

THE MEDIATING EFFECT OF AUDIT QUALITY ON THE RELATIONSHIP
BETWEEN CORPORATE GOVERNANCE AND FIRM PERFORMANCE

HAMED SAYYAR

A thesis submitted in fulfilment of the
requirements for the award of degree of
Doctor of Philosophy

International Business School
Universiti Teknologi Malaysia

JANUARY 2016

DEDICATION

By the grace of almighty God

To my mother (God bless her)

To my beloved father

To my family, Shiva, Hojjat and Laya

ACKNOWLEDGEMENT

I wish to express my deepest appreciation to all those who helped me, in one way or another, to complete this thesis. First and foremost I thank God almighty who provided me with strength, direction and purpose throughout the thesis. Special thanks to my thesis supervisors Dr. Rohaida Basiruddin and Associate Professor Dr. Siti Zaleha Abdul Rasid for supporting during the execution of this thesis. Through their expert guidance, I was able to overcome all the obstacles that I encountered in these enduring three years of my thesis. In fact, they always gave me immense hope every time I consulted with them over problems relating to my thesis.

ABSTRACT

Although several studies have explored the nexus between corporate governance, audit quality and firm performance, there are still some areas that need further attention. These areas include (1) the mediating role of audit quality in the relationship between corporate governance and firm performance; (2) the impact of corporate governance characteristics such as board training, board nationality, board education, nomination committees and audit firm rotation on firm performance. Thus, the aims of the study are to examine (1) the impact of corporate governance on firm performance; (2) the relationship between corporate governance and audit quality; (3) the effect of audit quality on firm performance; and (4) the mediating role of audit quality in the relationship between corporate governance and firm performance. To achieve these objectives, data were collected from 542 listed companies in Bursa Malaysia for the period of 2003 to 2012. This study used multiple regression for data analysis. The corporate governance characteristics examined includes board of directors (size, independence, training, nationality, education), audit committee (size, independence, meeting), and nomination committee (size, independence, experience). There are three proxies of audit quality employed which are audit fees, industry specialist auditor and audit firm rotation. Firms performance is measured using return on assets, return on equity and Tobin's-Q. In general, the results show that firms with effective corporate governance are more likely to have better performance and demand for higher audit quality. In addition, firms with higher audit quality are more likely to have better firm performance. The finding also shows that audit quality mediates the relationship between corporate governance and firm performance. This means that there is direct relationship between firms with strong corporate governance and firm performance as well as indirect relationship between them through audit quality as a mediator. These findings are robust on other estimators and sensitivity analysis. The results provide several implications to investors, policy makers, researchers and regulators, especially with regard to enhancing firm performance, adopting mandatory audit firm rotation and board diversity under the current corporate governance principles.

ABSTRAK

Walaupun banyak kajian telah menerokai hubungan antara tadbir urus korporat, kualiti audit dan prestasi firma, masih terdapat beberapa bidang kajian yang perlu diberi perhatian lanjut. Bidang-bidang ini termasuk (1) peranan pengantara kualiti audit dalam hubungan diantara tadbir urus korporat dan prestasi firma; (2) kesan ciri-ciri tadbir urus korporat seperti latihan lembaga pengarah, kewarganegaraan lembaga pengarah, pendidikan lembaga pengarah, jawatankuasa pencalonan dan tempoh hubungan firma audit ke atas prestasi syarikat. Oleh itu, matlamat kajian ini adalah untuk mengkaji (1) kesan tadbir urus korporat ke atas prestasi firma; (2) hubungan antara tadbir urus korporat dan kualiti audit; (3) kesan kualiti audit ke atas prestasi firma; dan (4) peranan pengantara kualiti audit dalam hubungan antara tadbir urus korporat dan prestasi firma. Untuk mencapai objektif ini, data telah dikumpul daripada 542 syarikat yang tersenarai di Bursa Malaysia bagi tempoh 2003 hingga 2012. Kajian ini menggunakan regresi berganda bagi menganalisis data. Ciri-ciri tadbir urus korporat yang dikaji termasuklah lembaga pengarah (saiz, kebebasan, latihan, kewarganegaraan, pendidikan), jawatankuasa audit (saiz, kebebasan, mesyuarat), dan Jawatankuasa pencalonan (saiz, kebebasan, pengalaman). Terdapat tiga proksi kualiti audit yang digunakan iaitu yuran audit, juruaudit pakar industri, dan tempoh hubungan firma audit. Prestasi firma diukur menggunakan pulangan atas aset, pulangan ke atas ekuiti dan Tobin's-Q. Secara umum, keputusan kajian menunjukkan bahawa firma yang bertadbir urus korporat yang berkesan lebih cenderung mempunyai prestasi firma yang lebih baik dan menghendaki kualiti audit yang lebih tinggi. Di samping itu, firma yang mempunyai kualiti audit yang lebih tinggi adalah lebih cenderung untuk mempunyai prestasi yang lebih baik. Dapatan kajian juga menunjukkan bahawa kualiti audit menjadi pengantara hubungan antara tadbir urus korporat dan prestasi firma. Ini bermakna bahawa terdapat hubungan langsung antara firma dengan tadbir urus korporat yang kukuh dan prestasi firma serta hubungan tidak langsung antara keduanya melalui kualiti audit sebagai pengantara. Hasil kajian ini adalah konsisten dengan penganggar lain dan analisis sensitiviti. Hasil kajian memberi beberapa implikasi kepada pelabur, pembuat dasar, penyelidik dan penguatkuasa terutamanya yang berkait dengan peningkatan prestasi firma, menggunakan tempoh hubungan firma audit mandatori dan kepelbagaian lembaga pengarah di bawah prinsip tadbir urus korporat semasa.

TABLE OF CONTENTS

CHAPTER	TITLE	PAGE
	DECLARATION	ii
	DEDICATION	iii
	ACKNOWLEDGEMENT	iv
	ABSTRACT	v
	ABSTRAK	vi
	TABLE OF CONTENTS	vii
	LIST OF TABLES	xv
	LIST OF FIGURES	xix
	LIST OF ABBREVIATIONS	xx
1	INTRODUCTION	1
	1.1 Overview	1
	1.2 Background of the Study	1
	1.3 Problem Statement	2
	1.4 Objectives of the Study	3
	1.5 Research Questions	7
	1.6 Scope of the Study	8
	1.7 Significance of the Study	8
	1.8 Operational Definition of the Study	14
	1.8.1 Corporate Governance Operation Definition	14
	1.8.2 Audit Quality Operation Definition	14
	1.8.3 Firm Performance Operation Definition	15
	1.9 Structure of the Study	15
2	LITERATURE REVIEW	17

2.1	Introduction	17
2.2	Theories Related to the Study	17
2.2.1	Agency Theory	17
2.2.2	Resource Dependence Theory	19
2.2.3	Signaling Theory	20
2.3	Firm Performance	21
2.4	Corporate Governance Characteristics	22
2.4.1	Board of Directors Effectiveness	26
2.4.2	Board Committees	35
2.4.2.1	Audit Committee	36
2.4.2.2	Nomination Committee	40
2.4.3	Summary of the Literature Related to Corporate Governance and Firm Performance	44
2.5	Audit Quality	46
2.5.1	Measuring Audit Quality	47
2.5.1.1	Audit Fees	49
2.5.1.2	Audit Firm Rotation	51
2.5.1.3	Industry Specialist Auditors	57
2.5.2	Summary of the Literature Related to Corporate Governance and Audit Quality	59
2.6	Hypothesis Development	62
2.6.1	The Relationship between Corporate Governance and Firm Performance	62
2.6.1.1	Board Size and Firm Performance	63
2.6.1.2	Board Independence and Firm Performance	66
2.6.1.3	Board Training and Firm Performance	68
2.6.1.4	Board Nationality and Firm Performance	69
2.6.1.5	Board Education and Firm Performance	70
2.6.1.6	Audit Committee Size and Firm Performance	71
2.6.1.7	Audit Committee Independence and Firm Performance	72
2.6.1.8	Audit Committee Meeting and Firm Performance	74

2.6.1.9	Nomination Committee and Firm Performance	75
2.6.2	The Relationship between Corporate Governance and Audit Quality	77
2.6.2.1	Board Size and Audit Quality	78
2.6.2.2	Board Independence and Audit Quality	79
2.6.2.3	Board Training and Audit Quality	81
2.6.2.4	Board Nationality and Audit Quality	81
2.6.2.5	Board Education and Audit Quality	82
2.6.2.6	Audit Committee Size and Audit Quality	83
2.6.2.7	Audit Committee Independence and Audit Quality	84
2.6.2.8	Audit Committee Meeting and Audit Quality	86
2.6.2.9	Nomination Committee and Audit Quality	87
2.6.3	The relationship between Audit Quality and Firm Performance	88
2.6.4	Mediation role of Audit Quality in the Relationship between Corporate Governance and Firm Performance	90
2.7	Conceptual Framework	91
2.8	Summary	92
3	RESEARCH METHODOLOGY	93
3.1	Introduction	93
3.2	Research Paradigms	93
3.3	Research Design	94
3.4	Sample Selection and Period of Study	95
3.5	Data Analysis- Descriptive Statistics	97
3.6	Correlation Matrix	97
3.7	Multivariate Regression	98
3.8	Sensitivity Analysis (Robustness)	98
3.8.1	Endogeneity	99
3.9	Definition and Measurement of Variables	99
3.9.1	Board Size (BSIZE)	100

3.9.2 Board Independence (BIND)	100
3.9.3 Board Training (BTR)	100
3.9.4 Board Nationality (BNAT)	101
3.9.5 Board Education (BEDU)	101
3.9.6 Audit Committee Size (ACSIZE)	101
3.9.7 Audit Committee Independence (ACIND)	102
3.9.8 Audit Committee Meeting (ACMEET)	102
3.9.9 Nomination Committee Size (NCSIZE)	102
3.9.10 Nomination Committee Independence (NCIND)	102
3.9.11 Nomination Committee Expertise (NCEXP)	103
3.9.12 Audit Fees (LNAFEE)	103
3.9.13 Audit Firm Rotation (AUDROT)	103
3.9.14 Industry Specialist Auditors (ISA)	104
3.9.15 Firm Performance Measures	105
3.10 Research Model and Control Variables	106
3.10.1 Firm Performance Models	106
3.10.2 Audit Quality Model	109
3.10.2.1 Audit Fees Model	109
3.10.2.2 Audit Firm Rotation Model	112
3.10.2.3 Industry Specialist Auditors Model	115
3.11 Statistical Mediation	118
3.12 Data Sources, Procedures and Data Analysis	119
3.13 Summary	120
4 RESULTS AND FINDINGS	123
4.1 Introduction	123
4.2 Analysis Results- Descriptive Statistics	123
4.3 Correlation Matrix	127
4.4 Analysis I- Relationship between Corporate Governance and Firm Performance Model	134
4.4.1 Multivariate Regression- ROA Model	134
4.4.2 Multivariate Regression- ROE Model	140
4.4.3 Multivariate Regression- TQ Model	144
4.4.4 Statistical Test and Sensitivity Analysis	148

4.4.4.1 Multicollinearity	148
4.4.4.2 Heteroskedasticity	149
4.4.4.3 Serial Correlation	150
4.4.4.4 Endogeneity	150
4.4.5 Additional Regression Estimators for Firm Performance Model	151
4.4.6 Additional Control Variable	156
4.4.6.1 Additional Control Variable for ROA Model	156
4.4.6.2 Additional Control Variable for ROE Model	156
4.4.6.3 Additional Control Variable for TQ Model	158
4.5 Analysis II- Relationship between Corporate Governance and Audit Quality Model	165
4.5.1 Multivariate Regression- Audit Fees Model	165
4.5.1.1 Statistical Test and Sensitivity Analysis	170
4.5.1.2 Multicollinearity	170
4.5.1.3 Heteroskedasticity	171
4.5.1.4 Serial Correlation	171
4.5.1.5 Endogeneity	172
4.5.1.6 Additional Regression Estimators	173
4.5.1.7 Additional Control Variable	174
4.5.2 Multivariate Regression- Audit Firm Rotation Model	178
4.5.2.1 Statistical Test and Sensitivity Analysis	182
4.5.2.2 Multicollinearity	182
4.5.2.3 Heteroskedasticity	183
4.5.2.4 Serial Correlation	183
4.5.2.5 Endogeneity	184
4.5.2.6 Additional Regression Estimators	185
4.5.2.7 Additional Control Variable	186
4.5.3 Multivariate Regression- Industry Specialist Auditors Model	190
4.5.3.1 Statistical Test and Sensitivity Analysis	194
4.5.3.2 Multicollinearity	194
4.5.3.3 Heteroskedasticity	195
4.5.3.4 Serial Correlation	195

4.5.3.5	Endogeneity	196
4.5.3.6	Additional Regression Estimators	197
4.5.3.7	Additional Control Variable	198
4.6	Analysis III- Relationship between Audit Quality and Firm Performance Model	202
4.6.1	Multivariate Regression (Audit Fees) – ROA Model	202
4.6.2	Multivariate Regression (Audit Fees) – ROE Model	203
4.6.3	Multivariate Regression (Audit Fees) – TQ Model	204
4.6.4	Statistical Test and Sensitivity Analysis	209
4.6.4.1	Multicollinearity	209
4.6.4.2	Heteroskedasticity	209
4.6.4.3	Serial Correlation	210
4.6.4.4	Endogeneity	210
4.6.4.5	Additional Regression Estimators	211
4.6.4.6	Additional Control Variable for ROA Model	213
4.6.4.7	Additional Control Variable for ROE Model	213
4.6.4.8	Additional Control Variable for TQ Model	214
4.6.5	Multivariate Regression (Audit Firm Rotation) - ROA model	218
4.6.6	Multivariate Regression (Audit Firm Rotation) - ROE model	218
4.6.7	Multivariate Regression (Audit Firm Rotation) - TQ model	219
4.6.8	Statistical Test and Sensitivity Analysis	224
4.6.8.1	Multicollinearity	224
4.6.8.2	Heteroskedasticity	225
4.6.8.3	Serial Correlation	225
4.6.8.4	Endogeneity	226
4.6.8.5	Additional Regression Estimators	226
4.6.8.6	Additional Control Variable for ROA Model	228
4.6.8.7	Additional Control Variable for ROE Model	228
4.6.8.8	Additional Control Variable for TQ Model	229
4.6.9	Multivariate Regression (Industry Specialist Auditors) - ROA model	233

4.6.10	Multivariate Regression (Industry Specialist Auditors) - ROE Model	233
4.6.11	Multivariate Regression (Industry Specialist Auditors) - TQ Model	234
4.6.12	Statistical Test and Sensitivity Analysis	238
4.6.12.1	Multicollinearity	238
4.6.12.2	Heteroskedasticity	239
4.6.12.3	Serial Correlation	239
4.6.12.4	Endogeneity	240
4.6.12.5	Additional Regression Estimators	240
4.6.12.6	Additional Control Variable for ROA Model	242
4.6.12.7	Additional Control Variable for ROE Model	242
4.6.12.8	Additional Control Variable for TQ Model	243
4.7	Analysis IV- Mediating Model of Audit Quality in the Relationship between Corporate Governance and Audit Quality	247
4.7.1	Structural Model	247
4.7.2	Measurement Model	247
4.7.3	Assessing Relationship of latent variable with observed variables	247
4.7.4	Evaluating the Adequacy of the Model Fit	248
4.7.5	Sensitivity Analysis	254
4.7.5.1	Sobel Test	254
4.8	Summary	255
5	DISCUSSION AND CONCLUSION	256
5.1	Introduction	256
5.2	Summary of Finding	256
5.3	Discussion of Findings	261
5.3.1	Corporate Governance and Firm Performance	261
5.3.1.1	Board Size	262
5.3.1.2	Board Independence	262
5.3.1.3	Board Training	263
5.3.1.4	Board Nationality	266

5.3.1.5 Board Education	267
5.3.1.6 Audit Committee Size	268
5.3.1.7 Audit Committee Independence	269
5.3.1.8 Audit Committee Meeting	270
5.3.1.9 Nomination Committee Size	271
5.3.1.10 Nomination Committee Independence	272
5.3.1.11 Nomination Committee Experience	272
5.3.2 Corporate Governance and Audit Quality	273
5.3.2.1 Corporate Governance Characteristics and Audit Fees	274
5.3.2.2 Corporate Governance Characteristics and Audit Firm Rotation	277
5.3.2.3 Corporate Governance Characteristics and Industry Specialist Auditors	278
5.3.3 Audit Quality and Firm Performance	280
5.3.3.1 Audit Fees	280
5.3.3.2 Audit Firm Rotation	281
5.3.3.3 Industry Specialist Auditors	281
5.3.4 Mediating Effect of Audit Quality in the Relationship between Corporate Governance and Firm Performance	282
5.4 Implications of the Study	284
5.4.1 Theoretical Implication	284
5.4.2 Practical Implication	285
5.4.3 Methodological Implication	286
5.5 Limitation of the Study	286
5.6 Recommendation for Future Studies	287
5.7 Conclusion	288

