BOARD OF DIRECTOR AND AUDIT COMMITTEE EFFECTIVENESS, OWNERSHIP STRUCTURE AND INTELLECTUAL CAPITAL DISCLOSURE OF LISTED BANKS IN GCC COUNTRIES

ABOOD MOHAMMAD SALMEEN AL-EBEL

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

In presenting this thesis in fulfillment of the requirements for the degree of Doctor of Philosophy from Universiti Utara Malaysia, I agree that the University Library make freely available for inspection. I further agree that permission for copying of this thesis in any manner, in whole or in part, for scholarly purposes may be granted by my supervisors, Assoc. Prof. Dr Zuaini Ishak, or in their absence, by the Dean of Othman Yeop Abdullah Graduate School of Business. It is also understood that any copying or publication or use of this thesis or parts thereof for financial gain shall not be given to me and to Universiti Utara Malaysia for any scholarly use which may be made of any material from my thesis.

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

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

Intellectual capital (IC) disclosure provides signals not only for organizations to gain competitive advantage but it also enables shareholders and other stakeholders to better judge the financial performance and financial position of the organizations. The disclosure of IC is very important in IC-intensive sectors like banking sector. However, generally there is a lack of studies that investigate this issue in the banking sectors in developing countries, particularly in Gulf Co-operation Council (GCC). Thus, the main purpose of this study is to examine the voluntary disclosure of IC among listed banks in the GCC. This study examines annual reports of 137 GCC listed banks for the period of 2008-2010 using content analysis. Further it investigates whether the monitoring mechanisms namely, characteristics of effective board and audit committee, institutional ownership, level of market concentration and bank type, influence the IC disclosure. Furthermore, by using hierarchical regression, this study examines the moderating effect of chairman ownership, family and government control, and also information asymmetry on the relationship between the effectiveness score of the board and IC disclosure. The findings of multiple regression show that the level of score for the board effectiveness and audit committee effectiveness, foreign institutional and level of market concentration have significant relationship with IC disclosure. However, when the characteristics of board and audit committee were individually examined with IC disclosure, the results show that only board independence, board meetings, board committees, audit committee size and audit committee meetings have positive and significant relationship with IC disclosure. In addition, based on hierarchical regression analysis, the results show family control, government control and information asymmetry moderate the relationship between the effectiveness score of the board and IC disclosure. The results of this study might be of interest to regulators, investment analysts and market participants as well researchers.

Keywords: monitoring mechanisms, ownership structure, IC disclosure, GCC bank
ABSTRAK

Pendedahan Modal Intelek (IC) bukan sahaja memberi peluang kepada sesuatu organisasi untuk memperoleh kelebihan daya saing malahan ia juga membolehkan pemegang saham dan pihak berkepentingan yang lain menilai prestasi kewangan dan kedudukan kewangan organisasi tersebut. Pendedahan IC adalah amat penting dalam sektor berlandaskan intensif IC seperti sektor perbankan. Walau bagaimanapun, secara umumnya kajian yang meneliti isu pendedahan IC dalam sektor perbankan di negara-negara membangun masih berkurangan, khususnya di Majlis Kerjasama Teluk (GCC). Oleh itu, tujuan utama kajian ini adalah untuk mengkaji pendedahan IC secara sukarela oleh bank yang tersenarai di GCC. Kajian ini meneliti laporan tahunan bagi 137 bank di GCC untuk tempoh 2008-2010 menggunakan analisis kandungan. Di samping itu, kajian ini mengkaji sama ada mekanisme pemantauan, iaitu ciri-ciri keberkesanan lembaga pengarah dan jawatankuasa audit, pemilikan institusi, di samping tahap penumpuan pasaran dan jenis bank, berupaya mempengaruhi pendedahan IC. Selain daripada itu, dengan menggunakan regresi hierarki, kajian ini juga meninjau kesan penyederhanan pemilikan pengurus, kawalan famili dan kerajaan serta juga maklumat asimetri terhadap hubungan skor keberkesanan lembaga pengarah dan pendedahan IC. Dapatan analisis regresi berganda mendapati bahawa tahap skor keberkesanan lembaga pengarah dan jawatankuasa audit, pemilikan institusi asing dan tahap penumpuan pasaran mempunyai hubungan yang signifikan dengan pendedahan IC. Walau bagaimanapun, apabila hubungan ciri-ciri lembaga pengarah dan jawatankuasa audit diteliti secara individu dengan pendedahan IC, hasil dapatan menunjukkan bahawa kebebasan lembaga pengarah, mesyuarat lembaga pengarah, jawatakuasa lembaga pengarah, saiz jawatankuasa audit dan mesyuarat jawatankuasa audit mempunyai hubungan yang positif dan signifikan dengan pendedahan IC. Berdasarkan analisis regresi hierarki, dapatan menunjukkan kawalan famili dan kerajaan serta maklumat asimetri menyederhanakan hubungan skor keberkesanan lembaga dengan pendedahan IC. Dapatan kajian ini mungkin berfaedah kepada pengawal selia, penganalisis pelaburan, peserta pasaran dan juga penyelidik.

