance and audit report lag in Malaysia. *Asian Academy of Management Journal of Accounting and Finance*, 6(2), 57-84.
- Mohd-Nasir, N. M., & Abdullah, S. N. (2004). Voluntary disclosure and corporate governance among financially distressed firms in Malaysia. *Financial Reporting, Regulation and Governance*, 3(1), 1-39.
- Mohd-Saad, S. S., Evans, J. G., & Sori, Z. M. (2007). Senior Managers' Perceptions on Audit Committee Composition and Effectiveness: Some Evidence from Malaysia. Retrieved May 15, 2010, from [http://papers.ssrn.com/sol2013/papers.cfm?abstract\\_id=924140](http://papers.ssrn.com/sol2013/papers.cfm?abstract_id=924140).
- Mohd-Saleh, N., Mohd-Iskandar, T., & Rahmat, M. M. (2007). Audit committee characteristics and earnings management: Evidence from Malaysia. *Asian Review of Accounting*, 15(2), 147-163.
- Mohd Ghazali, N. A. (2010). Corporate governance and voluntary disclosure in Malaysia. *International Journal of Business Governance and Ethics*, 5(4), 261-279.
- Mohd Ghazali, N. A., & Weetman, P. (2006). Perpetuating traditional influences: Voluntary disclosure in Malaysia following the economic crisis. *Journal of International Accounting, Auditing and Taxation*, 15(2), 226-248.
- Monks, R. A. G., & Minow, N. (1995). *Corporate governance*: US: John Wiley and Sons.
- Morck, R., Shleifer, A., & Vishny, R. W. (1988). Management ownership and market valuation:: An empirical analysis. *Journal of financial Economics*, 20, 293-315.
- Muhamad-Sori, Z., Abdul-Hamid, M. A., & Nassir, A. (2006). Attributes of an Effective Audit Committee: Evidence from an Emerging Capital Market. *Working paper*, University Putra Malaysia, Malaysia.

- Muhamad-Sori, Z., Abdul-Hamid, M. A., Yusof, A., Hashim, N., & Mohd-Daud, Z. (2008). Accountability in the Post Malaysian Code on Corporate Governance: the role of audit committee/independent directors. *European Journal of Economics, Finance and Administrative Sciences*, 5(13), 19-29.
- Muhamad-Sori, Z., Mohamad, S., & Abdul-Hamid, M. A. (2001). Audit committee effectiveness: the external auditors' perception. *Akuntant Nasional* 16, 22-27.
- Muhamad-Sori, Z., Mohamad, S., & Mohd-Saad, S. S. (2002). Audit Committee Practices in Malaysian Large Firms. *Working paper*, Universiti Putra Malaysia.
- Mustafa, S. T., & Youssef, N. B. (2010). Audit committee financial expertise and misappropriation of assets. *Managerial Auditing Journal*, 25(3), 208-225.
- Naiker, V., & Sharma, D. S. (2009). Former audit partners on the audit committee and internal control deficiencies. *The Accounting Review*, 84(2), 559-587.
- Nelson, M. W. (2006). Ameliorating conflicts of interest in auditing: Effects of recent reforms on auditors and their clients. *Academy of Management Review*, 31(1), 30-42.
- Neu, D., Warsame, H., & Pedwell, K. (1998). Managing Public Impressions: Environmental Disclosures in Annual Reports. *Accounting, Organizations and Society*, 23(3), 265-282.
- 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.
- Niu, F. F. (2006). Corporate governance and the quality of accounting earnings: a Canadian perspective. *International Journal of Managerial Finance*, 2(4), 302-327.
- Norman, M. S., Mohd-Iskandar, T., & Mohid, R. (2005). Earnings management and board characteristics: evidence from Malaysia. *Jurnal Pengurusan*, 24, 77-103.
- 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 and Governance*, 12(1), 5-35.
- OECD (2010). Policy Brief on Corporate Governance of State-Owned Enterprises in Asia. *OECD Network on Corporate Governance of State-Owned Enterprises in Asia*, Kuala Lumpur, Malaysia.
- Omar, B., & Simon, J. (2011). Corporate aggregate disclosure practices in Jordan. *Advances in Accounting, incorporating Advances in International Accounting*, 27(2011), 166-186.