REFERENCES

290

LIST OF TABLES

TABLE NO.	TITLE	PAGE
1.1	Summary of research questions, findings, conclusion and implications	11
2.1	Summary of key literature related to CG and FP	44
2.2	Overview of mandatory audit firm and partner rotation	57
2.3	Summary of key literature related to CG and AQ	60
2.4	Summary of research gap	92
3.1	Research perspective	94
3.2	Sample of study	96
3.3	Summary of variables	120
4.1	Descriptive statistics	126
4.2	Correlation matrix	131
4.3	Multivariate regression for corporate governance and ROA model	138
4.4	Multivariate regression for corporate governance and ROE model	142
4.5	Multivariate regression for corporate governance and TQ model	146
4.6	Multicollinearity test for firm performance model	148
4.7	Heteroskedasticity test for corporate governance and firm performance models	149
4.8	Serial correlation test for corporate governance and firm performance models	150
4.9	Result of Lag regression for firm performance models	151
4.10	Additional regression estimators for corporate governance and firm performance models	154

4.11	Multivariate regression for ROA model with additional control variable	159
4.12	Multivariate regression for ROE model with additional control variable	161
4.13	Multivariate regression for TQ model with additional control variable	163
4.14	Multivariate regression for audit fees model	168
4.15	Multicollinearity test for audit fees model	170
4.16	Heteroskedasticity test for audit fees model	171
4.17	Serial correlation test for audit fees model	171
4.18	Result of lagged regression for audit fees model	172
4.19	Additional regression estimators for audit fees model	173
4.20	Multivariate regression for audit fees model with additional control variable	176
4.21	Multivariate regression for audit firm rotation model	180
4.22	Multicollinearity test for audit firm rotation model	182
4.23	Heteroskedasticity test for audit firm rotation model	183
4.24	Serial correlation test for audit firm rotation model	183
4.25	Result of lagged regression for audit firm rotation model	184
4.26	Additional regression estimators for Audit firm rotation model	185
4.27	Multivariate regression for audit firm rotation model with additional control variable	188
4.28	Multivariate regression for industry specialist auditors	192
4.29	Multicollinearity test for industry specialist auditors model	194
4.30	Heteroskedasticity test for industry specialist auditors' model	195
4.31	Serial correlation test industry specialist auditors' model	195
4.32	Result of lagged regression for industry specialist auditors model	196
4.33	Additional regression estimators for industry specialist auditors' model	197
4.34	Multivariate regression for industry specialist auditors' model with additional control variable	200
4.35	Multivariate regression for audit fee and ROA model	206
4.36	Multivariate regression for audit fee and ROE model	207

4.37	Multivariate regression for audit fee and TQ model	208
4.38	Multicollinearity test for audit fees and firm performance model	209
4.39	Heteroskedasticity test for audit fees and firm performance model	210
4.40	Serial correlation test for audit fees and firm performance model	210
4.41	Result of Lag regression for firm performance models	211
4.42	Additional regression estimators for Audit fees and firm performance model	212
4.43	Multivariate regression for audit fee and ROA model with additional control variable	215
4.44	Multivariate regression for audit fee and ROE model with additional control variable	216
4.45	Multivariate regression for audit fee and TQ model with additional control variable	217
4.46	Multivariate regression for audit firm rotation and ROA model	221
4.47	Multivariate regression for audit firm rotation and ROE model	222
4.48	Multivariate regression for audit firm rotation and TQ model	223
4.49	Multicollinearity test for firm performance model	224
4.50	Heteroskedasticity test for audit firm rotation and firm performance model	225
4.51	Serial correlation test for audit firm rotation and firm performance model	225
4.52	Results of lagged regression for firm performance models	226
4.53	Additional regression estimators for Audit firm rotation and firm performance models	227
4.54	Multivariate regression for audit firm rotation and ROA model with additional control variable	230
4.55	Multivariate regression for audit firm rotation and ROE model with additional control variable	231

4.56	Multivariate regression for audit firm rotation and TQ model with additional control variable	232
4.57	Multivariate regression for industry specialist auditors and ROA model	235
4.58	Multivariate regression for industry specialist auditors and ROE model	236
4.59	Multivariate regression for industry specialist auditors and TQ model	237
4.60	Multicollinearity test for firm performance model	238
4.61	Heteroskedasticity test for ISA and firm performance model	239
4.62	Serial correlation test for ISA and firm performance model	239
4.63	Results of lagged regression for firm performance	240
4.64	Additional regression estimators for industry specialist auditors and firm performance models	241
4.65	Multivariate regression for ISA and ROA model with additional control variable	244
4.66	Multivariate regression for ISA and ROE model with additional control variable	245
4.67	Multivariate regression for ISA and TQ model with additional control variable	246
4.68	Result of corporate governance and firm performance	250
4.69	Result of corporate governance and audit quality	251
4.70	Result of audit quality and firm performance	252
4.71	Result of mediating role of audit quality between corporate governance and firm performance	253
4.72	Estimation of measurement model of CG, AQ and FP	247
4.73	Summary of model fit	249
4.74	Result of Sobel Test	254
5.1	Summary of research objectives, hypotheses, and findings: H1	257
5.2	Summary of research objectives, hypotheses, and findings: H2	259
5.3	Summary of research objectives, hypotheses, and findings: H3	259
5.4	Summary of research objectives, hypotheses, and findings: H4	261

LIST OF FIGURES

FIGURE NO.	TITLE	PAGE
2.1	Conceptual Framework	91
3.1	Research design	95
4.1	Result of corporate governance and firm performance	250
4.2	Result of corporate governance and audit quality	251
4.3	Result of audit quality and firm performance	252
4.4	Result of mediating role of audit quality between corporate governance and firm performance	253

LIST OF ABBREVIATIONS

AQ	-	Audit Quality
CEO	-	Chief Executive Officer
CG	-	Corporate Governance
DA	-	Discretionary Accrual
FP	-	Firm Performance
GLS	-	Generalized Least Square
IPO	-	Initial Public Offering
MAICSA	-	Malaysian Institute of Chartered Secretaries and Administrators
MCCG	-	Malaysian Code on Corporate Governance
OLS	-	Ordinary Least Square
PACAOB	-	Public Company Accounting Oversight Board
PWC	-	PricewaterhouseCoopers
ROA	-	Return on Assets
ROE	-	Return on Equity
SC	-	Securities Commission
SEM	-	Structural Equation Modeling
SOA	-	Sarbanes-Oxley Act
TQ	-	Tobin's
UK	-	United Kingdom
US	-	United States
VIF	-	Variance Inflation Factor

CHAPTER 1

INTRODUCTION

1.1 Overview

This study investigates the impact of corporate governance characteristics on audit quality and firm performance as well as audit quality as mediator in the relationship between corporate governance and firm performance. The first section provides the background of the study and problem statement. The second section discusses the research objectives and research questions. The scope of study, significance of study, operational definition of study and structure of study are presented in the last section.

1.2 Background of the Study

Firm performance is one of the most important issues for investors, stakeholders and policy makers. According to Harrison and Wicks (2013) both current and future investors by evaluating the firm performance decide to continue their investments in the company and they want to know if the company is profitable for investing or not. For improving firm performance, there are some indicators such as corporate governance and audit quality.

Corporate governance refers to a set of systems, principles and processes by which a company is governed to achieve a company's goals and thus enhance firm performance (Clarke, 2007). Audit quality is defined as auditors who use some

techniques to recognize and report misstatements in clients' accounting systems. Most previous evidence suggests that lack of corporate governance and lack of audit quality are among the most important reasons for financial and corporate scandals (Al-Malkawi *et al.*, 2014; Haspeslagh, 2010; Soltani, 2014). This led to more attention by scholars in accounting and auditing to the necessity of identifying which characteristics of corporate governance are more effective in improving firm performance. Accordingly, countries began to establish corporate governance codes in order to protect the public from fraud and to guard against the eventual collapse of the economy.

Corporate governance is an emerging and exciting issue in the Malaysian context. It became the focus of attention especially after Asian crisis 1997 and recent crisis and scandals such as Sime Bank and Malaysian Airlines (Mat Norwani *et al.*, 2011). The Malaysian government after 1998 decided to enhance good corporate governance by adopting corporate reforms that comprise the introduction of the new code of corporate governance. In March 2000 the first code was issued with aims to encourage the principle that companies use this code in their operations for reaching ideal governance framework. In October 2007, the second code of corporate governance was revised, and all listed firms in Bursa Malaysia have to follow the new code. In 2012, the Malaysian code on corporate governance (MCCG) was revised again and this new code emphasizes strengthening the structure of board and composition recognizing the director's role. Revising the code of corporate governance shows the importance of corporate governance for government, regulators as well as companies to use this code for achieving their goals.

Recently, researchers have examined the direct effects of corporate characteristics on audit quality and firm performance. In line with agency theory, previous studies found that strong corporate governance reduces agency cost and enhances firm performance (Black *et al.*, 2012; Ghofar and Islam, 2015; Munisi and Randøy, 2013; Peni, 2014; Tuan, 2014) and are also in line with signaling theory, as strong and good CG demands high audit quality (Wahab *et al.*, 2011a; Wu, 2012).

Therefore, four objectives are conducted in this study: 1) to examine the relationship between corporate governance and firm performance, 2) to examine relationship between corporate governance and audit quality, 3) to examine the relationship between audit quality and firm performance, and 4) to examine how corporate governance affects firm performance through audit quality as mediator. Furthermore, this study uses 1) characteristics of corporate governance (board size, board independence, board training, board nationality, board education, audit committee size, audit committee independence, audit committee meeting, nomination committee size, nomination committee independence, nomination committee experience) as these characteristics of corporate governance such as board and its committees influence companies decision-making as well as reduce agency cost, 2) audit quality proxies are comprised of the following: audit fees, audit firm rotation, industry specialist auditors and 3) firm performance measures include the following: return on asset, return on equity and Tobin's q.

1.3 Problem Statement

Firm performance is one of the main criteria for investors, government and regulators. By evaluating firm performance investors decide to invest in the company or keep their investment in the firm. Therefore, companies use some characteristics such as corporate governance and audit quality for reducing their agency problems and thus enhancing their performance. Corporate governance is of paramount importance in the current economic context (Fülöp, 2014). Therefore, it is important to determine the origin of the term and to note its essential features. During the credit crisis, the lack of corporate governance (Al-Malkawi *et al.*, 2014; Haspeslagh, 2010; Soltani, 2014) as well as audit quality (Mansouri *et al.*, 2009; Salehi *et al.*, 2009) are the main causes of many corporate scandals across the world. All these negative effects have generated a lot of questions about the consequences of the lack of corporate governance's effectiveness and lower audit quality on firm performance.

Agency theory describes why the monitoring role of internal corporate governance and external corporate governance are important. Agency theory

suggests that effective and good corporate governance have better monitoring roles which reduce agency costs and thus enhance firm performance. Additionally, high audit quality as an external monitoring role can monitor the company to reduce agency costs and this leads to better firm performance. Fülöp (2014) stated that in order to enhance firm performance, an effective corporate governance should be based on a combination of internal and external mechanisms. Both internal mechanism such as board of directors and board committees, and external mechanism such as audit quality play significant role in terms of monitoring which reduce agency costs and enhance firm performance. The Malaysian government decided to enhance corporate governance regulations after some scandals and downfalls such as Bumiputera Malaysian Finance, Sime Bank, the Perwaja fiasco and Malaysian Airlines (Mat Norwani *et al.*, 2011). A careful review of the literature showed that the empirical study in the field of corporate governance, audit quality and firm performance has focused on the direct effect of corporate governance characteristics and audit quality (Bliss *et al.*, 2011; Boo and Sharma, 2008; Carcello *et al.*, 2002; Desender *et al.*, 2009; Wu, 2012) on firm performance (Ammann *et al.*, 2011; Bhagat and Bolton, 2008; Chen *et al.*, 2011; Lo *et al.*, 2010; Munisi and Randøy, 2013; Peni, 2014; Reddy *et al.*, 2010). To the best of the study's knowledge, there is a dearth of research that examines the audit quality (external corporate governance) as a mediation effect on the relationship between corporate governance characteristics on firm performance. Therefore, this study is attempting to determine how corporate governance directly as well as indirectly affects firm performance through audit quality as an external monitoring mechanism.

Until recently, there has been no reliable evidence of the characteristics of effective corporate governance on firm performance and audit quality because of mixed or inconclusive results (Bhagat and Bolton, 2008; Krafft *et al.*, 2014; Tam and Tan, 2007). Some characteristics of corporate governance which previous studies did not focus on are presented below:

- 1) Resource dependence theory explains the importance of skills, knowledge and experience of the board of directors which leads to better monitoring and enhanced firm performance. These characteristics will be effective when the board

members update and improve their knowledge and skills by training (Liu *et al.*, 2014). Training is essential for some reasons such as: technology is developing continuously and at a fast rate (Venderbosch and Prins, 2010), training can save the organization money and time if the training helps the employee to become more efficient (Allen, 1995) and training can be cost effective, as it is cheaper to train existing employees than recruiting new employees with the skills you need (Hinkin and Tracey, 2000). In addition, Malaysian Code of Corporate Governance (2012, pp.33) points out that “all directors should receive regular training, particularly on relevant new laws, regulations, and changing commercial risks from time to time.” According to above discussion, it seems that training plays an important role in business success. However, previous studies focused only on the effects of employee training on firm performance (Aragón *et al.*, 2014; Mohr *et al.*, 2014; Saleem and Khurshid, 2014), and did not highlight the importance of board training on firm performance. Therefore, how board training can affect firm performance and audit quality is still questionable.

2) Board education is recognized as board diversity which can affect firm performance in terms of organizational outputs. As a group, the board of directors is comprised of a combination of capabilities and competencies that collectively demonstrate a pool of social capital and adds value in executing the function of board’s governance. Individual education of board members is important in decision-making. For instance, board members are experienced and qualified as a result of their education and they can fulfill their monitoring roles effectively (Carpenter and Westphal, 2001). Previous studies examined the education of board of directors by level of graduation on firm performance (Adams *et al.*, 2015; Darmadi, 2013; Noor and Fadzil, 2013; Vo and Phan, 2013b). However, according to Gantenbein and Volonté (2011), place of education in terms of domestic or abroad may be more relevant than demographic attributes in explaining firm performance. Therefore, findings of this research can add new knowledge in the literature to show how board education in terms of place of education can affect firm performance.

3) Board composition is one of the most important determinants of board effectiveness (De Jong *et al.*, 2014). Both agency and resource dependence theories

highlight the importance of a high quality and selective board of directors, which leads to better firm performance and demands for audit quality. The selection of the board members is the main task of the nomination committee. Andrews (1987) and Riabichenko (2014) argue that the presence of nominating committees enhances board independence. Therefore, by having a nomination committee, the members of the nomination committee can select the best candidate to the board of directors to reduce agency costs and improve firm performance. Shivdasani and Yermack (1999) and Hsu (2007) stated that the existence of a nominating committee is likely to improve the separation of management and control in the firm and provide the resources and the legitimacy necessary for committee members to independently exercise their duties. Nominating committee members will be judged, more than other board members, with regard to the recruitment decisions taken and they have a strong interest in maintaining their own reputations by recruiting directors who will prove to be effective monitors of management. Most previous studies have only examined the relationship between the presence of the nomination committee with firm performance (El-Faitouri, 2014; Fauzi and Locke, 2012; Heenetigala, 2011; Ntim, 2013; Singhchawla *et al.*, 2011) and did not focus on the characteristics of the nomination committee on firm performance. However, until now there is lack of study to examine the relationship between characteristics of the nomination committee on firm performance to show how nomination committees can reduce agency problems which lead to enhance firm performance.

4) To date there have been many arguments on audit quality such as audit firm rotation. What is still not clear are the advantages and disadvantages of audit firm rotation. Followers of audit firm rotation documented that in the long term, auditors may have a close relationship with their clients which may impair and threaten auditors' independence (DeFond and Zhang, 2014a; Kilcommins, 2014) which auditors report are influenced by the companies. Opponents of audit firm rotation believed that auditors with long tenure have better understanding of the client's system. However, new auditors are not familiar with their client's system (Brooks, 2011; Dao and Pham, 2014). Among these issues, signaling theory suggests that companies signal investors that their financial information is reliable when they change auditors and use independent auditors. According to the above issues, this study aims to show how corporate governance characteristics can affect audit firm

rotation as well as how audit firm rotation as a proxy for audit quality can affect firm performance.

1.4 Objectives of the Study

The main objectives of this study is to examine the mediation effect of audit quality on the relationship between corporate governance and firm performance. This study also seeks to examine the relationship between corporate governance characteristics, audit quality and firm performance. The research objectives of this study addressed in line with the above problem statements are below:

1. To examine the effect of corporate governance on firm performance.
2. To examine the effect of corporate governance on audit quality.
3. To examine the effect of audit quality on firm performance.
4. To examine the mediating effect of audit quality on the relationship between corporate governance and firm performance.