Kata kunci: Mekanisme Pemantauan, Struktur pemilikan, Pendedahan IC, Bank GCC
ACKNOWLEDGEMENTS

In the name of Allah, Most Gracious, Most Compassionate and Most Merciful. Peace and praise be upon his beloved our Prophet Mohammed S.A.W., who and by the will of God that strived for the salvation of mankind from the darkness of ignorance to the light of Islam.

Praise and thanks be to Allah, the most Merciful, for granting me the patience, and perseverance to successfully complete this thesis. Alhamdulillah I am greatly indebted to so many wonderful people for their contributions and assistants in so many ways that words can never truly reflect their actual importance in making this project a success.

First and foremost, I own it to my supervisor, Assoc. Prof. Dr Zuaini Ishak, for her guidance and review for my work speedily. I am thankful to her kind guidance, encouragement, patient, and readiness and toning down my thesis. Without her help this thesis never has been completed. Many thanks go to my proposal defense committee members, Prof. Dr. Ku Nor Izah Ku Ismail and Dr. Hasnah Kamardin, for their valuable comments and suggestions.

My appreciation also goes to members of staff of Othman Yeop Abdullah (OYA), Graduate School of Business, and Universiti Utara Malaysia for their encouragement, support, and guidance during my study. I also appreciate the helping of my colleagues who always give me support and encouragement.
My heartfelt and sincere appreciation and thanks are also extended to my mother who I missed her so much and her unforgettable DOA'A, spirit and financial supports and encouragements. I humbly acknowledge the patience, perseverance and encouragement of my wife during my study. My gratitude is also extended to both my brothers, sisters and uncles for their motivation and confidence on me. Special thanks are due to my dear friend, Mahfoudh Abdul Karem Al-Musalli for his support and timely advice.

Finally, my gratitude and thanks are also extended to my sponsor, Hadramout University of Science & Technology (HUST) Yemen for the financial support they have given and all its staff members for their support and motivation.
TABLE OF CONTENTS

TITLE PAGE .................................................................................................................................i
CERTIFICATION OF THE THESIS WORK .................................................................................. ii
PERMISSION TO USE .................................................................................................................. iv
ABSTRACT ..................................................................................................................................... v
ABSTRAK ................................................................................................................................. vi
ACKNOWLEDGEMENTS ............................................................................................................... vii
TABLE OF CONTENTS ................................................................................................................ ix
LIST OF TABLES .......................................................................................................................... xiii
LIST OF FIGURES ........................................................................................................................ xv
LIST OF ABBREVIATIONS ........................................................................................................... xvi

CHAPTER ONE : INTRODUCTION
1.0 Background of Study ............................................................................................................. 1
1.1 Board of Directors, Ownership Structure and IC Disclosure .............................................. 5
1.2 GCC Banks .......................................................................................................................... 8
1.3 Problem Statement ............................................................................................................. 11
1.4 Research Questions ........................................................................................................... 15
1.5 Research Objectives ........................................................................................................... 16
1.6 Significance of Study .......................................................................................................... 17
    1.6.1 Theoretical Contribution ............................................................................................... 18
    1.6.2 Practical Contributions ................................................................................................. 22
1.7 Organization of the Study .................................................................................................... 23