- Osma, B. G., & Noguer, B. G. A. (2008). The effect of the board composition and its monitoring committees on earnings management: Evidence from Spain. *Corporate Governance: An International Review*, 15(6), 1413-1428.
- Ow-Yong, K., & Guan, C. K. (2000). Corporate governance codes: A comparison between Malaysia and the UK. *Corporate Governance: An International Review*, 8(2), 125-132.
- Owens-Jackson, L. A., Robinson, D., & Shelton, S. W. (2009). The Association Between Audit Committee Characteristics, the Contracting Process and Fraudulent Financial Reporting. *American Journal of Business*, 24(1), 57-66.
- Owusu-Ansah, S. (1998). The determinants of voluntary financial disclosure by Swiss listed companies: a comment. *European Accounting Review*, 6(3), 487-492.

- Pallant, J. (2007). *SPSS survival manual A Step by Step Guide to Data Analysis Using SPSS* (3rd ed.): UK: Allen and Unwin.
- Park, Y. W., & Shin, H. H. (2004). Board composition and earnings management in Canada. *Journal of Corporate Finance*, 10(3), 431-457.
- Pascoe, J., & Rachagan, S. (2005). Key developments in corporate law reform in Malaysia. *Singapore Journal of Legal Studies*, 6(1), 93-113.
- Patelli, L., & Prencipe, A. (2007). The relationship between voluntary disclosure and independent directors in the presence of a dominant shareholder. *European Accounting Review*, 16(1), 5-33.
- Patton, J., & Zelenka, I. (1997). An empirical analysis of the determinants of the extent of disclosure in annual reports of joint stock companies in the Czech Republic. *The European Accounting Review*, 6(4), 605-626.
- Pearce II, 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., & Young, S. (2000). Accrual management to meet earnings targets: UK evidence pre-and post-Cadbury. *The British Accounting Review*, 32(4), 415-445.
- Peasnell, K. V., Pope, P. F., & Young, S. (2003). Managerial equity ownership and the demand for outside directors. *European Financial Management*, 9(2), 231-250.
- 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.
- Peng, M. W., Bhagat, R. S., & Chang, S. J. (2010). Asia and global business. *Journal of International Business Studies*, 41(3), 373-376.
- Peng, M. W., & Jiang, Y. (2010). Institutions behind family ownership and control in large firms. *Journal of Management Studies*, 47(2), 253-273.
- Pergola, T. M. (2005). Management entrenchment: Can it negate the effectiveness of recently legislated governance reform. *The Journal of American Academy of Business Cambridge*, 6(2), 177-183.
- Pergola, T. M., & Joseph, G. W. (2011). Corporate governance and board equity ownership. *Corporate Governance*, 11(2), 200-213.
- Persons, O. S. (2009). Audit committee characteristics and earlier voluntary ethics disclosure among fraud and no-fraud firms. *International Journal of Disclosure and Governance*, 6(4), 284-297.
- Pervez, G. (2005). *Research Methods In Business Studies: A Practical Guide* (3rd ed.): India: Pearson Education India.
- Petra, S. T. (2005). Do outside independent directors strengthen corporate boards? *Corporate Governance*, 5(1), 55-64.
- Petra, S. T. (2007). The effects of corporate governance on the informativeness of earnings. *Economics of Governance*, 8(2), 129-152.
- Pettigrew, A., & McNulty, T. (1995). Power and influence in and around the boardroom. *Human Relations*, 48(8), 845.
- Pfeffer, J. (1988). *A resource dependence perspective on intercorporate relations, Intercorporate relations: The Structural Analysis of Business*: UK: Cambridge University Press.

- Pfeffer, J., & Salancik, G. R. (1978). *The external control of organizations: a resource dependence perspective*: New York: Harper and Row.
- Pincus, K., Rusbarsky, M., & Wong, J. (1989). Voluntary formation of corporate audit committees among NASDAQ firms. *Journal of Accounting and Public Policy*, 8(4), 239-265.
- Piot, C., & Janin, R. (2007). External auditors, audit committees and earnings management in France. *European Accounting Review*, 16(2), 429-454.