1.5 Research Questions

The research questions this study addresses in line with the above research objectives are below:

- 1- Does corporate governance affect firm performance?
- 2- Does corporate governance influence audit quality?
- 3- Does audit quality affect firm performance?
- 4- Does audit quality mediate the relationship between corporate governance and firm performance?

According to the above questions, the corporate governance characteristics are comprised of a board of directors (size, independence, training, nationality, education), audit committee (size, independence, meeting), and nomination committee (size, independence, experience). In this study, audit fees, audit firm rotation and industry specialist auditors are the proxies for audit quality. Return on asset, return on equity, and firm value are the measures of firm performance.

1.6 Scope of the Study

This study presents a comprehensive study on corporate governance, audit quality and firm performance in the Malaysian market. This study used the 542 non-financial (5420 firms-observation) listed companies in Bursa Malaysia for the fiscal years of 2003 to 2012.

1.7 Significance of the Study

This study has significant contributions to the body of knowledge by considering gaps in the literature:

1) Demand for audit quality after corporate scandals are a main and crucial topic in the economic market. Previous studies (Coffee, 2001; Wallman, 1996) believed that without audit quality the capital market is ineffective, and the cost of capital will be higher. Hence, quality of audit is important in providing the assurance the capital market participants required, as well playing an essential role in the effective economic resource allocation (DeFond and Zhang, 2014b). Auditing is important because it limits the opportunistic behavior of management, which may accordingly reduce agency costs and therefore enhance firm performance (Reed *et al.*, 2000). Additionally, companies with weak situations are more likely to demand audit quality to reduce their agency problems. Most of the prior studies examined the direct relationship between corporate governance characteristics on audit quality and firm performance (Adams and Mehran, 2012; Cheng, 2008; MoutinhoCerqueira, and

Brandão, 2012; O'Connell and Cramer, 2010; Sanda *et al.*, 2011). However, this study will also add to the literature by examining the mediation effect of audit quality in the relationship between corporate governance and firm performance to show that companies having strong and effective corporate governance are more likely to have higher audit quality and audit quality would enhance firm performance. Thus, this study is significant and beneficial for both scholars and specialists in terms of adding new knowledge.

2) One of the ways that board members can develop and update their skills and knowledge is through training. Training of board of directors can promote a board to fulfill its role and make a real difference to firm performance. Additionally, training of the board leads to board competency so that they will be able to monitor executive management performance better, which may lead to higher firm performance. Previous studies have examined the effect of employer training on performance (Aragón *et al.*, 2014; Mohr *et al.*, 2014; Saleem and Khurshid, 2014), however, the findings of this study can contribute new knowledge to how the training of board of directors can affect firm performance.

3) The nature and responsibility of the nomination committee is identifying and recommending qualified candidates to the board of directors. According to Marrakchi Chtourou *et al.* (2001), the presence of the nomination committee is important for board effectiveness and monitoring ability which can reduce agency cost and enhance firm performance. However, most prior studies only examined the relationship between the establishment of the nomination committee with firm performance; therefore, the findings of this study add new knowledge to the literature by showing how the characteristics of the nomination committee can reduce agency costs which leads to enhanced firm performance. Furthermore, the findings of this research may be beneficial for regulations to emphasize nomination committee characteristics in the code of corporate governance because this committee appoints the qualified directors which lead to enhance the firm performance.

4) After financial scandals such as Enron (2001), WorldCom (2002), Schlecker (2012), Dynegy (2012), Banco Espírito Santo (2014) and the financial debt

crisis in 2007-2008, the concept of independence of external auditors has been under question. In response to this issue, many governments adopted regulations to improve the rotation of audit firms and partners. By adopting the mandatory audit rotation, the quality of audits will be enhanced (Ewelt-Knauer *et al.*, 2013; Lennox *et al.*, 2014). The concept of audit firm rotation has not been adopted yet in Malaysia; however, there is audit partner rotation every five years. Prior studies (Abbott *et al.*, 2003; Carcello *et al.*, 2002; Moutinho, Cerqueira and Brandão, 2012; Stanley, 2011) examined the relationship between corporate governance characteristics, audit quality as proxy by audit fees, non-audit fees, and firm performance. To the best of the author's knowledge, there is a lack of studies that used audit firm rotation as a proxy for audit quality and also effectiveness of corporate governance characteristics on audit firm rotation in Malaysia. However, according to the concept of audit firm rotation in Malaysia, the current study uses audit firm rotation as a proxy for audit quality and shows how corporate governance characteristics can affect audit firm rotation and firm performance.

This study in terms of valuable insights for scholars will provide managerial implications for the government, audit firms, auditors and investors in order to improve the regulations, rules and bylaws. Table 1.1 shows the summary of research questions, findings, conclusion and implications.

Table 1.1: Summary of research questions, findings, conclusion and implications

Research Gaps	RQs	Findings	Conclusion	Contributions	Implications
Lack of evidence on the effect of CG on FP.	Q1: Does corporate governance affect firm performance?	There is significant relationship between CG and FP.	<p>*There is significant and positive relationship between board size, audit committee meeting, board nationality and ROA, ROE.</p> <p>*There is significant and negative relationship between board education and ROA, ROE.</p> <p>There is significant and positive relationship between board independence, audit committee size, board nationality, board education and TQ.</p> <p>There is significant and negative relationship between board training, audit committee independence, nomination committee independence, nomination committee experience and TQ.</p>	<p>Theoretical Contribution: From perspective of agency and resource dependence theories, the result is consistent.</p> <p>Methodological Contributions: The effect of corporate governance characteristics as latent variable on firm performance.</p> <p>Empirical Contribution: negative relationship between board training, nomination committee independence, nomination committee experience and TQ. Positive relationship between board nationality and FP.</p>	The corporate governance practices still need to be improved on firm performance. Board nationality and board education seems to be adding in the corporate governance to reduce agency cost and enhance firm performance.

Table 1.1 (Continued)					
Research Gaps	RQs	Findings	Conclusion	Contributions	Implications
Lack of sufficient evidence on the effect of characteristics of board and its committee on AQ.	Q2: Do corporate governance influence audit quality?	The CG has significant relationship to AQ.	<p>* There is significant and positive relationship between board independence, board training, audit committee independence and meeting, nomination committee size, board nationality, board education and audit fees as a proxy for AQ. There is significant and negative relationship between nomination committee independence, nomination committee experience and audit fees.</p> <p>* There is significant and positive relationship between audit committee size and audit firm rotation.</p> <p>* There is significant and positive relationship between board independence, nomination committee size, board education and ISA. There is significant and negative relationship between board size board training, audit committee size, audit committee independence, audit committee meeting, nomination committee independence and ISA.</p>	<p>Theoretical Contribution: From perspective of agency, resource dependence and signaling theories, the result is consistent.</p> <p>Methodological Contributions: CG characteristics as well as AQ proxies are used as latent variable</p>	Demand for higher audit quality enhance when effective CG is conducted.

Table 1.1 (Continued)					
Research Gaps	RQs	Findings	Conclusion	Contributions	Implications
Lack of sufficient study on the effect of AQ on FP.	Q3: Does audit quality affect firm performance?	There is significant relationship between AQ and FP.	<p>* There is insignificant relationship between audit fees ROA and ROE. There is significant and positive relationship between audit fees and TQ.</p> <p>* There is significant and negative relationship between audit firm rotation and ROA.</p> <p>* There is significant and positive relationship between ISA and ROE.</p>	<p>Theoretical Contribution: From perspective of signaling theory, the result is consistent.</p> <p>Methodological Contributions: AQ proxies as well firm performance are used as latent variable.</p> <p>Empirical Contribution: Negative relationship between audit fees and ROA, as well as positive relationship between audit fees and TQ. Negative relationship between audit firm rotation and ROA. Positive relationship between ISA and ROE.</p>	Higher audit quality can be improved firm performance. Regulators consider the rule of mandatory audit firm rotation in Malaysian listed companies to enhance auditor independence.
Lack of study examines the audit quality as mediator in the relationship between CG and FP.	4: Does audit quality mediate the relationship between corporate governance and firm performance?	AQ mediates the relationship between CG and FP.	*There is significant and positive relationship between CG and FP through AQ as a mediator as well as direct relationship between CG and FP.	<p>Theoretical Contribution: Signaling theory as a complementary theory to agency theory.</p> <p>Methodological Contributions: use structural modeling approach in STATA to test mediating effect.</p> <p>Empirical Contribution: CG is significantly related to AQ and FP. AQ is significantly related to FP.</p>	Effective CG demand high AQ and FP as well as high AQ improve FP

1.8 Operational Definition of the Study

This study uses three main variables for examining the relationship between them. They include corporate governance characteristics, audit quality proxies and firm performance measures. The corporate governance variables comprise board of directors (size, independence, training, nationality and education), audit committee (size, independence and meeting), nomination committee (size, independence and experience). Audit quality in this study uses three proxies such as audit fees, audit firm rotation and industry specialist auditors. The firm performance in this study is measures by ROA, ROE and firm value (TQ). The operation definitions of variables are defined below:

1.8.1 Corporate Governance Operation Definition

Board of directors: This study defines larger size of board members with more independent non-executive directors, training programs, high proportion of foreign board members and higher proportion of directors who studied at overseas university as an affective board.

Audit committee: companies having more members, high proportion of independent non-executive members and meeting frequency of at least four times in a year are defined as companies having an effective audit committee.

Nomination committee: companies having more nomination committee members, high proportion of independent non-executive members with expertise are defined as companies with an effective nomination committee.

1.8.2 Audit Quality Operation Definition

According to agency theory as well as signaling theory, high audit fees, high audit firm rotation and appointment of industry specialist auditors are defined as higher audit quality.

1.8.3 Firm Performance Operation Definition

This study uses three measures of firm performance which called accounting-based measure such as ROA, ROE and firm value such as TQ.

1.9 Structure of the Study

The remainder of this study is organized as follows: In Chapter 2, the study first focuses on related theories, firm performance, corporate governance characteristics and proxies of audit quality. The second part reviews the related literature about corporate governance characteristics, audit quality and firm performance. The last part follows the hypotheses developments and conceptual framework.

Chapter 3 describes the methodology employed in this research. It first describes the research paradigms, research design, sample selection and the period of study. Second, the study explains data sources and the data analysis procedure, and the third section explains the definition and measurements of the main variables. Model specifications, related control variables and a summary of chapter have been presented in the last section.

Chapter 4 explains the results and findings of this study which first explain the results of the relationship between corporate governance characteristics and firm performance. Second, the study explains the results of the association between

corporate governance characteristics and audit quality proxies. Third, the study explains the results of the relationship between audit quality proxies and firm performance. Finally, an explanation of the result of mediating effects of audit quality in the relationship between corporate governance and firm performance is given. The summary of the chapter has been presented in the last section.

Chapter 5 finally explains the discussion and conclusion of the study. Implications, limitations, recommendations for future studies and conclusion are presented in the last section.

REFERENCES

- Aamir, S., Farooq, U., and Ittonen, K. (2011). Auditor client relationship and audit Quality. *The effects of long-term*.
- Aanu, O. S., Odianonsen, I. F., and Foyeke, O. I. (2014). Effectiveness of Audit Committee and Firm Financial Performance in Nigeria: An Empirical Analysis. *Journal of Accounting and Auditing Research & Practice*. 2014, 1-11.
- Abbott, L. J., and Parker, S. (2000). Auditor selection and audit committee characteristics. *Auditing: A journal of practice & theory*. 19(2), 47-66.
- Abbott, L. J., and Parker, S. (2002). Audit Committee Characteristics and Auditor Switches. *Research in Accounting Regulation*. 15, 151-166.
- Abbott, L. J., Parker, S., and Peters, G. F. (2002). Audit Committee Characteristics and Financial Misstatement: A Study of the Efficacy of Certain Blue Ribbon Committee Recommendations. *Available at SSRN 319125*.
- Abbott, L. J., Parker, S., and Peters, G. F. (2004). Audit Committee Characteristics and Restatements. *Auditing: A Journal of Practice & Theory*. 23(1), 69-87.
- Abbott, L. J., Parker, S., Peters, G. F., and Raghunandan, K. (2003). The Association Between Audit Committee Characteristics and Audit Fees. *Auditing: A Journal of Practice & Theory*. 22(2), 17-32.
- Abdellatif, A. E. M. (2009). *Corporate Governance Mechanisms and Asymmetric Information: An Application on the UK Capital Market*. PhD thesis, University of Surrey.
- Abdullah, A. (1992). The Influence of Ethnic Values on Managerial Practices in Malaysia. *Malaysian Management Review*. 27(1), 3-18.
- Abdullah, F., Shah, A., and Khan, S. U. (2012). Firm Performance and the Nature of Agency Problems in Insiders-Controlled Firms: Evidence from Pakistan. *The Pakistan Development Review* .51(4), 161-183.
- Abidin, Z. Z., Kamal, N. M., and Jusoff, K. (2014). Board Structure and Corporate Performance in Malaysia. *International Journal of Economics and Finance*. 1(1), 150-165.
- Adams, R., Hermalin, B. E., and Weisbach, M. S. (2008). *The Role of Boards of Directors in Corporate Governance: A Conceptual Framework and Survey: National Bureau of Economic Research*. Document Number)
- Adams, R. B. (2012). Governance and the Financial Crisis. *International Review of Finance*. 12(1), 7-38.
- Adams, R. B., and Ferreira, D. (2007). A theory of friendly boards. *The Journal of Finance*. 62(1), 217-250.
- Adams, R. B., Haan, J., Terjesen, S., and Ees, H. (2015). Board Diversity: Moving the Field Forward. *Corporate Governance: An International Review*. 23(2), 77-82.

- Adams, R. B., and Mehran, H. (2012). Bank Board Structure and Performance: Evidence for Large Bank Holding Companies. *Journal of Financial Intermediation*. 21(2), 243-267.
- Adelopo, I. (2010). The Impact of Corporate Governance on Auditor Independence: A Study of Audit Committees in UK Listed Companies. *PhD Thesis, De Montfort University, Leicester, UK*.
- Aggarwal, R., Erel, I., Stulz, R. M., and Williamson, R. (2007). *Do US Firms Have the Best Corporate Governance? A Cross-Country Examination of the Relation Between Corporate Governance and Shareholder Wealth*: National Bureau of Economic Research. (w. p. a. <http://ssrn.com/abstract=954169>. o. Document Number)
- Al-Malkawi, H.-A. N., Pillai, R., and Bhatti, M. (2014). Corporate Governance Practices in Emerging Markets: The Case of GCC Countries. *Economic Modelling*. 38, 133-141.
- Al-Mamun, A., Yasser, Q. R., Rahman, M. A., Wickramasinghe, A., and Nathan, T. M. (2014). Relationship between Audit Committee Characteristics, External Auditors and Economic Value Added (EVA) of Public Listed Firms in Malaysia *Corporate Ownership and Control* 899.
- Al-Matari, Y. A., Al-Swidi, A. K., Fadzil, F. H. B. F. H., and Al-Matari, E. M. (2012). Board of Directors, Audit Committee Characteristics and the Performance of Saudi Arabia Listed Companies. *International Review of Management and Marketing*. 2(4), 241-251.
- Al-Musalli, M. A. K., and Ismail, K. N. I. K. (2012). Intellectual Capital Performance and Board Characteristics of GCC Banks. *Procedia Economics and Finance*. 2, 219-226.
- Al-Thuneibat, A. A., Issa, R. T. I. A., and Baker, R. A. A. (2011). Do audit tenure and firm size contribute to audit quality?: Empirical evidence from Jordan. *Managerial Auditing Journal*. 26(4), 317-334.
- Al Matari, E. M., Al Swidi, A. K., and Fadzil, F. H. B. (2014). Audit Committee Characteristics and Executive Committee Characteristics and Firm Performance in Oman: Empirical Study. *Asian Social Science*. 10(12), p98.
- Alalade, Y. S. A., Onadeko, B. B., and Okezie, O. F.-C. (2014). Corporate Governance Practices and Firms' Financial Performance of Selected Manufacturing Companies in Lagos State, Nigeria. *International Journal of Economics, Finance and Management Sciences*. 2(5), 285.
- Alali, F. (2011). Audit Fees and Discretionary Accruals: Compensation Structure Effect. *Managerial Auditing Journal*. 26(2), 90-113.
- Albring, S., Robinson, D., and Robinson, M. (2014). Audit committee financial expertise, corporate governance, and the voluntary switch from auditor-provided to non-auditor-provided tax services. *Advances in Accounting*. 30(1), 81-94.
- Aldamen, H., Duncan, K., Kelly, S., McNamara, R., and Nagel, S. (2012). Audit Committee Characteristics and Firm Performance During the Global Financial Crisis. *Accounting & Finance*. 52(4), 971-1000.
- Aljifri, K., and Moustafa, M. (2007). The Impact of Corporate Governance Mechanisms on the Performance of UAE Firms: An Empirical Analysis. *Journal of Economic and Administrative Sciences*. 23(2), 71-93.
- Allegrini, M., and Greco, G. (2013). Corporate boards, audit committees and voluntary disclosure: evidence from Italian Listed Companies. *Journal of Management & Governance*. 17(1), 187-216.