CHAPTER TWO : BACKGROUND OF GCC BANKS
2.0 Introduction .......................................................................................................................... 24
2.1 Overview of GCC ................................................................................................................. 24
2.2 The GCC Banking Industry ................................................................................................ 25
    2.2.1 The Major Characteristics of Banking Industry in GCC ............................................. 26
    2.2.1.1 Industry Market Concentration ............................................................................... 26
    2.2.1.2 Controlling Ownership by Government and Influential Families ......................... 27
    2.2.1.3 Islamic Banking ...................................................................................................... 28
2.3 The Disclosure Practices in GCC Banks .............................................................................. 30
2.4 Corporate Governance ...................................................................................................... 32
    2.4.1 The Important of Corporate Governance of in Banking Sectors ................................. 32
    2.4.2 Challenges of Corporate Governance in GCC ............................................................. 36
2.5 Summary .............................................................................................................................. 39

CHAPTER THREE : LITERATURE REVIEW
3.0 Introduction .......................................................................................................................... 40
3.1 Intellectual Capital (IC) ..................................................................................................... 40
    3.1.1 The Importance of IC Disclosure .................................................................................. 42
    3.1.2 Measurement of IC Disclosure .................................................................................... 45
3.2 Theoretical Disclosure Framework ..................................................................................... 52
    3.2.1 Agency Theory .............................................................................................................. 53
    3.2.2 Institutional Theory ..................................................................................................... 55
    3.2.3 Hegemony Theory ..................................................................................................... 56
CHAPTER FIVE: RESEARCH METHOD AND DESIGN
5.0 Introduction .............................................................................................................. 159
5.1 Sample Selection and Data Sources ........................................................................ 159
5.2 Content Analysis ..................................................................................................... 162
5.3 Operational Definitions and Measurements of Variables ......................................... 165
  5.3.1 Dependent Variable: IC Disclosure .................................................................. 166
  5.3.2 Measurements of Independent Variables ......................................................... 168
  5.3.2.1 Characteristics of Board of Directors .......................................................... 168
  5.3.2.1.1 Board Size .............................................................................................. 168
  5.3.2.1.2 Board Independence .............................................................................. 169
  5.3.2.1.3 Board Meetings ...................................................................................... 169
  5.3.2.1.4 CEO Duality .......................................................................................... 169
  5.3.2.1.5 Board Committees ............................................................................... 170
  5.3.2.1.6 Board of Directors Effectiveness Score .................................................. 170
  5.3.2.2 Characteristics of Audit Committee ............................................................ 171
  5.3.2.2.1 Audit Committee Size .......................................................................... 171
  5.3.2.2.2 Audit Committee Independence ............................................................. 171
  5.3.2.2.3 Audit Committee Financial Expertise ..................................................... 172
  5.3.2.2.4 Audit Committee Meetings .................................................................. 172
  5.3.2.2.5 Audit Committee Effectiveness Score .................................................... 172
  5.3.2.3 Institutional Ownership .............................................................................. 173
  5.3.2.4 Industry Market Concentration ................................................................... 174
  5.3.2.5 Bank Type .................................................................................................. 175
  5.3.3 Moderating Variables ........................................................................................ 175
  5.3.3.1 Chairman Ownership .............................................................................. 175
  5.3.3.2 Family Control and Government Control .................................................... 176
  5.3.3.3 Information Asymmetry ......................................................................... 177
  5.3.4 Control Variables ............................................................................................ 178
  5.3.4.1 Bank Size .................................................................................................. 178
  5.3.4.2 Leverage .................................................................................................... 180
  5.3.4.3 Profitability (ROA) .................................................................................... 180
5.4 Data Analysis Technique .......................................................................................... 183
  5.4.1 Correlations ..................................................................................................... 183
  5.4.2 Multiple Regression Analysis ........................................................................... 184
  5.4.3 Hierarchical Regression .................................................................................... 185
5.5 Summery .................................................................................................................... 187