- Pombo, C., & Gutiérrez, L. H. (2011). Outside directors, board interlocks and firm performance: Empirical evidence from Colombian business groups. *Journal of Economics and Business*, 63(2011), 251-277.
- Pomeroy, B., & Thornton, D. B. (2008). Meta-analysis and the accounting literature: The case of audit committee independence and financial reporting quality. *European Accounting Review*, 17(2), 305-330.
- Pownall, G., & Waymire, G. (1989). Voluntary disclosure credibility and securities prices: Evidence from management earnings forecasts, 1969-73. *Journal of Accounting Research*, 27(2), 227-245.
- PricewaterhouseCoopers (2010). *Audit Committee Guide*: PricewaterhouseCoopers, Australia.
- PricewaterhouseCoopers (2011). *Audit committee effectiveness: what works best* (4th ed.): US: The IIA Research Foundation.
- Pucheta-Martínez, M. C., & Fuentes, C. D. (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.
- Qin, B. (2007). The influence of audit committee financial expertise on earnings quality: US evidence. *The Icfai Journal of Audit Practice*, 4(3), 8-28.
- Qinghua, W., Pingxin, W., & Junming, Y. (2007). An empirical research on the association between board characteristics and quality of financial reporting. *Management Review*, 7(2), 49-56.
- Qu, B. (2004). What determines ownership concentration around the world. *Advances in Financial Economics: Corporate Finance* 9, 221-246.
- Rachagan, S. (2006). Agency Costs in Controlled Companies. *Singapore Journal of Legal Studies*, 264-284.
- Rachagan, S. (2010). Enhancing corporate governance in listed companies with concentrated shareholdings: A Malaysian perspective. *Journal of Financial Crime*, 17(4), 430-440.
- Raghunandan, K., Read, W. J., & Rama, D. V. (2001). Audit committee composition, "gray directors," and interaction with internal auditing. *Accounting Horizons*, 15(2), 105-118.
- Rahmat, M. M., Mohd-Iskandar, T., & Mohd Saleh, N. (2009). Audit committee characteristics in financially distressed and non-distressed companies. *Managerial Auditing Journal*, 24(7), 624-638.
- Rainsbury, E. A., Bradbury, M. E., & Cahan, S. F. (2008). Firm characteristics and audit committees complying with best practice membership guidelines. *Accounting and Business Research*, 38(5), 393-408.

- Raj, A. P. (2005, August 19). Accountants, auditors under spotlight. *Business Times*.
- Razman, S. R., & Mohd Iskandar, T. (2004). The effectiveness of the audit committee in monitoring the quality of corporate reporting. In Shanmugam, B., & Nair, M. *Corporate governance: An International Perspective*(pp. 154-175), Malaysia: Malaysian Institute of Corporate Governance Publication.
- Rechner, P. L., & Dalton, D. R. (1991). CEO duality and organizational performance: A longitudinal analysis. *Strategic Management Journal*, 12(2), 155-160.
- Rezaee, Z., & Farmer, L. (1994). The Changing Role of the Audit Committee. *Internal Auditing*, 10(4), 35-38.
- Rittenberg, L. E., & Nair, R. D. (1993). *Improving the effectiveness of audit committees*: Institute of Management Accountants.
- Romano, R. (1989). What went wrong with directors' and officers' liability insurance. *Delaware Journal of Corporate Law*, 14(1), 1-20.
- Ruigrok, W., Peck, S., & Tacheva, S. (2007). Nationality and gender diversity on Swiss corporate boards. *Corporate Governance: An International Review*, 15(4), 546-557.
- Ruiz-Barbadillo, E., Biedma-Lopez, E., & Gomez-Aguilar, N. (2007). Managerial dominance and audit committee independence in Spanish corporate governance. *Journal of Management and Governance*, 11(4), 311-352.
- Ruzaidah, R., & Takiah, M. I. (2004). The effectiveness of the audit committee in monitoring the quality of corporate reporting. *Corporate governance: An International Perspective*, 154-175.
- Sah, R. K., & Stiglitz, J. E. (1991). The quality of managers in centralized versus decentralized organizations. *The Quarterly Journal of Economics*, 106(1), 289-304.