- Allen, P. R. (1995). Save money with a corporate style guide. *Technical communication*. 42(2), 284-289.
- Alnasser, S. (2012). What Has Changed? The Development of Corporate Governance in Malaysia. *The Journal of Risk Finance*. 13(3), 269-276.
- Ameer, R., Ramli, F., and Zakaria, H. (2010). A new perspective on board composition and firm performance in an emerging market. *Corporate Governance*. 10(5), 647-661.
- Ammann, M., Oesch, D., and Schmid, M. M. (2011). Corporate Governance and Firm Value: International Evidence. *Journal of Empirical Finance*. 18(1), 36-55.
- Amran, N. A. (2011). Corporate Governance Mechanisms and Company Performance: Evidence From Malaysian Companies. *International Review of Business Research Papers*. 7(6), 101-114.
- Anandarajan, A., LaSalle, R., and Anandarajan, M. (2001). Policy issues concerning the choice of a disclaimer in the presence of going concern uncertainties: an empirical analysis. *Managerial Auditing Journal*. 16(3), 165-175.
- Anderson, J. C., and Gerbing, D. W. (1984). The Effect of Sampling Error on Convergence, Improper Solutions, and Goodness-of-Fit Indices for Maximum Likelihood Confirmatory Factor Analysis. *Psychometrika*. 49(2), 155-173.
- Andreou, P. C., Louca, C., and Panayides, P. M. (2014). Corporate Governance, Financial Management Decisions and Firm Performance: Evidence From the Maritime Industry. *Transportation Research Part E: Logistics and Transportation Review*. 63(2014), 59-78.
- Andrews, K. (1987). The Concept of Corporate Strategy 1987, 55.
- Anis, A. (2014). Auditors' Perceptions of Audit Firm Rotation Impact on Audit Quality in Egypt. *Accounting & Taxation*. 6(1), 105-120.
- Aragón, M. I. B., Jiménez, D. J., and Valle, R. S. (2014). Training and Performance: The Mediating Role of Organizational Learning. *BRQ Business Research Quarterly*. 17(3), 161-173.
- Ararat, M., Aksu, M., and Tansel Cetin, A. (2015). How Board Diversity Affects Firm Performance in Emerging Markets: Evidence on Channels in Controlled Firms. *Corporate Governance: An International Review*. 23.2(2015), 83-103.
- Ararat, M., Aksu, M. H., and Tansel Cetin, A. (2010). The Impact of Board Diversity on Boards' Monitoring Intensity and Firm Performance: Evidence from the Istanbul Stock Exchange. Available at SSRN 1572283.
- Arel, B., Brody, R. G., and Pany, K. (2005). Audit Firm Rotation and Audit Quality. *The CPA Journal*. 75(1), 36-39.
- Arfken, D. E., Bellar, S. L., and Helms, M. M. (2004). The Ultimate Glass Ceiling Revisited: The Presence of Women on Corporate Boards. *Journal of Business ethics*. 50(2), 177-186.
- Armstrong, C. S., Guay, W. R., and Weber, J. P. (2010). The Role of Information and Financial Reporting in Corporate Governance and Debt Contracting. *Journal of Accounting and Economics*. 50(2), 179-234.
- Arosa, B., Iturralde, T., and Maseda, A. (2010). Outsiders on the Board of Directors and Firm Performance: Evidence From Spanish Non-Listed Family Firms. *Journal of Family Business Strategy*. 1(4), 236-245.
- Arosa, B., Iturralde, T., and Maseda, A. (2012). The Board Structure and Firm Performance in SMEs: Evidence From Spain. *Investigaciones Europeas de Dirección y Economía de la Empresa*. 19(3), 127-135.

- Aruñada, B. (2004). Audit failure and the crisis of auditing. *European Business Organization Law Review*. 5(04), 635-643.
- Asein, A. (2007). Mandatory Rotation of External Auditor. *Nig. Accountant*. 40, 20-23.
- Ashton, A. H. (1991). Experience and Error Frequency Knowledge as Potential Determinants of Audit Expertise. *Accounting Review*. 66(2), 218-239.
- Audoussert-Coulier, S. (2014). Audit Fees in a Joint Audit Setting. *European Accounting Review*, 1-37.
- Azam, M. N., Hoque, M. Z., and Yeasmin, M. (2010). Audit Committee and Equity Return: The Case of Australian Firms. *International Review of Business Research Papers*. 6(4), 202-208.
- Backes-Gellner, U., Wolter, S. C., Dumas, A., and Hanchane, S. (2010). How Does Job-Training Increase Firm Performance? The Case of Morocco. *International Journal of Manpower*. 31(5), 585-602.
- Bagherpour, M., Monroe, G. S., and Shailer, G. (2009). Auditor Switching in an Increasingly Competitive Audit Market. *International Symposium on Auditing Research*.
- Ball, R., and Chik, R. (2001). Early employment outcomes of home and foreign educated graduates—the Malaysian experience. *Higher Education*. 42(2), 171-189.
- Balsam, S., Krishnan, J., and Yang, J. S. (2003). Auditor Industry Specialization and Earnings Quality. *Auditing: A Journal of Practice & Theory*. 22(2), 71-97.
- Banderlipe, I., and Mc Reynald, S. (2010). The Impact of Selected Corporate Governance Variables in Mitigating Earnings Management in the Philippines. *DLSU Business & Economics Review*. 19(1), 17-27.
- Bandyopadhyay, S. P., Chen, C., and Yu, Y. (2013). Mandatory audit partner rotation, audit market concentration, and audit quality: Evidence from China. *Advances in Accounting*.
- Bandyopadhyay, S. P., Chen, C., and Yu, Y. (2014). Mandatory audit partner rotation, audit market concentration, and audit quality: Evidence from China. *Advances in Accounting*. 30(1), 18-31.
- Barney, J. B. (2002). Gaining and sustaining competitive advantage.
- Barnhart, S. W., Marr, M. W., and Rosenstein, S. (1994). Firm performance and board composition: Some new evidence. *Managerial and Decision Economics*. 15(4), 329-340.
- Baron, R. M., and Kenny, D. A. (1986). The Moderator–Mediator Variable Distinction in Social Psychological Research: Conceptual, Strategic, and Statistical Considerations. *Journal of personality and social psychology*. 51(6), 1173.
- Bartel, A. P. (1991). *Productivity gains from the implementation of employee training programs*: National Bureau of Economic Researcho. Document Number)
- Bartlett, M. (1935). The effect of non-normality on the t distribution. *Mathematical Proceedings of the Cambridge Philosophical Society*. 223-231.
- Baxter, P., and Cotter, J. (2009). Audit Committees and Earnings Quality. *Accounting & Finance*. 49(2), 267-290.
- Baysinger, B. D., and Butler, H. N. (1985). Corporate Governance and the Board of Directors: Performance Effects of Changes in Board Composition. *Journal of Law, Economics, & Organization*. 1(1), 101-124.

- Beasley, M. S. (1996). An empirical analysis of the relation between the board of director composition and financial statement fraud. *Accounting Review*, 443-465.
- Beasley, M. S., Carcello, J. V., Hermanson, D. R., and Lapides, P. D. (2000). Fraudulent Financial Reporting: Consideration of Industry Traits and Corporate Governance Mechanisms. *Accounting Horizons*. 14(4), 441-454.
- Beasley, M. S., and 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., Brandt, R., and Fearnley, S. (1999). Perceptions of Auditor Independence: UK Evidence. *Journal of international accounting, auditing and taxation*. 8(1), 67-107.
- Beattie, V., and Fearnley, S. (1995). The Importance of Audit Firm Characteristics and the Drivers of Auditor Change in UK Listed Companies. *Accounting and business research*. 25(100), 227-239.
- Beck, M. J., and Mauldin, E. G. (2014). Who's Really in Charge? Audit Committee Versus CFO Power and Audit Fees. *The Accounting Review*. 89(6), 2057-2085.
- Beiner, S., Drobetz, W., Schmid, M. M., and Zimmermann, H. (2006). An Integrated Framework of Corporate Governance and Firm Valuation. *European Financial Management*. 12(2), 249-283.
- Beisland, L., Mersland, R., and Strøm, R. (2012). Audit Quality and Corporate Governance: Evidence from the Microfinance Industry. Available at SSRN 2182485.
- Bell, T. B., Doogar, R., and Solomon, I. (2008). Audit Labor Usage and Fees Under Business Risk Auditing. *Journal of Accounting Research*. 46(4), 729-760.
- Bennedsen, M., Kongsted, H. C., and Nielsen, K. M. (2004). Board size effects in closely held corporations. *CAM Institute of Economics, University of Copenhagen Working Papers*. 25.
- Bennedsen, M., Kongsted, H. C., and Nielsen, K. M. (2008). The Causal Effect of Board Size in the Performance of Small and Medium-Sized Firms. *Journal of Banking & Finance*. 32(6), 1098-1109.
- Berle, A. A., and Means, G. G. C. (1932). *The Modern Corporation and Private Property*. New York: Commerce Clearing House.
- Bhagat, S., and Black, B. (2000). Board Independence and Long-Term Firm Performance. *Unpublished paper, University of Colorado*.
- Bhagat, S., and Black, B. S. (2002). The Non-Correlation between Board Independence and Long-Term Firm Performance. *Journal of Corporation Law*. 27, 231-273.
- Bhagat, S., and Bolton, B. (2008). Corporate Governance and Firm Performance. *Journal of Corporate Finance*. 14(3), 257-273.
- Bigus, J., and Zimmermann, R.-C. (2007). Unabhängigkeit und Regulierung von Abschlussprüfern–Neuere Entwicklungen in Den USA, Europa Und in Deutschland. *German Working Papers in Law and Economics*. 2007(1), 22.
- Biondi, Y., and Rebérioux, A. (2012). The Governance of Intangibles: Rethinking Financial Reporting and the Board of Directors. *Accounting Forum*. 279-293.
- Black, B. S., De Carvalho, A. G., and Gorga, É. (2012). What Matters and for Which Firms for Corporate Governance in Emerging Markets? Evidence from Brazil (and other BRIK countries). *Journal of Corporate Finance*. 18(4), 934-952.

- Black, B. S., Jang, H., and Kim, W. (2006). Does Corporate Governance Predict Firms' Market Values? Evidence From Korea. *Journal of Law, Economics, and Organization*. 22(2), 366-413.
- Blankley, A. I., Hurtt, D. N., and MacGregor, J. E. (2014). The Relationship Between Audit Report Lags and Future Restatements. *Auditing: A Journal of Practice & Theory*. 33(2), 27-57.
- Bliss, M. A. (2011). Does CEO Duality Constrain Board Independence? Some Evidence from Audit Pricing. *Accounting & Finance*. 51(2), 361-380.
- Bliss, M. A., Gul, F. A., and Majid, A. (2011). Do Political Connections Affect the Role of Independent Audit Committees and CEO Duality? Some Evidence from Malaysian Audit Pricing. *Journal of Contemporary Accounting & Economics*. 7(2), 82-98.
- Bliss, M. A., Muniandy, B., and Majid, A. (2007). CEO Duality, Audit Committee Effectiveness and Audit Risks: A Study of the Malaysian Market. *Managerial Auditing Journal*. 22(7), 716-728.
- Bolton, B. (2012). Audit Committee Performance: Ownership vs. Independence—Did SOX Get it Wrong? *Accounting & Finance*. 54(1), 83-112.
- Boo, E. f., and Sharma, D. (2008). Effect of Regulatory Oversight on the Association Between Internal Governance Characteristics and Audit Fees. *Accounting & Finance*. 48(1), 51-71.
- Boone, A. L., Casares Field, L., Karpoff, J. M., and Raheja, C. G. (2007). The determinants of corporate board size and composition: An empirical analysis. *Journal of Financial Economics*. 85(1), 66-101.
- Boubaker, S., and Nguyen, D. K. (2014). *Corporate Governance in Emerging Markets: Theories, Practices and Cases*. Springer Science & Business Media.
- Box, G. E. (1954). Some theorems on quadratic forms applied in the study of analysis of variance problems, I. Effect of inequality of variance in the one-way classification. *The annals of mathematical statistics*. 25(2), 290-302.
- Bozec, R. (2005). Boards of Directors, Market Discipline and Firm Performance. *Journal of Business Finance & Accounting*. 32(9-10), 1921-1960.
- Bradbury, M., Mak, Y. T., and Tan, S. (2006). Board Characteristics, Audit Committee Characteristics and Abnormal Accruals. *Pacific Accounting Review*. 18(2), 47-68.
- Braiotta Jr, L., Gazzaway, R. T., Colson, R., and Ramamoorti, S. (2010). *The audit committee handbook*. John Wiley & Sons.
- Brennan, N., and McDermott, M. (2004). Alternative Perspectives on Independence of Directors. *Corporate Governance: An International Review*. 12(3), 325-336.
- Brennan, N. M., and Solomon, J. (2008). Corporate Governance, Accountability and Mechanisms of Accountability: An Pverview. *Accounting, Auditing & Accountability Journal*. 21(7), 885-906.
- Brooks, L., Cheng, A., and Reichelt, K. (2013). Audit Firm Tenure and Audit Quality: Evidence from US Firms. *In CAAA Anual Conference*.
- Brooks, L. Z. (2011). *Auditor Tenure and Audit Quality*. Texas Tech University.
- Brown, L., and Caylor, M. (2004). Corporate Governance and Firm Performance. Available at SSRN 586423.
- Browne, M. W., and Cudeck, R. (1992). Alternative Ways of Assessing Model Fit. *Sociological Methods & Research*. 21(2), 230-258.
- Buniamin, S., Alrazi, B., Johari, N. H., and Rahman, N. R. A. (2010). An Investigation of the Association Between Corporate Governance and

- Environmental Reporting in Malaysia. *Asian Journal of Business and Accounting*. 1(2), 639-647.
- Bursa Malaysia Corporate Governance Guide (2009). Corporate Governance Guide. *Kuala Lumpur: Bursa Malaysia*.
- Byrne, B. M. (1998). *Structural Equation Modeling with LISREL, PRELIS, and SIMPLIS: Basic Concepts, Applications, and Programming*. Psychology Press.
- Cadbury, S. A. (1992). The Code of Best Practice. *Report of the Committee on the Financial Aspects of Corporate Governance, Gee and Co Ltd*, 27.
- Caprio, G., Laeven, L., and Levine, R. (2007). Governance and Bank Valuation. *Journal of Financial Intermediation*. 16(4), 584-617.
- Carcello, J. V., Hermanson, D. R., Neal, T. L., and Riley, R. A. (2002). Board Characteristics and Audit Fees. *Contemporary Accounting Research*. 19(3), 365-384.
- Carcello, J. V., Hermanson, R. H., and McGrath, N. T. (1992). Audit Quality Attributes: The Perceptions of Partners, Preparers, and Financial Statement Users. *Auditing: A Journal of Practice & Theory*, 1-15.
- Carcello, J. V., and Nagy, A. L. (2004). Audit Firm Tenure and Fraudulent Financial Reporting. *Auditing: A Journal of Practice & Theory*. 23(2), 55-69.
- Carcello, J. V., and Neal, T. L. (2003). Audit Committee Characteristics and Auditor Dismissals Following “New” Going-Concern Reports. *The Accounting Review*. 78(1), 95-117.
- Carey, P., and Simnett, R. (2006). Audit Partner Tenure and Audit Quality. *The Accounting Review*. 81(3), 653-676.
- Carey, P. J., Geiger, M. A., and O’CONNELL, B. T. (2008). Costs Associated With Going-Concern-Modified Audit Opinions: An Analysis of the Australian Audit Market. *Abacus*. 44(1), 61-81.
- Carpenter, M. A., and Westphal, J. D. (2001). The Strategic Context of External Network Ties: Examining the Impact of Director Appointments on Board Involvement in Strategic Decision Making. *Academy of Management Journal*. 44(4), 639-660.
- Cassell, C. A., Drake, M. S., and Dyer, T. A. (2014). Stakeholder Reliance on Audited Reports, Audit Fees, and Auditor Litigation Risk.
- Chan, K. C., and 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.
- Chan, K. H., Lin, K. Z., and Mo, P. L.-l. (2006). A political–economic analysis of auditor reporting and auditor switches. *Review of Accounting Studies*. 11(1), 21-48.
- Che-Ahmad, A., and Abidin, S. (2009). Audit Delay of Listed Companies: A Case of Malaysia. *International business research*. 1(4), p32.
- CheAhmad, A., and Houghton, K. A. (2001). The Effect of Ethnicity on Audit Pricing, working paper, . *Universiti Utara, Malaysia and University of Melbourne, Melbourne*.
- Chen, C., Lin, J. B., and Yi, B. (2008). CEO Duality and Firm Performance: An Endogenous Issue. *Corporate Ownership & Control*. 6(1), 58-65.
- Chen, C. Y., Lin, C. J., and Lin, Y. C. (2008). Audit Partner Tenure, Audit Firm Tenure, and Discretionary Accruals: Does Long Auditor Tenure Impair Earnings Quality?*. *Contemporary Accounting Research*. 25(2), 415-445.