CHAPTER SIX: FINDINGS
6.0 Introduction .............................................................................................................. 188
6.1 Descriptive Statistics ............................................................................................... 188
  6.1.1 Descriptive Statistics of IC Disclosure ............................................................. 188
  6.1.2 Descriptive of IC Disclosure Based on Bank Type ........................................... 193
  6.1.3 Descriptive Statistics of Independent Variables ................................................. 195
6.2 Diagnostic Test .......................................................................................................... 199
  6.2.1 Outliers .......................................................................................................... 199
  6.2.2 Normality Test ................................................................................................ 199
  6.2.3 Linearity .......................................................................................................... 201
6.2.4 Multicollinearity ................................................................. 202
6.2.5 Heteroskedasticity ............................................................... 205
6.2.6 Autocorrelation ................................................................. 208
6.3 Result of Regression ............................................................... 208
  6.3.1 Result of Model One .......................................................... 208
  6.3.1.1 Board Size ..................................................................... 210
  6.3.1.2 Board Independence ....................................................... 211
  6.3.1.3 Board Meetings ............................................................. 212
  6.3.1.4 CEO Duality ................................................................. 213
  6.3.1.5 Board Committees ......................................................... 214
  6.3.1.6 Audit Committee Size .................................................... 215
  6.3.1.7 Audit Committee Independence ...................................... 216
  6.3.1.8 Audit Committee Financial Expertise ................................ 217
  6.3.1.9 Audit Committee Meetings ............................................ 218
  6.3.1.10 Institutional Ownership ............................................... 219
  6.3.1.11 Industry Market Concentration ..................................... 221
  6.3.1.12 Bank Type .................................................................. 222
  6.3.1.13 Control Variables ......................................................... 224
  6.3.2 Board of Director and Audit Committee Effectiveness Score ................................................................................. 226
6.4 Hierarchical Regression Result .................................................. 228
  6.4.1 The Moderating Effect of the Ownership Structure and Information Asymmetry on the Relationship between the Effectiveness of the Board of Directors and IC Disclosure ................................................... 229
  6.4.1.1 The Moderating Effect of the Government Ownership ................................................................. 232
  6.4.1.2 The Moderating Effect of the Family Ownership ................................................................................. 235
  6.4.1.3 The Moderating Effect of the Information Asymmetry ........................................................................... 238
  6.4.2 The Moderating Effect of Family Control and Government Control ............................................................. 241
6.5 Additional Empirical Tests .......................................................... 244
  6.5.1 The Moderating Effect of Ownership Structure and Information Asymmetry on the Relationship between the Effectiveness of Audit Committee and IC Disclosure ................................................................................. 244
  6.5.2 Gross Domestic Product (GDP) ........................................... 247
  6.5.3 Global Financial Crisis ......................................................... 251
6.6 Summary .................................................................................... 254

CHAPTER SEVEN: SUMMARY AND CONCLUSIONS
7.1 Introduction .................................................................................. 256
7.2 Overview of the Study .................................................................. 256
7.3 Theoretical Contribution ............................................................. 260
7.4 Practical and Policy Implications ................................................ 263
7.5 Limitation ..................................................................................... 266
7.6 Recommendations for Future Research ...................................... 267
7.7 Conclusion ..................................................................................... 269