- Said, R., Zainuddin, Y. H., & Haron, H. (2009). The relationship between corporate social responsibility disclosure and corporate governance characteristics in Malaysian public listed companies. *Social Responsibility Journal*, 5(2), 212-226.
- Sarkar, J., Sarkar, S., & Sen, K. (2008). Board of directors and opportunistic earnings management: Evidence from India. *Journal of Accounting, Auditing and Finance*, 23(4), 269-286.
- Schadewitz, H. J., & Blevins, D. R. (1998). Major determinants of interim disclosures in an emerging market. *American Business Review*, 16(1), 41-55.
- Setia-Atmaja, L. Y. (2009). Governance mechanisms and firm value: The impact of ownership concentration and dividends. *Corporate Governance: An International Review*, 17(6), 694-709.
- Shah, S. (2007). Safeguarding the Integrity of Financial Statements. *Accountants Today*, 20, 24-27.
- Shakir, R. (2009). Examining the effect of leadership structure and CEO tenure on Malaysian property firm performance. *Journal of Real Estate Literature*, 17, 47-61.
- Sharma, V., Naiker, V., & Lee, B. (2009). Determinants of audit committee meeting frequency: Evidence from a voluntary governance system. *Accounting Horizons*, 23(3), 245-264.
- Sharma, V. D. (2004). Board of director characteristics, institutional ownership, and fraud: Evidence from Australia. *Auditing: A Journal of Practice & Theory*, 23(2), 105-117.

- Sharma, V. D., Sharma, D. S., & Ananthanarayanan, U. (2011). Client Importance and Earnings Management: The Moderating Role of Audit Committees. *Auditing: A Journal of Practice & Theory*, 30(3), 125-156.
- Shepardson, M. L. (2011). Audit committee member interlocks, managerial incentives, and financial reporting outcomes. *Working Paper*, The University of Texas.
- Shi, L. (2011). *The role of board/audit committee interlocks in diffusion of earnings equality*. (Doctoral dissertation). available from ProQuest Dissertations and Theses database. (UMI No. 3466795).
- Shivdasani, A., & Yermack, D. (1999). CEO involvement in the selection of new board members: An empirical analysis. *The Journal of Finance*, 54(5), 1829-1853.
- Shleifer, A., & Vishny, R. W. (1997). A survey of corporate governance. *The Journal of Finance*, 52(2), 737-783.
- Siagian, F. T., & Tresnaningsih, E. (2011). The impact of independent directors and independent audit committees on earnings quality reported by Indonesian firms. *Asian Review of Accounting*, 19(3), 192-207.
- Singam, K. (2003). Corporate Governance in Malaysia. *Bond Law Review*, 15(1), 313-344.
- Singleton, W., & Globerman, S. (2002). The changing nature of financial disclosure in Japan. *The International Journal of Accounting*, 37(1), 95-111.
- Skinner, D. J. (1994). Why firms voluntarily disclose bad news. *Journal of Accounting Research*, 32(1), 38-60.
- Song, J., & Windram, B. (2004). Benchmarking audit committee effectiveness in financial reporting. *International journal of auditing*, 8(3), 195-205.
- Sori, Z. M., Deris, M. R., & Saad, S. S. M. (2005). Compliance of Audit Committee Requirements: A Review of the Practices of Companies Listed on the KLSE. Retrieved April 6, 2010, from [http://papers.ssrn.com/sol2013/papers.cfm?abstract\\_id=855804&](http://papers.ssrn.com/sol2013/papers.cfm?abstract_id=855804&).
- Spira, L. F. (2003). Audit committees: begging the question? *Corporate Governance: An International Review*, 11(3), 180-188.
- Stanton, P., & Stanton, J. (2002). Corporate annual reports: research perspectives used. *Accounting, Auditing & Accountability Journal*, 15(4), 478-500.
- Stevenson, W. B., & Radin, R. F. (2009). Social capital and social influence on the board of directors. *Journal of Management Studies* 46(1), 16-44.
- Stewart, D. W., & Kamins, M. A. (1993). *Secondary research information sources and methods* (4th ed.): US: Sage Publications, Inc.
- 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.