- Chen, V. Z., Li, J., and 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., Ge, R., and Zolotoy, L. (2014). Do Corporate Pension Plans Affect Audit Pricing?
- Chen, Y. M., Moroney, R., and Houghton, K. (2005). Audit Committee Composition and the Use of an Industry Specialist Audit Firm. *Accounting & finance*. 45(2), 217-239.
- Cheng, S. (2008). Board Size and the Variability of Corporate Performance. *Journal of Financial Economics*. 87(1), 157-176.
- Cheng, S., and Rayton, B. A. (2012). A study of the incidence and independence of nomination committees. *International Journal of Corporate Governance*. 3(1), 84-104.
- Chi, W. (2005). The Effect of Mandatory Audit-Firm Rotation: A Monitoring Perspective. *Research in Accounting Regulation*. 18(Complete), 283-285.
- Chi, W., Huang, H., Liao, Y., and Xie, H. (2009). Mandatory Audit Partner Rotation, Audit Quality, and Market Perception: Evidence from Taiwan*. *Contemporary Accounting Research*. 26(2), 359-391.
- Chin Fei Goh, S.-U.-R. K., Amran Rasli. (2013). Governing Agribusiness: Good Corporate Governance Practices and Firm Performance. *International Journal of Information Processing and Management(IJIPM)*. 4(7), 79-88.
- Cho, D. S., and Kim, J. (2007). Outside Directors, Ownership Structure and Firm Profitability in Korea. *Corporate Governance: An International Review*. 15(2), 239-250.
- Choi, J.-H., Kim, C., Kim, J.-B., and Zang, Y. (2010). Audit Office size, Audit quality, and Audit Pricing. *Auditing: A Journal of Practice & Theory*. 29(1), 73-97.
- Choi, J. H., and Lee, W. J. (2014). Association Between Big 4 Auditor Choice and Cost of Equity Capital for Multiple-Segment Firms. *Accounting & Finance*. 54(1), 135-163.
- Choi, J. J., Lam, K. C., Sami, H., and Zhou, H. (2013). Foreign Ownership and Information Asymmetry. *Asia-Pacific Journal of Financial Studies*. 42(2), 141-166.
- Christensen, J., Kent, P., and Stewart, J. (2010). Corporate Governance and Company Performance in Australia. *Australian Accounting Review*. 20(4), 372-386.
- Chuah, B. H. (1995). The Unique Breed Of Malaysian Managers. *New Straits Times, Malaysia, March*. 3, 23-26.
- Clarke, T. (2007). *International Corporate Governance: A Comparative Approach*. Routledge.
- Code, M. C. G. (2012). Finance Committee on Corporate Governance, Securities Commission, Kuala Lumpur.
- Coffee, J. C. (1999). Privatization and Corporate Governance: The Lessons from Securities Market Failure. *J. Corp. L.* 25, 1.
- Coffee, J. C. (2001). *The Acquiescent Gatekeeper: Reputational Intermediaries, Auditor Independence, the Governance of Accounting*. Columbia Law School, The Center for Law and Economic Studies.
- Cole, D. A. (1987). Utility of Confirmatory Factor Analysis in Test Validation Research. *Journal of Consulting and Clinical Psychology*. 55(4), 584.

- Coles, J. L., Lemmon, M., and Wang, Y. (2008). The joint determinants of managerial ownership, board independence, and firm performance. SSRN: <http://ssrn.com/abstract>.
- Conyon, M. J., and Peck, S. I. (1998). Board control, remuneration committees, and top management compensation. *Academy of Management Journal*. 41(2), 146-157.
- Copley, P. A., and Doucet, M. S. (1993). Auditor Tenure, Fixed Fee Contracts, and the Supply of Substandard Single Audits. *Public Budgeting & Finance*. 13(3), 23-35.
- Core, J. E., Holthausen, R. W., and Larcker, D. F. (1999). Corporate Governance, Chief Executive Officer Compensation, and Firm Performance. *Journal of Financial Economics*. 51(3), 371-406.
- Craswell, A. T., Francis, J. R., and Taylor, S. L. (1995). Auditor Brand Name Reputations and Industry Specializations. *Journal of Accounting and Economics*. 20(3), 297-322.
- Cremers, K., and Nair, V. B. (2005). Governance Mechanisms and Equity Prices. *The Journal of Finance*. 60(6), 2859-2894.
- Creswell, J. W. (2013). *Research design: Qualitative, Quantitative, and Mixed Methods Approaches*. Sage.
- Dalton, D. R., Daily, C. M., Ellstrand, A. E., and Johnson, J. L. (1998). Meta-Analytic Reviews of Board Composition, Leadership Structure, and Financial Performance. *Strategic Management Journal*. 19(3), 269-290.
- Daniels, B. W., and Booker, Q. (2011). The Effects of Audit Firm Rotation on Perceived Auditor Independence and Audit Quality. *Research in Accounting Regulation*. 23(1), 78-82.
- Dao, M., HassabElnaby, H. R., and Said, A. (2015). The Impact of Audit Committee and Shareholder Activism on the Association between Audit-Firm Tenure and Accounting Conservatism. *Accounting and Finance Research*. 4(1), p112.
- Dao, M., and Pham, T. (2014). Audit Tenure, Auditor Specialization and Audit Report Lag. *Managerial Auditing Journal*. 29(6), 490-512.
- Darmadi, S. (2013). Board Members' Education and Firm Performance: Evidence from a Developing Economy. *International Journal of Commerce and Management*. 23(2), 113-135.
- Daugherty, B. E., Dickins, D., Hatfield, R. C., and Higgs, J. L. (2012). An Examination of Partner Perceptions of Partner Rotation: Direct and Indirect Consequences to Audit Quality. *Auditing: A Journal of Practice & Theory*. 31(1), 97-114.
- Davidson, R. A., and Neu, D. (1993). A Note on the Association between Audit Firm Size and Audit Quality*. *Contemporary Accounting Research*. 9(2), 479-488.
- Davis, J. H., Schoorman, F. D., Mayer, R. C., and Tan, H. H. (2000). The Trusted General Manager and Business Unit Performance: Empirical Evidence of a Competitive Advantage. *Strategic Management Journal*. 21(5), 563-576.
- De Jong, A., Hooghiemstra, R., and van Rinsum, M. (2014). To Accept or Refuse an Offer to Join the Board: Dutch Evidence. *Long Range Planning*. 47(5), 262-276.
- DeAngelo, L. E. (1981). Auditor Size and Audit Quality. *Journal of Accounting and Economics*. 3(3), 183-199.
- DeFond, M., and Zhang, J. (2014a). A Review of Archival Auditing Research. *Journal of Accounting and Economics*. 58(2), 275-326.

- DeFond, M., and Zhang, J. (2014b). A Review of Archival Auditing Research. *Journal of Accounting and Economics*. 58(2), 275-326.
- Defond, M. L. (1992). The Association Between Changes in Client Firm Agency Costs and Auditor Switching. *Auditing-a Journal of Practice & Theory*. 11(1), 16-31.
- DeFond, M. L., and Subramanyam, K. (1998). Auditor Changes and Discretionary Accruals. *Journal of Accounting and Economics*. 25(1), 35-67.
- Deis, D. R., and Giroux, G. (1996). The Effect of Auditor Changes on Audit Fees, Audit Hours, and Audit Quality. *Journal of Accounting and Public Policy*. 15(1), 55-76.
- Demirgüç-Kunt, A., and Maksimovic, V. (1999). Institutions, Financial Markets, and Firm Debt Maturity. *Journal of Financial Economics*. 54(3), 295-336.
- Deschenes, S., Boubacar, H., Rojas, M., Morris, T., and Liu, M. (2015). Is Top-Management Remuneration Influenced by Board Characteristics? *International Journal of Accounting & Information Management*. 23(1).
- Desender, K. A., Aguilera, R., Crespi-Cladera, R., and Garcia-Cestona, M. (2009). Board Characteristics and Audit Fees: Why Ownership Structure Matters. *University of Illinois at Urbana-Champaign, College of Business WP*, 09-0107.
- DeZoort, F. T., Hermanson, D. R., Archambeault, D. S., and Reed, S. A. (2002). Audit Committee Effectiveness: A Synthesis of the Empirical Audit Committee Literature.
- Duchin, R., Matsusaka, J. G., and Ozbas, O. (2010). When Are Outside Directors Effective? *Journal of Financial Economics*. 96(2), 195-214.
- Duff, A. (2004). *AUDITQUAL: Dimensions of Audit Quality*. Institute of Chartered Accountants of Scotland.
- Dulewicz, V., and Herbert, P. (2004). Does the composition and practice of boards of directors bear any relationship to the performance of their companies? *Corporate Governance: An International Review*. 12(3), 263-280.
- Dunham, K. (2002). Firms that want to switch auditors find it takes time, money and faith. *Wall Street Journal Online*.
- Dunn, P., and Sainy, B. (2009). The relationship among board of director characteristics, corporate social performance and corporate financial performance. *International Journal of Managerial Finance*. 5(4), 407-423.
- Durnev, A., and Kim, E. (2005). To Steal or Not to Steal: Firm Attributes, Legal Environment, and Valuation. *The Journal of Finance*. 60(3), 1461-1493.
- Dutordoir, M., Strong, N., and Ziegen, M. C. (2014). Does Corporate Governance Influence Convertible Bond Issuance? *Journal of Corporate Finance*. 24, 80-100.
- Ebrahim, A. (2014). IFRS Compliance and Audit Quality in Developing Countries: The Case of Income Tax Accounting in Egypt. *Journal of International Business Research*. 13(2), 19.
- Eisenberg, T., Sundgren, S., and Wells, M. T. (1998). Larger Board Size and Decreasing Firm Value in Small Firms. *Journal of Financial Economics*. 48(1), 35-54.
- El-Faitouri, R. (2014). Board of Directors and Tobin's Q: Evidence from UK Firms. *Journal of Finance and Accounting*. 2(4), 82-99.
- Elitzur, R., and Falk, H. (1996). Planned Audit Quality. *Journal of Accounting and Public Policy*. 15(3), 247-269.

- Eminet, A., and Guedri, Z. (2010). The role of nominating committees and director reputation in shaping the labor market for directors: An empirical assessment. *Corporate Governance: An International Review*. 18(6), 557-574.
- Epps, R. W., and Cereola, S. J. (2008). Do institutional shareholder services (ISS) corporate governance ratings reflect a company's operating performance? *Critical Perspectives on Accounting*. 19(8), 1135-1148.
- Erickson, J., Park, Y. W., Reising, J., and Shin, H.-H. (2005). Board composition and firm value under concentrated ownership: the Canadian evidence. *Pacific-Basin Finance Journal*. 13(4), 387-410.
- Ertimur, Y. (2004). Accounting Numbers and Information Asymmetry: Evidence from Loss Firms. Available at SSRN 572284.
- Estelyiova, K., and Nisar, T. M. (2012). The Determinants and Performance Effects of Diverse Nationality Boards. Available at SSRN 2100494.
- Ettredge, M., Fuerherm, E. E., and Li, C. (2014). Fee Pressure and Audit Quality. *Accounting, Organizations and Society*. 39(4), 247-263.
- Ewelt-Knauer, C., Gold, A., and Pott, C. (2012). What Do We Know about Mandatory Audit Firm Rotation. *Institute of Chartered Accountants in Scotland (ICAS), Edinburgh*. Available at: icas.org.uk/MAFR.pdf (accessed 22 January 2013).
- Ewelt-Knauer, C., Gold, A., and Pott, C. (2013). Mandatory Audit Firm Rotation: A Review of Stakeholder Perspectives and Prior Research. *Accounting in Europe*. 10(1), 27-41.
- Fama, E. F., and Jensen, M. C. (1983). Separation of Ownership and Control. *Journal of Law and Economics*. 26(2), 301-325.
- Farouk, M. A., and Hassan, S. U. (2014). Impact of Audit Quality and Financial Performance of Quoted Cement Firms in Nigeria. *International Journal*. 2(2), 01-22.
- Fathyah, H., and Norman, M. S. (2007). Voluntary Annual Report Disclosures by Malaysian Multinational Corporations.
- Fauzi, F., and Locke, S. (2012). Board Structure, Ownership Structure and Firm Performance: A Study of New Zealand Listed Firms
- Finance Committee on Corporate Governance (1999), Malaysian Code on Corporate Governance. (1999). *Securities Commission*.
- Finkelstein, S., and D'aveni, R. A. (1994). CEO duality as a double-edged sword: How boards of directors balance entrenchment avoidance and unity of command. *Academy of Management journal*. 37(5), 1079-1108.
- Fong, E. A., Xing, X., Orman, W. H., and Mackenzie, W. I. (2015). Consequences of Deviating from Predicted CEO Labor Market Compensation on Long-Term Firm Value. *Journal of Business Research*. 68(2), 299-305.
- Fooladi, M., and Nikzad Chaleshtori, G. (2011). Corporate Governance and Firm Performance. *International Conference on Sociality and Economics Development (ICSED 2011), Kuala Lumpur, Malaysia, June*. 17-19.
- Fooladi, M., and Shukor, Z. A. (2012). Board of Directors, Audit Quality and Firm Performance: Evidence from Malaysia. *National Research & Innovation Conference for Graduate Students in Social Sciences*. 7-9.
- Forbes, D. P., and Milliken, F. J. (1999). Cognition and Corporate Governance: Understanding Boards of Directors as Strategic Decision-Making Groups. *Academy of Management Review*. 24(3), 489-505.
- Francis, B., Hasan, I., and Wu, Q. (2012). Do corporate boards affect firm performance? New evidence from the financial crisis. *New Evidence from the*

- Financial Crisis (April 12, 2012). Bank of Finland Research Discussion Paper(11).*
- Francis, J. R. (1984). The Effect of Audit Firm Size on Audit Prices: A Study of the Australian Market. *Journal of Accounting and Economics*. 6(2), 133-151.
- Francis, J. R. (2011). A Framework for Understanding and Researching Audit Quality. *Auditing: A journal of practice & theory*. 30(2), 125-152.
- Francis, J. R., and Wang, D. (2008). The Joint Effect of Investor Protection and Big 4 Audits on Earnings Quality Around the World. *Contemporary Accounting Research*. 25(1), 157-191.
- Frankel, R., Johnson, M., and Nelson, K. (2002). The Relationship Between Audit Fees for Non Audit Services and Earnings Quality. *The Accounting Review*. 77(4), 71-105.
- Fülöp, M. T. (2014). Why Do We Need Effective Corporate Governance? *International Advances in Economic Research*. 20(2), 227-228.
- Fung, S. Y. K., Gul, F. A., and Krishnan, J. (2012). City-level auditor industry specialization, economies of scale, and audit pricing. *The accounting review*. 87(4), 1281-1307.
- Gana, M., and Lajmi, A. (2011). Directors' board characteristics and audit quality: evidence from Belgium. *Journal of Modern Accounting and Auditing*. 7(7), 668-679.
- Gantenbein, P., and Volonté, C. (2011). *Director characteristics and firm performance* o. Document Number
- Garba, T., and Abubakar, B. A. (2014). Corporate Board Diversity and Financial Performance of Insurance Companies in Nigeria: An Application of Panel Data Approach. *Asian Economic and Financial Review*. 4(2), 257-277.
- García-Ramos, R., and García-Olalla, M. (2011). Board characteristics and firm performance in public founder-and nonfounder-led family businesses. *Journal of Family Business Strategy*. 2(4), 220-231.
- Gay, K. (2001). A Boardroom Revolution? The impact of the Cadbury nexus on the work of non-executive directors of FTSE 350 companies. *Corporate Governance: An International Review*. 9(3), 152-164.
- Geiger, M. A., and Rama, D. V. (2003). Audit Fees, Non-Audit Fees, and Auditor Reporting on Stressed Companies. *Auditing: A journal of practice & theory*. 22(2), 53-69.
- Ghazali, N. A. M. (2010). Ownership Structure, Corporate Governance and Corporate Performance in Malaysia. *International Journal of Commerce and Management*. 20(2), 109-119.
- Ghofar, A., and Islam, S. M. (2015). *Conceptual Framework and Hypotheses Development*. In *Corporate Governance and Contingency Theory* (pp. 41-52): Springer.
- Ghosh, A., Marra, A., and Moon, D. (2010). Corporate Boards, Audit Committees, and Earnings Management: Pre-and Post-SOX Evidence. *Journal of Business Finance & Accounting*. 37(9-10), 1145-1176.
- Ghosh, A., and Moon, D. (2005). Auditor Tenure and Perceptions of Audit Quality. *The Accounting Review*. 80(2), 585-612.
- Gold, A., Klynsmitt, P., Wallage, P., and Wright, A. (2014). The Impact of Auditor Selection Regime and Audit Committee Autonomy on Investment Decisions. Available at SSRN 2484415.