REFERENCES ................................................................................. 271
## LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 2.1</td>
<td>Concentration of the GCC Banking System, 2007 (as Percent of Total Banking Sector Assets)</td>
<td>27</td>
</tr>
<tr>
<td>Table 2.2</td>
<td>Ownership Structure of the Domestic Banking System in GCC, end-2007 (in Percent of Total Assets)</td>
<td>28</td>
</tr>
<tr>
<td>Table 2.3</td>
<td>Market Share and Average Annual Asset Growth of Islamic and Conventional Banks in Selected Countries (In percent)</td>
<td>29</td>
</tr>
<tr>
<td>Table 2.4</td>
<td>Board and Audit Structure in GCC Based on Code of Corporate Governance</td>
<td>35</td>
</tr>
<tr>
<td>Table 3.1</td>
<td>Summary of IC Disclosure Studies and How they Measure IC Disclosur</td>
<td>50</td>
</tr>
<tr>
<td>Table 3.2</td>
<td>Summary of Studies that have Examined the Relationship Between Board of Directors, Ownership Structure and Voluntary Disclosure</td>
<td>111</td>
</tr>
<tr>
<td>Table 5.1</td>
<td>Numbers and Types of GCC Countries Banks included in this Study</td>
<td>161</td>
</tr>
<tr>
<td>Table 5.2</td>
<td>IC Framework Adopted for the Study</td>
<td>168</td>
</tr>
<tr>
<td>Table 5.3</td>
<td>Constructing Board of Directors’ Effectiveness Score (BoDE_Score)</td>
<td>171</td>
</tr>
<tr>
<td>Table 5.4</td>
<td>Constructing Audit Committee Effectiveness Score (ACE_Score)</td>
<td>173</td>
</tr>
<tr>
<td>Table 5.5</td>
<td>Summary of the Operationalization of the Study Variables</td>
<td>181</td>
</tr>
<tr>
<td>Table 6.1</td>
<td>Descriptive Statistics for IC Categories and Subcategories.</td>
<td>189</td>
</tr>
<tr>
<td>Table 6.2</td>
<td>Mean of Sentences of IC Disclosure by Bank Type</td>
<td>194</td>
</tr>
<tr>
<td>Table 6.3</td>
<td>Descriptive Statistics of Continuous Variables.</td>
<td>196</td>
</tr>
<tr>
<td>Table 6.4</td>
<td>Descriptive Statistics of Dichotomous Variable</td>
<td>196</td>
</tr>
<tr>
<td>Table 6.5</td>
<td>Normality Test for Model</td>
<td>201</td>
</tr>
<tr>
<td>Table 6.6</td>
<td>The Standard Deviation of IC Disclosure and the Residuals</td>
<td>202</td>
</tr>
<tr>
<td>Table 6.7</td>
<td>Correlations</td>
<td>204</td>
</tr>
<tr>
<td>Table</td>
<td>Description</td>
<td>Page</td>
</tr>
<tr>
<td>--------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Table 6.8</td>
<td>The Results of Standard Tests on VIF</td>
<td>205</td>
</tr>
<tr>
<td>Table 6.9</td>
<td>White Test for Heteroskedasticity</td>
<td>207</td>
</tr>
<tr>
<td>Table 6.10</td>
<td>Multiple Regression Results</td>
<td>209</td>
</tr>
<tr>
<td>Table 6.11</td>
<td>Multiple Regression Model Two</td>
<td>227</td>
</tr>
<tr>
<td>Table 6.12</td>
<td>The Moderating Effect of Different Types of Ownership and Information Asymmetry on the Relationship between the Effectiveness of the Board of Directors and IC Disclosure</td>
<td>231</td>
</tr>
<tr>
<td>Table 6.13</td>
<td>The Moderating Effect of Family Control and Government Control on the Relationship between the Effectiveness of the Board of Directors and IC Disclosure</td>
<td>243</td>
</tr>
<tr>
<td>Table 6.14</td>
<td>The Moderating Effect of Different Types of Ownership and Information Asymmetry on the Relationship between the Effectiveness of Audit Committee and IC Disclosure</td>
<td>246</td>
</tr>
<tr>
<td>Table 6.15</td>
<td>The Result of Model One and Two with GDP</td>
<td>249</td>
</tr>
<tr>
<td>Table 6.16</td>
<td>The Moderating Effect of Different Types of Ownership and Information Asymmetry on the Relationship between the Effectiveness of the Board of Directors and IC Disclosure</td>
<td>250</td>
</tr>
<tr>
<td>Table 6.17</td>
<td>The Result of Model One and Two with 2008 Global Financial Crisis</td>
<td>252</td>
</tr>
<tr>
<td>Table 6.18</td>
<td>The Moderating Effect of Different Types of Ownership and Information Asymmetry on the Relationship between the Effectiveness of the Board of Directors and IC Disclosure</td>
<td>253</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 4.1 Theoritical Framework</td>
<td>124</td>
</tr>
<tr>
<td>Figure 6.1 Heteroscedasticity</td>
<td>207</td>
</tr>
<tr>
<td>Figure 6.2 Moderating Effect of the Government Ownership</td>
<td>235</td>
</tr>
<tr>
<td>Figure 6.3 Moderating Effect of the Family Ownership</td>
<td>238</td>
</tr>
<tr>
<td>Figure 6.4 Moderating Effect of the Information Asymmetry</td>
<td>240</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>AAOIFI</td>
<td>Accounting and auditing standards for Islamic financial institutions</td>
</tr>
<tr>
<td>ACE_Score</td>
<td>Score for effectiveness of audit committee</td>
</tr>
<tr>
<td>AUDEX</td>
<td>Audit committee financial expertise</td>
</tr>
<tr>
<td>AUDIND</td>
<td>Audit committee independence</td>
</tr>
<tr>
<td>AUDMEET</td>
<td>Audit committee meetings</td>
</tr>
<tr>
<td>AUDZIE</td>
<td>Audit committee size</td>
</tr>
<tr>
<td>BAKTYP</td>
<td>Bank type</td>
</tr>
<tr>
<td>BIND</td>
<td>Board independence</td>
</tr>
<tr>
<td>BODCOM</td>
<td>Board committees</td>
</tr>
<tr>
<td>BoDE_Score</td>
<td>Score for effectiveness of board of directors</td>
</tr>
<tr>
<td>BODMEET</td>
<td>Board meetings</td>
</tr>
<tr>
<td>BODSIZ</td>
<td>Board size</td>
</tr>
<tr>
<td>BSIZE</td>
<td>Bank size</td>
</tr>
<tr>
<td>CEO_DUAL</td>
<td>CEO duality</td>
</tr>
<tr>
<td>CHOWN</td>
<td>Chairman ownership</td>
</tr>
<tr>
<td>CON</td>
<td>Industry market concentration</td>
</tr>
<tr>
<td>CSRD</td>
<td>Corporate social responsibility disclosure</td>
</tr>
<tr>
<td>DINSTITUTIONAL</td>
<td>Domestic institutional ownership</td>
</tr>
<tr>
<td>FAMOWN</td>
<td>Family control</td>
</tr>
<tr>
<td>FINSTITUTIONAL</td>
<td>Foreign institutional ownership</td>
</tr>
<tr>
<td>GCC</td>
<td>Gulf Co-operation Council</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross domestic product</td>
</tr>
<tr>
<td>GOWN</td>
<td>Government control</td>
</tr>
<tr>
<td>IA</td>
<td>Information asymmetry</td>
</tr>
<tr>
<td>ICD</td>
<td>Intellectual capital disclosure</td>
</tr>
<tr>
<td>LEV</td>
<td>Leverage</td>
</tr>
<tr>
<td>MENA</td>
<td>Middle East and the North African</td>
</tr>
<tr>
<td>ROA</td>
<td>Return on assets</td>
</tr>
</tbody>
</table>
CHAPTER ONE
INTRODUCTION