- Sulong, Z., & Mat-Nor, F. (2008). Dividends, ownership structure and board governance on firm value: empirical evidence from Malaysian listed firms. *Malaysian Accounting Review*, 7(2), 1-41.
- Sulong, Z., & Mat-Nor, F. (2009). *The effective of corporate governance mechanisms in Malaysian listed firms: A panel data analysis*. Paper presented at the 11th MFA 2009, Bayview Beach Resort, Penang.

- Tabachnick, B. G., & Fidell, L. S. (2007). *Using multivariate statistics* (5th ed.): US: Pearson Education. Inc.
- Tagesson, T., Blank, V., Broberg, P., & Collin, S. O. (2009). What explains the extent and content of social and environmental disclosures on corporate websites: a study of social and environmental reporting in Swedish listed corporations. *Corporate Social Responsibility and Environmental Management*, 16(6), 352-364.
- Tam, O. K., & Tan, M. G. S. (2007). Ownership, governance and firm performance in Malaysia. *Corporate Governance: An International Review*, 15(2), 208-222.
- Tengamnuay, K., & Stapleton, P. (2009). The role of the audit committee in Thailand: a mature monitoring mechanism or an evolving process? *Journal of Management and Governance*, 13(3), 131-161.
- Unerman, J. (2000). Methodological issues-Reflections on quantification in corporate social reporting content analysis. *Accounting, Auditing & Accountability Journal*, 13(5), 667-681.
- 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. (2005). Audit committees, boards, and the quality of reported earnings. *Contemporary Accounting Research*, 22(4), 1093-1122.
- Vafeas, N., & Waagelein, J. F. (2007). The association between audit committees, compensation incentives, and corporate audit fees. *Review of Quantitative Finance and Accounting*, 28(3), 241-255.
- Van der Zahn, J. L. W. M., Singh, H., & Singh, I. (2008). Association between independent audit committee members' human-resource features and underpricing: The case of Singapore IPOs from 1997-2006. *Journal of Human Resource Costing & Accounting*, 12(3), 179-212.
- Van Der Zahn, J. L. W. M., & Tower, G. (2004). Audit committee features and earnings management: further evidence from Singapore. *International Journal of Business Governance and Ethics*, 1(2), 233-258.
- Velury, U., & Jenkins, D. S. (2006). Institutional ownership and the quality of earnings. *Journal of Business Research*, 59(9), 1043-1051.
- Vera-Munoz, S. C. (2005). Corporate governance reforms: redefined expectations of audit committee responsibilities and effectiveness. *Journal of Business Ethics*, 62(2), 115-127.
- Verrecchia, R. E. (1983). Discretionary disclosure. *Journal of Accounting and Economics*, 5, 179-194.
- Vethanayagam, J., Yahya, S., & Haron, H. (2006). Independent non-executive directors, managerial ownership and firm performance in Malaysian public listed companies. *Proceeding Symposium on Accountability, Governance and Performance*, Griffith, University, 2006.
- Vichitsarawong, T., Eng, L., & Meek, G. (2010). The impact of the Asian financial crisis on conservatism and timeliness of earnings: Evidence from Hong Kong, Malaysia, Singapore, and Thailand. *Journal of International Financial Management & Accounting*, 21(1), 32-61.

- Vicknair, D., Hickman, K., & Carnes., K. (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.
- Visvanathan, G., & Krishnan, G. (2007). Does the SOX definition of an accounting expert matter? the association between audit committee directors' accounting expertise and accounting conservatism. Retrieved April 10, 2010, from [http://papers.ssrn.com/sol2013/papers.cfm?abstract\\_id=1029752](http://papers.ssrn.com/sol2013/papers.cfm?abstract_id=1029752).
- Wallace, R., & Naser, K. (1996). Firm-specific determinants of the comprehensiveness of mandatory disclosure in the corporate annual reports of firms listed on the stock exchange of Hong Kong. *Journal of Accounting and Public Policy*, 14(4), 311-368.
- Wallace, R. S. O. (1988). Corporate financial reporting in Nigeria. *Accounting and Business Research*, 18(72), 352-362.
- Wan-Hussin, W. N. (2009). The impact of family-firm structure and board composition on corporate transparency: evidence based on segment disclosures in Malaysia. *The International Journal of Accounting*, 44(4), 313-333.