- Goodwin-Stewart, J., and Kent, P. (2006). Relation Between External Audit Fees, Audit Committee Characteristics and Internal Audit. *Accounting & Finance*. 46(3), 387-404.
- Gramling, A. A., and Stone, D. N. (2001). Audit Firm Industry Expertise: A Review and Synthesis of the Archival Literature. *Journal of Accounting Literature*. 20, 1-29.
- Guest, P. M. (2009). The Impact of Board Size on Firm Performance: Evidence from the UK. *The European Journal of Finance*. 15(4), 385-404.
- Gujarati, D. N. (2003). Basic Econometrics fourth edition McGraw-Hill. *New York*.
- Guo, L., and Masulis, R. (2013). Board Structure and Monitoring: New Evidence from CEO Turnover. *Available at SSRN 2021468*.
- Guo, Z., and Kga, U. K. (2012). Corporate governance and firm performance of listed firms in Sri Lanka. *Procedia-Social and Behavioral Sciences*. 40, 664-667.
- Haapamäki, E., Järvinen, T., Niemi, L., and Zerni, M. (2011). Do Joint Audits Offer Value for the Money? Abnormal, Accruals, Earnings Conservatism, and Auditor Remuneration in a Setting of Voluntary Joint Audits.
- Habib, A., and Bhuiyan, M. B. U. (2011). Audit Firm Industry Specialization and the Audit Report Lag. *Journal of International Accounting, Auditing and Taxation*. 20(1), 32-44.
- Hair, J., Black, W., Babin, B., and Anderson, R. (2010). *Multivariate data analysis: a global perspective*: Pearson Education.
- Haji, A. A. (2014). The Relationship Between Corporate Governance Attributes and Firm Performance Before and After the Revised Code: Some Malaysian Evidence. *International Journal of Commerce and Management*. 24(2), 3-3.
- Hakim, F., and Omri, M. A. (2010). Quality of the External Auditor, Information Asymmetry, and Bid-Ask Spread: Case of The Listed Tunisian Firms. *International Journal of Accounting & Information Management*. 18(1), 5-18.
- Hallak, R. T. P., and da Silva, A. L. C. (2012). Determinantes das Despesas Com Serviços de Auditoria e Consultoria prestados Pelo Auditor Independente no Brasil. *Revista Contabilidade & Finanças*. 23(60), 223-231.
- Hamdan, A. M., Sarea, A. M., and Reyad, S. M. R. (2013). The Impact of Audit Committee Characteristics on the Performance: Evidence from Jordan.
- Hamid, M. A., and Abdullah, A. (2012). Influence of corporate governance on audit and non-audit fees: Malaysian evidence. *Journal of Business and Policy Research*. 7(3), 140-158.
- Hammersley, J. S. (2006). Pattern Identification and Industry-Specialist Auditors. *The Accounting Review*. 81(2), 309-336.
- Haniffa, R., and Hudaib, M. (2006). Corporate Governance Structure and Performance of Malaysian Listed Companies. *Journal of Business Finance & Accounting*. 33(7-8), 1034-1062.
- Haniffa, R., Yatim, P., Kent, P., and Clarkson, P. (2006). Governance Structures, Ethnicity, and Audit Fees of Malaysian Listed Firms. *Managerial Auditing Journal*. 21(7), 757-782.
- Haniffa, R. M., and Cooke, T. E. (2002). Culture, Corporate Governance and Disclosure in Malaysian Corporations. *Abacus*. 38(3), 317-349.
- Harris, K., and Whisenant, S. (2012). *Mandatory Audit Rotation: An International Investigation*. University of Houston.

- Harrison, J. R. (1987). The Strategic Use of Corporate Board Committees. *California Management Review*. 30(1), 109-125.
- Harrison, J. S., and Wicks, A. C. (2013). Stakeholder theory, value, and firm performance. *Business ethics quarterly*. 23(1), 97-124.
- Harwell, M. R. (2011). Research design in qualitative/quantitative/mixed methods. *The Sage handbook for research in education*. 2nd ed. Los Angeles, CA: Sage, 147.
- Hashim, U. J. B., Rahman, R. B. A., and Alam, S. (2010). Board Independence, Board Diligence, Board Expertise and Impact on Audit Report Lag in Malaysian Market.
- Haspeslagh, P. (2010). Corporate Governance and the Current Crisis. *Corporate Governance: The international journal of business in society*. 10(4), 375-377.
- Hay, D., and Jeter, D. (2011). The Pricing of Industry Specialisation by Auditors in New Zealand. *Accounting and business research*. 41(2), 171-195.
- Hay, D., and Knechel, W. (2005). Evidence on the Associations Among Elements of Control and External Assurance. *Unpublished working paper, University of Auckland*.
- He, E., and Sommer, D. W. (2010). Separation of Ownership and Control: Implications for Board Composition. *Journal of Risk and Insurance*. 77(2), 265-295.
- Heenetigala, K. (2011). *Corporate Governance Practices and Firm Performance of Listed Companies in Sri Lanka*. Victoria University Melbourne.
- Herman, R. D., and Renz, D. O. (1997). Multiple Constituencies and the Social Construction of Nonprofit Organization Effectiveness. *Nonprofit and Voluntary Sector Quarterly*. 26(2), 185-206.
- Hillman, A. J., and Dalziel, T. (2003). Boards of Directors and Firm Performance: Integrating Agency and Resource Dependence Perspectives. *Academy of Management Review*. 28(3), 383-396.
- Hinkin, T. R., and Tracey, J. B. (2000). The cost of turnover: Putting a price on the learning curve. *The Cornell Hotel and Restaurant Administration Quarterly*. 41(3), 14-14.
- Hitt, M. A., and Tyler, B. B. (1991). Strategic Decision Models: Integrating Different Perspectives. *Strategic Management Journal*. 12(5), 327-351.
- Hofstede, G., Hofstede, G. J., and Minkov, M. (1991). *Cultures and Organizations: Software of the Mind*. (Vol. 2): McGraw-Hill London.
- Hogan, C. E., and Jeter, D. C. (1999). Industry Specialization by Auditors. *Auditing: A Journal of Practice & Theory*. 18(1), 1-17.
- Hogan, C. E., and Wilkins, M. S. (2008). Evidence on the Audit Risk Model: Do Auditors Increase Audit Fees in the Presence of Internal Control Deficiencies?*. *Contemporary Accounting Research*. 25(1), 219-242.
- Hoitash, R., Markelevich, A., and Barragato, C. A. (2007). Auditor Fees and Audit Quality. *Managerial Auditing Journal*. 22(8), 761-786.
- Hooper, D., Coughlan, J., and Mullen, M. (2008). Structural Equation Modelling: Guidelines for Determining Model Fit. *Articles*, 2.
- Hope, O.-K., Kang, T., Thomas, W., and Yoo, Y. K. (2008). Culture and Auditor Choice: A Test of the Secrecy Hypothesis. *Journal of Accounting and Public Policy*. 27(5), 357-373.
- Hoque, M. Z., Islam, M., and Azam, M. N. (2013). Board Committee Meetings and Firm Financial Performance: An Investigation of Australian Companies. *International Review of Finance*.

- Horstmeyer, D. (2011). *The Operational Form of the Board*: Working Paper. Document Number)
- Hsu, H.-E. (2007). *Boards of Directors and Audit Committees in Initial Public Offerings*. ProQuest.
- Hu, L. t., and Bentler, P. M. (1999). Cutoff Criteria for Fit Indexes in Covariance Structure Analysis: Conventional Criteria Versus New Alternatives. *Structural Equation Modeling: A Multidisciplinary Journal*. 6(1), 1-55.
- Hung, H. (1998). A Typology of the Theories of the Roles of Governing Boards. *Corporate Governance: An International Review*. 6(2), 101-111.
- Husnin, A. I., Nawawi, A., and Salin, A. S. A. P. (2013). Corporate Governance Structure and Its Relationship with Audit Fee-Evidence from Malaysian Public Listed Companies. *Asian Social Science*. 9(15), p305.
- Hussein, F. E., and Hanefah, M. M. (2013). Overview of Surrogates to Measure Audit Quality. *International Journal of Business and Management*. 8(17), p84.
- Hussin, N., and Othman, R. (2012). Code of Corporate Governance and Firm Performance. *British Journal of Economics, Finance and Management Sciences*. 6(2).
- Ibrahim, H., and Samad, F. A. (2014). Corporate Governance Mechanisms and Performance of Public-Listed Family-Ownership in Malaysia. *International Journal of Economics and Finance*. 3(1), p105.
- Ilona, D. (2008). Board quality and firm performance. *Master Dissertation, University Utara Malaysia*.
- Iskandar, T. M., and Pourjalali, H. (2000). Cultural Influences on the Development of Accounting Practices in Malaysia. *Asian Review of Accounting*. 8(2), 126-147.
- Iwasaki, I. (2013). Global Financial Crisis, Corporate Governance, and Firm Survival.
- Iyer, V. M., and Raghunandan, K. (2002). Auditors' Employment With Clients And Interaction Their Former CPA Firm. *Journal of managerial issues*, 486-499.
- Jackling, B., and Johl, S. (2009). Board Structure and Firm Performance: Evidence from India's Top Companies. *Corporate Governance: An International Review*. 17(4), 492-509.
- Jackson, A. B., Moldrich, M., and Roebuck, P. (2008). Mandatory Audit Firm Rotation and Audit Quality. *Managerial Auditing Journal*. 23(5), 420-437.
- Jackson, D. K., and Holland, T. P. (1998). Measuring the Effectiveness of Nonprofit Boards. *Nonprofit and Voluntary Sector Quarterly*. 27(2), 159-182.
- Jaffar, N., and Alias, N. (2002). Audit Firm Rotation in Malaysia-Prospects and Problems *Finance India*. 16(3), 933-948.
- Jaggi, B., Mitra, S., and Hossain, M. (2014). Earnings Quality, Internal Control Weaknesses and Industry-Specialist Audits. *Review of Quantitative Finance and Accounting*, 1-32.
- Jensen, M. C. (1986). Agency costs of free cash flow, corporate finance, and takeovers. *The American Economic Review*. 76(2), 323-329.
- Jensen, M. C. (1993). The Modern Industrial Revolution, Exit, and the Failure of Internal Control Systems. *The Journal of Finance*. 48(3), 831-880.
- Jensen, M. C., and Meckling, W. H. (1976). Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. *Journal of financial economics*. 3(4), 305-360.

- Jermias, J., and Gani, L. (2014). The Impact of Board Capital and Board Characteristics on Firm Performance. *The British Accounting Review*. 46(2), 135-153.
- Jiang, L., Cazavan Jeny, A., and Audousset-Coulier, S. (2012). Who are Industry Specialist Auditors? *CAAA Annual Conference*.
- Joher, H., Ali, M., Mohd Ramidili, S., and Md Nassir, A. (2000). Auditor Switch Decision of Malaysian Listed Finns: Tests of Determinants and Wealth Effect. *Pertanika Journal of Social Sciences & Humanities*. 8(2), 77-90.
- Johl, S., Subramaniam, N., and Mat Zain, M. (2012). Audit committee and CEO ethnicity and audit fees: some Malaysian evidence. *The International Journal of Accounting*. 47(3), 302-332.
- Johl, S. K., Kaur, S., and Cooper, B. J. (2015). Board Characteristics and Firm Performance: Evidence from Malaysian Public Listed Firms.
- John, K., and Senbet, L. W. (1998). Corporate Governance and Board Effectiveness. *Journal of Banking & Finance*. 22(4), 371-403.
- Johnson, J. L., Daily, C. M., and Ellstrand, A. E. (1996). Boards of Directors: A Review and Research Agenda. *Journal of Management*. 22(3), 409-438.
- Johnson Kolawole Olowookere, and Adebisi, W. K. (2013). Mandatory Audit Firm Rotation and Audit Quality In Nigerian Deposit Money Banks. *International Journal of Business and Management Invention*. Volume 2(Issue 9), PP.63-69.
- Johnson, P. E., Jamal, K., and Berryman, R. G. (1991). Effects of framing on auditor decisions. *Organizational Behavior and Human Decision Processes*. 50(1), 75-105.
- Johnson, V. E., Khurana, I. K., and Reynolds, J. K. (2002). Audit-Firm Tenure and the Quality of Financial Reports. *Contemporary Accounting Research*. 19(4), 637-660.
- Johnson, W. B., and Lys, T. (1990). The Market for Audit Services: Evidence From Voluntary Auditor Changes. *Journal of Accounting and Economics*. 12(1), 281-308.
- Kader, S., Cigdem, S. B., and Aygun, O. (2011). The impact of board composition on corporate financial and social responsibility performance: Evidence from public-listed companies in Turkey. *African Journal of Business Management*. 5(7), 2959-2978.
- Kanagaretnam, K., Krishnan, G. V., Lobo, G. J., and Mathieu, R. (2011). Audit Quality and the Market Valuation of Banks' Allowance for Loan Losses. *Accounting Perspectives*. 10(3), 161-193.
- Karamanou, I., and 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.
- Kealey, B. T., Lee, H. Y., and Stein, M. T. (2007). The Association Between Audit-Firm Tenure and Audit Fees Paid to Successor Auditors: Evidence from Arthur Andersen. *Auditing: A Journal of Practice & Theory*. 26(2), 95-116.
- Khan, M., and Ismail, N. A. (2011). The Level of Internet Financial Reporting of Malaysian Companies. *Asian Journal of Accounting and Governance*. 2, 27-39.
- Khasanah, I., and Nahumury, J. (2013). The Factors Affecting Auditor Switching in Manufacturing Companies Listed in Indonesia Stock Exchange (BEI). *The Indonesian Accounting Review*. 3(02), 203-212.

- Khatab, H., Masood, M., Zaman, K., Saleem, S., and Saeed, B. (2011). Corporate Governance and Firm Performance: A Case Study of Karachi Stock Market. *International Journal of Trade, Economics and Finance*. 2(1), 39-43.
- Kholeif, A. (2009). CEO Duality and Accounting-Based Performance in Egyptian Listed Companies: A Re-Examination of Agency Theory Predictions. *Research in Accounting in Emerging Economies*. 8, 65-96.
- Khoo, B. Y. (2003). Corporate governance in Malaysia. *Review of corporate governance in Asia*.
- Kiel, G. C., and Nicholson, G. J. (2003). Board Composition and Corporate Performance: How the Australian Experience Informs Contrasting Theories of Corporate Governance. *Corporate Governance: An International Review*. 11(3), 189-205.
- Kikhia, H. Y. (2014). Board Characteristics, Audit Committee Characteristics, and Audit Fees: Evidence from Jordan. *International Business Research*. 7(12), p98.
- Kilcommins, M. (2014). Perceptions of Auditor Independence and the Effects on the Perceived Reliability of Financial Statements in Ireland.
- Kim, J. B., Segal, B., Segal, D., and Zang, Y. (2014). The Triangular Relationship Between Audit Committee Characteristics, Audit Inputs, and Financial Reporting Quality. *Audit Inputs, and Financial Reporting Quality (December 30, 2013)*.
- Kim, K., Mauldin, E., and Patro, S. (2014). Outside Directors and Board Advising and Monitoring Performance. *Journal of Accounting and Economics*. 57(2), 110-131.
- Klapper, L. F., and Love, I. (2004). Corporate Governance, Investor Protection, and Performance in Emerging Markets. *Journal of Corporate Finance*. 10(5), 703-728.
- Klein, A. (1998). Firm Performance and Board Committee Structure *The Journal of Law and Economics*. 41(1), 275-304.
- Knapp, M. C. (1991). Factors that Audit Committee Members Use as Surrogates for Audit Quality. *Auditing-A Journal of Practice & Theory*. 10(1), 35-52.
- Knechel, W. R., Krishnan, G. V., Pevzner, M., Shefchik, L. B., and Velury, U. K. (2012). Audit Quality: Insights From The Academic Literature. *Auditing: A Journal of Practice & Theory*. 32(sp1), 385-421.
- Knechel, W. R., Naiker, V., and Pacheco, G. (2007). Does Auditor Industry Specialization Matter? Evidence From Market Reaction to Auditor Switches. *Auditing: A Journal of Practice & Theory*. 26(1), 19-45.
- Knechel, W. R., and Vanstraelen, A. (2007). The Relationship Between Auditor Tenure and Audit Quality Implied by Going Concern Opinions. *Auditing: A journal of Practice & Theory*. 26(1), 113-131.
- Knyazeva, A., Knyazeva, D., and Masulis, R. W. (2013). The supply of corporate directors and board independence. *Review of Financial Studies*. 26(6), 1561-1605.
- Koerniadi, H., and Tourani-Rad, A. (2012). Does board independence matter? Evidence from New Zealand. *Australasian Accounting, Business and Finance Journal*. 6(2), 3-18.
- Kogan, N., and Wallach, M. A. (1966). Modification of a judgmental style through group interaction. *Journal of Personality and Social Psychology*. 4(2), 165.
- Koufopoulos, D. N., Lagoudis, I. N., Theotokas, I. N., and Syriopoulos, T. C. (2010). Corporate Governance and Board Practices by Greek Shipping Management