1.0 Background of the Study

Recent decades have witnessed significant developments in the context in which companies operate their business (Holland, 2003). These developments include the impact of globalization, technological advancements, shifting demographics, deregulation of industries, opening up of formally closed markets, the increase of power and sophistication of customers, the increase of shareholder activism, and the increase of powerful interest and pressure groups (Guthrie et al., 2001; Ashton, 2005). Commensurate with these developments, many changes have occurred in the corporate value-creation processes (Holland, 2003). To explain, the source of companies’ economic value today depends more on the intangible assets, such as intellectual capital (IC) than tangible assets (Sullivan, 2000; Guthrie et al., 2004). It has been argued that IC like intellectual property, knowledge of staff, processes, brand names, and loyalty are the key factor for determining whether an organization gains competitive advantage in this world (Bontis et al., 1999; Petty & Guthrie, 2000; Bollen et al., 2005). The literature implies that tangible assets and resources typically comprise between fifteen to twenty-five per cent of company value in today’s competitive business environment (Ballow et al., 2004). The rest, seventy-five to eighty-five per cent, are intangible assets and resources (Lev, 1999; Brennan & Connell, 2000; Garcia-Ayuso, 2003). As a result, the focus of management and shareholders has shifted from tangible to intangible capital when considering the “value creation” processes within firms (Mouritsen et al., 2001).
The contents of the thesis is for internal user only
REFERENCES


Hawkamah Institute for Corporate Governance. (2010). Hawkamah Brief on Corporate Governance Codes of the GCC. Retrieved from Hawkamah Institute of Corporate Governance website: www.hawkamahconference.org