- Wan-Hussin, W. N., & Haji-Abdullah, N. M. (2009). Audit committee attributes, financial distress and the quality of financial reporting in Malaysia. Unpublished Working Paper, Universiti Teknologi MARA. Retrieved November 10, 2010. form [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1500134](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1500134).
- Wang, D. (2006). Founding family ownership and earnings quality. *Journal of Accounting Research*, 44(3), 619-656.
- Wang, K., & Claiborne, M. C. (2008). Determinants and consequences of voluntary disclosure in an emerging market: evidence from China. *Journal of International Accounting, Auditing and Taxation*, 17(1), 14-30.
- Warfield, T. D., Wild, J. J., & Wild, K. L. (1995). Managerial ownership, accounting choices, and informativeness of earnings. *Journal of Accounting and Economics*, 20(1), 61-91.
- Watts, R. L., & Zimmerman, J. L. (1978). Towards a positive theory of the determination of accounting standards. *Accounting Review*, 53(1), 112-134.
- Weisberg, S. (2005). *Applied linear regression* (3rd ed.): Wiley: Nwe York.
- Weiss, R. (2005). *Audit committee charactirestics and monitoring effectiveness*. (Doctoral dissertation). Available from ProQuest Dissertations and Theses database. (UMI No. 3187467).
- Welker, M. (1995). Disclosure Policy, Information Asymmetry, and Liquidity in Equity Markets. *Contemporary accounting research*, 11(2), 801-827.
- Williamson, O. E. (1985). *The Economic Institutions of Capitalism: Firms, markets, relational Contracting*: London: The Free Press.
- Williamson, O. E. (1996). *The mechanisms of governance*: Oxford University Press, USA.
- Windram, B., & Song, J. (2000). The effectiveness of audit committees: evidence from UK companies in the post-Cadbury period. Paper presented at 12th Asian-Pacific Conference on International Accounting Issues, Beijing, China.



- Wooldridge, J. M. (2003). *Econometric analysis of cross section and panel data*: US: The MIT press.
- Xie, B., Davidson III, 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.
- Yang, J. S., & Krishnan, J. (2005). Audit committees and quarterly earnings management. *International journal of auditing*, 9(3), 201-219.
- Yatim, P., Kent, P., & Clarkson, P. (2006). Governance structures, ethnicity, and audit fees of Malaysian listed firms. *Managerial Auditing Journal*, 21(7), 757-782.
- Yau, F. S., Chun, L. S., & Balaraman, R. (2009). Intellectual capital reporting and corporate characteristics of public-listed companies in Malaysia. *Journal of Financial Reporting and Accounting*, 7(1), 17-35.
- Yi, A., & Davey, H. (2010). Intellectual capital disclosure in Chinese (mainland) companies. *Journal of Intellectual Capital*, 11(3), 326-347.
- Yunos, R. M., Smith, M., & Ismail, Z. (2010). Accounting conservatism and ownership concentration: evidence from Malaysia. *Journal of Business and Policy Research*, 5(2), 1-15.
- Zahra, S. A., & Pearce, J. A. (1989). Boards of directors and corporate financial performance: a review and integrative model. *Journal of Management*, 15(2), 291-334.
- Zainal-Abidin, Z., Mustaffa-Kamal, N., & Jusoff, K. (2009). Board structure and corporate performance in Malaysia. *International Journal of Economics and Finance*, 1(1), 150-173.
- Zairi, M., & Letza, S. (1994). Corporate reporting. *Management Decision*, 32(2), 30-40.
- Zhang, Y., Zhou, J., & Zhou, N. (2007). Audit committee quality, auditor independence, and internal control weaknesses. *Journal of Accounting and Public Policy*, 26(3), 300-327.
- Zheng, X. (2008). *An empirical analysis of the relationship between audit committee multiple directorships and financial reporting quality*. (Doctoral dissertation). Available from ProQuest Dissertations and Theses database. (UMI No. 3308601).
- Zulkafli, A., Adul-Samad, M., & Ismail, M. (2005). Corporate Governance in Malaysia. *Malaysian Institute of Corporate Governance.*, 18, 1-18.