- Companies. *Corporate Governance: The International Journal of Business in Society*. 10(3), 261-278.
- Krafft, J., Qu, Y., Quatraro, F., and Ravix, J.-L. (2014). Corporate governance, value and performance of firms: New empirical results on convergence from a large international database. *Industrial and Corporate Change*. 23(2), 361-397.
- Krauß, P., Pronobis, P., and Zülch, H. (2015). Abnormal Audit Fees and Audit Quality: Initial Evidence from the German Audit Market. *Journal of Business Economics*. 85(1), 45-84.
- Krauss, S. E. (2005). Research paradigms and meaning making: A primer. *The qualitative report*. 10(4), 758-770.
- Krishnan, G., and Visvanathan, G. (2009). Do Auditors Price Audit Committee's Expertise? The Case of Accounting Versus Non-Accounting Financial Experts. *Journal of Accounting, Auditing & Finance*. 24(1), 115-144.
- Krishnan, G. V. (2003). Does Big 6 Auditor Industry Expertise Constrain Earnings Management? *Accounting Horizons*. 17, 1-16.
- Krishnan, J., and Krishnan, J. (1997). Litigation Risk and Auditor Resignations. *Accounting Review*, 539-560.
- Krishnan, J., and Lee, J. E. (2009). Audit Committee Financial Expertise, Litigation Risk, and Corporate Governance. *Auditing: A Journal of Practice & Theory*. 28(1), 241-261.
- Krishnan, J., and Schauer, P. C. (2000). The Differentiation of Quality Among Auditors: Evidence from the Not-for-Profit Sector. *Auditing: A Journal of Practice & Theory*. 19(2), 9-25.
- Krishnan, J., and Stephens, R. G. (1995). Evidence on Opinion Shopping From Audit Opinion Conservatism. *Journal of Accounting and Public Policy*. 14(3), 179-201.
- Kroll, M., Walters, B. A., and Wright, P. (2008). Board Vigilance, Director Experience, and Corporate Outcomes. *Strategic Management Journal*. 29(4), 363-382.
- Kuang, X. (2011). Board Characteristics and Higher Audit Quality—Evidence from Chinese Listed Companies. *International Conference on Management Science and Industrial Engineering (MSIE)*. 348-352.
- Kwon, S. Y., Lim, Y., and Simnett, R. (2014). The Effect of Mandatory Audit Firm Rotation on Audit Quality and Audit Fees: Empirical Evidence from the Korean Audit Market. *Auditing: A Journal of Practice & Theory*. 33(4), 167-196.
- La Porta, R., Lopez-de-Silanes, F., and Shleifer, A. (2002). Government Ownership of Banks. *The Journal of Finance*. 57(1), 265-301.
- Laing, D., and Weir, C. M. (1999). Governance Structures, Size and Corporate Performance in UK Firms. *Management Decision*. 37(5), 457-464.
- Lanfranconi, C., and Robertson, D. (2002). Corporate Financial Reporting: The Role of the Board of Director. *IVEY Business Journal*.
- Larcker, D. F., and Rusticus, T. O. (2010). On the Use of Instrumental Variables in Accounting Research. *Journal of Accounting and Economics*. 49(3), 186-205.
- Larmou, S., and Vafeas, N. (2010). The Relation Between Board Size and Firm Performance in Firms with a History of Poor Operating Performance. *Journal of Management & Governance*. 14(1), 61-85.
- Laux, C., and Laux, V. (2009). Board Committees, CEO Compensation, and Earnings Management. *The Accounting Review*. 84(3), 869-891.

- Lee, H.-Y. (2008). The association between audit committee and board of director effectiveness and changes in the nonaudit fee ratio. *Applied Financial Economics*. 18(8), 629-638.
- Lee, H. S., Li, X., and Sami, H. (2014). Conditional Conservatism and Audit Fees. *Accounting Horizons*.
- Lee, H. Y., and Mande, V. (2005). The Relationship of Audit Committee Characteristics With Endogenously Determined Audit and Non-Audit Fees. *Quarterly Journal of Business and Economics*, 93-112.
- Lee, H. Y., Mande, V., and Ortman, R. (2004). The effect of audit committee and board of director independence on auditor resignation. *Auditing: A Journal of Practice & Theory*. 23(2), 131-146.
- Lee, S. P., Isa, M., and Johnson, D. (2015). Directors' Remuneration, Governance and Performance: the Case of Malaysian Banks. *Managerial Finance*. 41(1).
- Leng, A. C. A. (2004). The Impact of Corporate Governance Practices on Firms' Financial Performance: Evidence from Malaysian Companies. *ASEAN Economic Bulletin*, 308-318.
- Lennox, C., Wu, X., and Zhang, T. (2014). Does Mandatory Rotation of Audit Partners Improve Audit Quality? *The Accounting Review*.
- Lesage, C., Ratzinger-Sakel, N., and Kettunen, J. M. (2012). Is Joint Audit Bad or Good? Efficiency Perspective Evidence from Three European Countries. *CAAA Annual Conference*.
- Lin, Z. J., and Liu, M. (2010). The Determinants of Auditor Switching from the Perspective of Corporate Governance in China. *Advances in Accounting*. 26(1), 117-127.
- Lincoln, Y. S., Lynham, S. A., and Guba, E. G. (2011). Paradigmatic controversies, contradictions, and emerging confluences, revisited. *The Sage handbook of qualitative research*. 4, 97-128.
- Lipton, M., and Lorsch, J. W. (1992). A Modest Proposal for Improved Corporate Governance. *The Business Lawyer*, 59-77.
- Liu, Z., Li, J., Zhu, H., Cai, Z., and Wang, L. (2014). Chinese Firms' Sustainable Development—The Role of Future Orientation, Environmental Commitment, and Employee Training. *Asia Pacific Journal of Management*. 31(1), 195-213.
- Lo, A. W., Wong, R. M., and Firth, M. (2010). Can Corporate Governance Deter Management from Manipulating Earnings? Evidence from Related-Party Sales Transactions in China. *Journal of Corporate Finance*. 16(2), 225-235.
- Lobo, G. J., and Zhao, Y. (2013). Relation Between Audit Effort and Financial Report Misstatements: Evidence from Quarterly and Annual Restatements. *The Accounting Review*. 88(4), 1385-1412.
- Long, P. H. (2015). Merger and Acquisitions in the Czech Banking Sector-Impact of Bank Mergers on the Efficiency of Banks. *Journal of Advanced Management Science Vol.* 3(2).
- Low, K.-Y. (2004). The effects of industry specialization on audit risk assessments and audit-planning decisions. *The accounting review*. 79(1), 201-219.
- Lückerath-Rovers, M. (2013). Women on boards and firm performance. *Journal of Management & Governance*. 17(2), 491-509.
- Ma, J., and Khanna, T. (2013). *Independent Directors' Dissent on Boards: Evidence from Listed Companies in China*: Harvard Business School. Document Number)

- MacCallum, R. C., Browne, M. W., and Sugawara, H. M. (1996). Power Analysis and Determination of Sample Size for Covariance Structure Modeling. *Psychological Methods*. 1(2), 130.
- MacKinnon, D. P., Lockwood, C. M., Hoffman, J. M., West, S. G., and Sheets, V. (2002). A Comparison of Methods to Test Mediation and Other Intervening Variable Effects. *Psychological Methods*. 7(1), 83.
- Mansi, S. A., Maxwell, W. F., and Miller, D. P. (2004). Does Auditor Quality and Tenure Matter to Investors? Evidence from the Bond Market. *Journal of Accounting Research*. 42(4), 755-793.
- Mansouri, A., Pirayesh, R., and Salehi, M. (2009). Audit Competence and Audit Quality: Case in Emerging Economy. *International Journal of Business and Management*. 4(2), p17.
- Marimuthu, M. (2008). Ethnic Diversity on Boards of Directors and its Implications on Firm Financial Performance. *The Journal of International Social Research*. 1(4), 431-445.
- Marrakchi Chtourou, S., Bedard, J., and Courteau, L. (2001). Corporate Governance and Earnings Management.
- Marsh, H. W., Balla, J. R., and McDonald, R. P. (1988). Goodness-of-Fit Indexes in Confirmatory Factor Analysis: The Effect of Sample Size. *Psychological Bulletin*. 103(3), 391.
- Martinez, A. L., and de Jesus Moraes, A. (2014). Association Between Independent Auditor Fees and Firm Value: A Study of Brazilian Public Companies. *Journal of Modern Accounting and Auditing*. 10(4), 442-450.
- Mascarenhas, D., Cahan, S. F., and Naiker, V. (2010). The Effect of Audit Specialists on the Informativeness of Discretionary Accruals. *Journal of Accounting, Auditing & Finance*. 25(1), 53-84.
- Masulis, R. W., Wang, C., and Xie, F. (2012). Globalizing the Boardroom: The Effects of Foreign Directors on Corporate Governance and Firm Performance. *Journal of Accounting and Economics*. 53(3), 527-554.
- Mat Norwani, N., Mohamad, Z., and Chek, I. (2011). Corporate Governance Failure and Impact on Financial Reporting Within Selected Companies. *International Journal of Business and Social Science*. 2(21), 205-213.
- MBA, A. (2013). Mandatory Audit Firm Rotation and Audit Quality In Nigerian Deposit Money Banks.
- MCCG. (2007). *Finance Committee on Corporate Governance, Securities Commission, Kuala Lumpur*.
- MCCG. (2012). *Finance Committee on Corporate Governance, Securities Commission, Kuala Lumpur*.
- McKnight, P. J., and Weir, C. (2009). Agency Costs, Corporate Governance Mechanisms and Ownership Structure in Large UK Publicly Quoted Companies: A Panel Data Analysis. *The Quarterly Review of Economics and Finance*. 49(2), 139-158.
- Miettinen, J. (2008). The Effect of Audit Quality on the Relationship Between Audit Committee Effectiveness and Financial Reporting Quality.
- Miettinen, J. (2011). The Role of Audit Quality on the Relationship Between Auditee's Agency Problems and Financial Information Quality. *Department of Accounting and Finance*.
- Miller, J. L. (2002). The Board as a Monitor of Organizational Activity: The Applicability of Agency Theory to Nonprofit Boards. *Nonprofit Management and Leadership*. 12(4), 429-450.

- Miller, T., and del Carmen Triana, M. (2009). Demographic Diversity in the Boardroom: Mediators of the Board Diversity–Firm Performance Relationship. *Journal of Management Studies*. 46(5), 755-786.
- Min, J. H., and Prather, L. J. (2002). Tobin's q, agency conflicts, and differential wealth effects of international joint ventures. *Global Finance Journal*. 12(2), 267-283.
- Minutti-Meza, M. (2013). Does auditor industry specialization improve audit quality? *Journal of Accounting Research*. 51(4), 779-817.
- Mohr, A., Fastoso, F., Wang, C., and Shirodkar, V. (2014). Testing the Regional Performance of Multinational Enterprises in the Retail Sector: The Moderating Effects of Timing, Speed and Experience. *British Journal of Management*. 25(S1), S100-S115.
- Moroney, R., and Carey, P. (2011). Industry-Versus Task-Based Experience and Auditor Performance. *Auditing: A journal of practice & theory*. 30(2), 1-18.
- Moutinho, V., Cerqueira, A., and Brandao, E. (2012). Audit Fees and Firm Performance. Available at SSRN 2180020.
- Moutinho, V., Cerqueira, A., and Brandão, E. (2012). Audit Fees and Firm Performance. Available at SSRN 2180020.
- Muhamad Sori, Z., and Karbhari, Y. (2006). Audit Committee and Auditor Independence: Some Evidence from Malaysia.
- Muhammad Abdul Majid Makki, S. A. L. (2013). Impact of Corporate Governance on Financial Performance. *Pakistan Journal of Social Sciences (PJSS)*. 33(2), 265-280.
- Munisi, G., and Randøy, T. (2013). Corporate Governance and Company Performance Across Sub-Saharan African Countries. *Journal of Economics and Business*.
- Murphy, S. A., and McIntyre, M. L. (2007). Board of Director Performance: A Group Dynamics Perspective. *Corporate Governance: The International Journal of Business in Society*. 7(2), 209-224.
- Mustafa, S. T., and Ben Youssef, N. (2010). Audit committee financial expertise and misappropriation of assets. *Managerial Auditing Journal*. 25(3), 208-225.
- Mustapha, M., and Ahmad, A. C. (2011). Agency Theory and Managerial Ownership: Evidence from Malaysia. *Managerial Auditing Journal*. 26(5), 419-436.
- Muthen, B., and Kaplan, D. (1992). A comparison of some methodologies for the factor analysis of non-normal Likert variables: A note on the size of the model. *British Journal of Mathematical and Statistical Psychology*. 45(1), 19-30.
- Myers, J. N., Myers, L. A., Palmrose, Z.-V., and Scholz, S. (2003). Mandatory Auditor Rotation: Evidence from Restatements. *Academic Working*.
- Naimi, M., Nor, M., Rohami, S., and Wan-Hussin, W. N. (2010). Corporate Governance and Audit Report Lag in Malaysia. *Asian Academy of Management Journal of Accounting and Finance*. 6(2).
- Naser, A. A. K., Al-Mutairi, A., and Rana Nuseibeh, K. (2014). Can Substitution and Signaling Theories Explain the Relationship between External Audit Fees and the Effectiveness of Internal Corporate Governance? *Global Journal of Management And Business Research*. 13(5).
- Nasser, A. T. A., Wahid, E. A., Nazri, S. N. F. S. M., and Hudaib, M. (2006). Auditor-Client Relationship: The Case of Audit Tenure and Auditor Switching in Malaysia. *Managerial Auditing Journal*. 21(7), 724-737.

- Ng, T.-H., Chong, L.-L., and Ismail, H. (2013). Is the Risk Management Committee Only a Procedural Compliance? An Insight Into Managing Risk Taking Among Insurance Companies in Malaysia. *The Journal of Risk Finance*. 14(1), 71-86.
- Ngee, P. K. T. (2005). CORPORATE GOVERNANCE IN MALAYSIA. *Reforming corporate governance in Southeast Asia: economics, politics, and regulations*, 102.
- Nguyen, T., Locke, S., and Reddy, K. (2014). A Dynamic Estimation of Governance Structures and Financial Performance for Singaporean Companies. *Economic Modelling*. 40, 1-11.
- Niemi, L. (2004). Auditor Size and Audit Pricing: Evidence from Small Audit Firms. *European Accounting Review*. 13(3), 541-560.
- Nikandrou, I., Apospori, E., Panayotopoulou, L., Stavrou, E. T., and Papalexandris, N. (2008). Training and Firm Performance in Europe: The Impact of National and Organizational Characteristics. *The International Journal of Human Resource Management*. 19(11), 2057-2078.
- Nimalathasan, B. (2010). Capital Structure and Its Impact on Profitability: A Study of Listed Manufacturing Companies in Sri Lanka. *Revista Tinerilor Economisti (The Young Economists Journal)*. 1(15), 7-16.
- Noor, M. A. M., and Fadzil, F. H. (2013). Board Characteristics and Performance from Perspective of Governance Code in Malaysia. *World Review of Business Research*. 3(3), 191-206.
- Ntim, C. G. (2009). *Internal Corporate Governance Structures and Firm Financial Performance: Evidence from South African Listed Firms*. University of Glasgow.
- Ntim, C. G. (2013). Monitoring Board Committee Structure and Market Valuation in Large Publicly Listed South African Corporations. *International Journal of Managerial and Financial Accounting*. 5(3), 310-325.
- Ntim, C. G., Opong, K. K., and Danbolt, J. (2012). The Relative Value Relevance of Shareholder Versus Stakeholder Corporate Governance Disclosure Policy Reforms in South Africa. *Corporate Governance: An International Review*. 20(1), 84-105.
- Nuryanah, S., and Islam, S. (2011). Corporate Governance and Performance: Evidence from an Emerging Market. *Malaysian Accounting Review*. 10(1), 17-42.
- O'Sullivan, N., and Diacon, S. R. (2002). The Impact of Ownership, Governance and Non-Audit Services on Audit Fees: Evidence from the Insurance Industry. *International Journal of Auditing*. 6(1), 93-107.
- O'Donovan, G. (2003). Change Management-A Board Culture of Corporate Governance. *Corporate Governance International*. 6(3), 28-37.
- O'Brien, R. M. (2007). A Caution Regarding Rules of Thumb for Variance Inflation Factors. *Quality & Quantity*. 41(5), 673-690.
- O'Connell, V., and Cramer, N. (2010). The Relationship between Firm Performance and Board Characteristics in Ireland. *European Management Journal*. 28(5), 387-399.
- O'Sullivan, J., Mamun, A., and Hassan, M. K. (2015). The Relationship between Board Characteristics and Performance of Bank Holding Companies: Before and During the Financial Crisis. *Journal of Economics and Finance*, 1-34.

- O'sullivan, N. (2000). The Impact of Board Composition and Ownership on Audit Quality: Evidence from Large UK Companies. *The British Accounting Review*. 32(4), 397-414.
- Ogbechie, C. I. (2012). *Key Determinants of Effective Board of Directors-Evidence from Nigeria*. Brunel University Brunel Business School PhD Theses.
- Okolie, A. O., and Izedonmi, F. I. (2014). The Impact of Audit Quality on the Share Prices of Quoted Companies in Nigeria. *Research Journal of Finance and Accounting*. 5(8), 150-166.
- Onwuchekwa, J. C., Erah, D., and Izedonmi, F. (2012). Mandatory Audit Rotation and Audit Independence: Survey of Southern Nigeria. *Research Journal of Finance and Accounting*. 3(7), 78-85.
- Onwuegbuzie, A. J., and Leech, N. L. (2005). On becoming a pragmatic researcher: The importance of combining quantitative and qualitative research methodologies. *International Journal of Social Research Methodology*. 8(5), 375-387.
- Orlikowski, W. J., and Baroudi, J. J. (1991). Studying information technology in organizations: Research approaches and assumptions. *Information systems research*. 2(1), 1-28.
- Orlitzky, M., Schmidt, F. L., and Rynes, S. L. (2003). Corporate social and financial performance: A meta-analysis. *Organization studies*. 24(3), 403-441.
- Ory, D. T., and Mokhtarian, P. L. (2010). The impact of non-normality, sample size and estimation technique on goodness-of-fit measures in structural equation modeling: evidence from ten empirical models of travel behavior. *Quality & Quantity*. 44(3), 427-445.
- Owhoso, V. E., Messier Jr, W. F., and Lynch Jr, J. G. (2002). Error Detection by Industry-Specialized Teams During Sequential Audit Review. *Journal of Accounting Research*. 40(3), 883-900.
- Oxelheim, L., and Randøy, T. (2003). The Impact of Foreign Board Membership on Firm Value. *Journal of Banking & Finance*. 27(12), 2369-2392.
- Ozdemir, O., and Upneja, A. (2012). Board Structure and CEO Compensation: Evidence from US Lodging Industry. *International Journal of Hospitality Management*. 31(3), 856-863.
- Palmrose, Z.-V. (1986). Audit Fees and Auditor Size: Further Evidence. *Journal of Accounting Research*. 24(1), 97-110.
- Pathan, S., and Faff, R. (2013). Does Board Structure in Banks Really Affect Their Performance? *Journal of Banking & Finance*. 37(5), 1573-1589.
- Paul, G. D., Ebelechukwu, E. C., and Yakubu, S. (2015). Impact of Corporate Governance on Financial Performance of Microfinance Banks in North Central Nigeria.
- Peng, M. W., and Luo, Y. (2000). Managerial Ties and Firm Performance in a Transition Economy: The Nature of a Micro-Macro Link. *Academy of Management Journal*. 43(3), 486-501.
- Peni, E. (2014). CEO and Chairperson Characteristics and Firm Performance. *Journal of Management & Governance*. 18(1), 185-205.
- Pernecky, T. (2007). Immersing in ontology and the research process: Constructivism the foundation for exploring the (in) credible OBE? *The Critical Turn in Tourism Studies: Innovative Research Methodologies*, Amsterdam: Elsevier, 211-226.
- Pervan, M., and Višić, J. (2012). Influence of Firm Size on its Business Success. *Croatian Operational Research Review*. 3(1), 213-223.

- Petra, S. T. (2007). The Effects of Corporate Governance on the Informativeness of Earnings. *Economics of Governance*. 8(2), 129-152.
- Pfeffer, J. (1973). Size, Composition, and Function of Hospital Boards of Directors: A Study of Organization-Environment Linkage. *Administrative Science Quarterly*, 349-364.
- Pfeffer, J., and Salancik, G. R. (2003). *The External Control of Organizations: A Resource Dependence Perspective*. Stanford University Press.
- Pirayesh, R., Mansouri, A., and Ghorghi, H. S. (2013). Association Between Auditors' Rotation and Firm Ownership Structure in Listed Companies on Tehran Stock Exchange. *World Applied Sciences Journal*. 23(3), 326-332.
- Pombo, C., and Gutiérrez, L. H. (2011). Outside Directors, Board Interlocks and Firm Performance: Empirical Evidence from Colombian Business Groups. *Journal of Economics and Business*. 63(4), 251-277.
- Ponnu, C., and Karthigeyan, R. (2010). Board Independence and Corporate Performance: Evidence from Malaysia. *African Journal of Business Management*. 4(6), 858-868.
- Prastiwi, A., and Wilsya, F. (2009). Faktor-Faktor yang Mempengaruhi Pergantian Auditor: Studi Empiris Perusahaan Publik di Indonesia. *Jurnal Dinamika Akuntansi*. 1(1).
- Preacher, K. J., and Leonardelli, G. J. (2001). Calculation for the Sobel test. Retrieved November. 1, 2008.
- Preffer, J., and Salancik, G. (1978). The External Control of Organizations: A Resource Dependence Perspective.
- PWC, P. (2012). Mandatory Rotation of Audit Firms : Why Other Changes Would be Better for Investors. (http://www.pwc.com/en_US/us/point-of-view/assets/mandatory-audit-firm-rotation.pdf).
- Pynes, J. E. (2008). *Human Resources Management for Public and Nonprofit Organizations: A Strategic Approach*. (Vol. 30): John Wiley & Sons.
- R. Almutairi, A. (2013). The Impact of Institutional Ownership and Corporate Debt on Audit Quality. *Journal of Economic and Administrative Sciences*. 29(2), 134-152.
- Rahman, R. A., and Ali, F. H. M. (2006). Board, Audit Committee, Culture and Earnings Management: Malaysian Evidence. *Managerial Auditing Journal*. 21(7), 783-804.
- Rahmat, M. M., and Iskandar, T. M. (2004). Audit Fee Premiums from Brand Name, Industry Specialization and Industry Leadership: A Study of the Post Big 6 Merger in Malaysia. *Asian Review of Accounting*. 12(2), 1-24.
- Ramli, F., Nawawi, A., and Ameer, R. (2010). Director Independence and Performance of Listed Companies: Evidence from Malaysia. *International Journal of Business Governance and Ethics*. 5(4), 280-300.
- Randøy, T., and Jenssen, J. I. (2004). Board Independence and Product Market Competition in Swedish Firms. *Corporate Governance: An International Review*. 12(3), 281-289.
- Rashid, A., De Zoysa, A., Lodh, S., and Rudkin, K. (2010). Board Composition and Firm Performance: Evidence from Bangladesh. *Australasian Accounting Business and Finance Journal*. 4(1), 76-95.
- Reddy, K., Locke, S., and Scrimgeour, F. (2010). The Efficacy of Principle-Based Corporate Governance Practices and Firm Financial Performance: An Empirical Investigation. *International Journal of Managerial Finance*. 6(3), 190-219.

- Reed, B. J., Trombley, M. A., and Dhaliwal, D. S. (2000). Demand for Audit Quality: The Case of Laventhol and Horwath's Auditees. *Journal of Accounting, Auditing & Finance*. 15(2), 183-198.
- Reichelt, K. J., and Wang, D. (2010). National and Office-Specific Measures of Auditor Industry Expertise and Effects on Audit Quality. *Journal of Accounting Research*. 48(3), 647-686.
- Renders, A., Gaeremynck, A., and Sercu, P. (2010). Corporate-Governance Ratings and Company Performance: A Cross-European Study. *Corporate Governance: An International Review*. 18(2), 87-106.
- Riabichenko, D. (2014). Organizational Peculiarities of Bank Liquidity Management: International Experience and Ukrainian Practice.
- Romano, G., and Guerrini, A. (2014). The Effects of Ownership, Board Size and Board Composition on the Performance of Italian Water Utilities. *Utilities Policy*. 31, 18-28.
- Rosenstein, S., and Wyatt, J. G. (1990). Outside Directors, Board Independence, and Shareholder Wealth. *Journal of Financial Economics*. 26(2), 175-191.
- Ruigrok, W., Peck, S., and Tacheva, S. (2007). Nationality and Gender Diversity on Swiss Corporate Boards. *Corporate Governance: An International Review*. 15(4), 546-557.
- Ruigrok, W., Peck, S., Tacheva, S., Greve, P., and Hu, Y. (2006). The Determinants and Effects of Board Nomination Committees*. *Journal of Management & Governance*. 10(2), 119-148.
- Russell, J. S., Terborg, J. R., and Powers, M. L. (1985). Organizational Performance and Organizational Level Training and Support. *Personnel Psychology*. 38(4), 849-863.
- Rustam, S., Rashid, K., and Zaman, K. (2013). The Relationship between Audit Committees, Compensation Incentives and Corporate Audit Fees in Pakistan. *Economic Modelling*. 31, 697-716.
- Sah, R., and Stiglitz, J. (1991). The quality of managers in centralized versus decentralized organizations. *Quarterly Journal of Economics*. 106(1).
- Saleem, I., and Khurshid, A. (2014). Do Human Resource Practices Affect Employee Performance? *Pakistan Business Review*. 15(4), 669-688.
- Salehi, M., Mansoury, A., and Azary, Z. (2009). Audit Independence and Expectation Gap: Empirical Evidences from Iran. *International Journal of Economics and Finance*. 1(1), p165.
- Salloum, C., Azzi, G., and Gebrayel, E. (2014). Audit Committee and Financial Distress in the Middle East Context: Evidence of the Lebanese Financial Institutions. *International Strategic Management Review*. 2(1), 39-45.
- Sami, H., Wang, J., and Zhou, H. (2011). Corporate Governance and Operating Performance of Chinese Listed Firms. *Journal of International Accounting, Auditing and Taxation*. 20(2), 106-114.
- Sanda, A., Garba, T., and Mikailu, A. S. (2011). *Board Independence and Firm Financial Performance: Evidence from Nigeria: African Economic Research Consortium. Document Number)*
- Sanda, A. U., Garba, T., and Mikailu, A. S. (2008). Board Independence and Firm Financial Performance: Evidence from Nigeria. *Journal of Management Studies, University of Sokoto, Nigeria*. 3.
- Sayyar, H., Basiruddin, R., Rasid, S. Z. A., and Sayyar, L. (2014). Mandatory Audit Firm and Audit Partner Rotation. *European Journal of Business and Management*. 6(26), 80-83.

- Schermelleh-Engel, K., Moosbrugger, H., and Müller, H. (2003). Evaluating the Fit of Structural Equation Models: Tests of Significance and Descriptive Goodness-of-Fit Measures. *Methods of Psychological Research Online*. 8(2), 23-74.
- Schultz, E. L., Tan, D. T., and Walsh, K. D. (2010). Endogeneity and the Corporate Governance-Performance Relation. *Australian Journal of Management*. 35(2), 145-163.
- Schwartz, K. B., and Menon, K. (1985). Auditor Switches by Failing Firms. *Accounting Review*, 248-261.
- Schwizer, P., Soana, M., and Cucinelli, D. (2012). The Relationship between Board Diversity and Firm Performance: The Italian Evidence.
- Sekaran, U., and Bougie, R. (2010). Research methods for business 5th Edn.
- Seow, J.-L. (2001). The Demand for the UK Small Company Audit an Agency Perspective. *International small business journal*. 19(2), 61-79.
- Shakir, R. (2008). Board Size, Board Composition and Property Firm Performance. *Federal Reserve Bank of New York Staff Reports*.
- Sharma, D. (2008). The Association between Corporate Governance and Audit Fees of Bank Holding Companies. *Corporate Governance*. 8(1), 28-45.
- Sharma, V., Naiker, V., and Lee, B. (2009). Determinants of Audit Committee Meeting Frequency: Evidence from a Voluntary Governance System. *Accounting Horizons*. 23(3), 245-263.
- Sharma, V. D., and Kuang, C. (2014). Voluntary Audit Committee Characteristics, Incentives, and Aggressive Earnings Management: Evidence from New Zealand. *International Journal of Auditing*. 18(1), 76-89.
- Shen, S., and Jia, J. (2005). Will the Independent Director Institution Work in China. *Loy. LA Int'l & Comp. L. Rev.* 27, 223.
- Shenoy, G. T. L., and Koh, P. (2001). Corporate Governance in Asia. *Asia Business Law Review*. 31, 18-28.
- Shibano, T. (1990). Assessing Audit Risk from Errors and Irregularities. *Journal of Accounting Research*, 110-140.
- Shin, J. Y., Kang, S.-C., Hyun, J.-H., and Kim, B.-J. (2015). Determinants and Performance Effects of Executive Pay Multiples Evidence from Korea. *ILR Review*. 68(1), 53-78.
- Shivdasani, A., and 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., and Vishny, R. W. (1997). A Survey of Corporate Governance. *The Journal of Finance*. 52(2), 737-783.
- Shu, S. Z. (2000). Auditor Resignations: Clientele Effects and Legal Liability. *Journal of Accounting and Economics*. 29(2), 173-205.
- Shukeri, S. N., Shin, O. W., and Shaari, M. S. (2012). Does board of director's characteristics affect firm performance? Evidence from Malaysian public listed companies. *International Business Research*. 5(9), p120.
- Siagian, F., Siregar, S. V., and Rahadian, Y. (2013). Corporate Governance, Reporting Quality, and Firm Value: Evidence from Indonesia. *Journal of Accounting in Emerging Economies*. 3(1), 4-20.
- Simon, D. T., and Francis, J. R. (1988). The Effects of Auditor Change on Audit Fees: Tests of Price Cutting and Price Recovery. *Accounting Review*, 255-269.

- Simunic, D. A. (1980). The Pricing of Audit Services: Theory and Evidence. *Journal of Accounting Research*. 18(1), 161-190.
- Singh, H., and Harianto, F. (1989). Management-Board Relationships, Takeover Risk, and the Adoption of Golden Parachutes. *Academy of Management Journal*. 32(1), 7-24.
- Singhchawla, W., Evans, R., and Evans, J. (2011). Board Independence, Sub-Committee Independence and Firm Performance: Evidence from Australia. *Asia Pacific Journal of Economics & Business*. 15, 1-15.
- Siregar, S. V., Amarullah, F., Wibowo, A., and Anggraita, V. (2012). Audit Tenure, Auditor Rotation, and Audit Quality: The Case of Indonesia. *Asian Journal of Business and Accounting*. 5(1), 55-74.
- Solomon, J. (2011). *Corporate Governance and Accountability*. Wiley. com.
- Soltani, B. (2014). The Anatomy of Corporate Fraud: A Comparative Analysis of High Profile American and European Corporate Scandals. *Journal of Business Ethics*. 120(2), 251-274.
- Spence, M. (1973). Job Market Signaling. *The Quarterly Journal of Economics*. 87(3), 355-374.
- Spence, M. (2002). Signaling in Retrospect and the Informational Structure of Markets. *American Economic Review*, 434-459.
- Srinidhi, B., and Gul, F. A. (2006). The Differential Effects of Auditors' Non-Audit and Audit Fees on Accrual Quality. *Contemporary Accounting Research*, Forthcoming.
- Stam, W., Arzlanian, S., and Elfring, T. (2014). Social Capital of Entrepreneurs and Small Firm Performance: A Meta-Analysis of Contextual and Methodological Moderators. *Journal of Business Venturing*. 29(1), 152-173.
- Stanley, J. D. (2011). Is the Audit Fee Disclosure a Leading Indicator of Clients' Business Risk? *Auditing: A Journal of Practice & Theory*. 30(3), 157-179.
- Storey, D. J. (2002). Education, Training and Development Policies and Practices in Medium-Sized Companies in the UK: Do They Really Influence Firm Performance? *Omega*. 30(4), 249-264.
- Stulz, R. (1990). Managerial Discretion and Optimal Financing Policies. *Journal of Financial Economics*. 26(1), 3-27.
- Sun, J., and Liu, G. (2011a). Client-Specific Litigation Risk and Audit Quality Differentiation. *Managerial Auditing Journal*. 26(4), 300-316.
- Sun, J., and Liu, G. (2011b). Industry specialist auditors, outsider directors, and financial analysts. *Journal of Accounting and Public Policy*. 30(4), 367-382.
- Sun, J., and Liu, G. (2012). Auditor Industry Specialization, Board Governance, and Earnings Management. *Managerial Auditing Journal*. 28(1), 45-64.
- Svanberg, J., and Öhman, P. (2014). Lost Revenues Associated With Going Concern Modified Opinions in the Swedish Audit Market. *Journal of Applied Accounting Research*. 15(2), 197-214.
- Tam, O. K., and Tan, M. G. S. (2007). Ownership, governance and firm performance in Malaysia. *Corporate Governance: An International Review*. 15(2), 208-222.
- Tanhan, F., and Kayri, M. (2013). The Validity and Reliability Work of the Scale That Determines the Level of the Trauma after the Earthquake. *Educational Sciences: Theory & Practice*. 13(2).
- Taylor, M. H. (2000). The Effects of Industry Specialization on Auditors' Inherent Risk Assessments and Confidence Judgements*. *Contemporary Accounting Research*. 17(4), 693-712.

- Teen, M. Y. (2012). Nominating Committee Guide, <https://www.kpmg.com/SG/en/IssuesAndInsights/ArticlesPublications/Documents/NominatingCommitteeGuide2012.pdf>.
- Teoh, H. Y., and Lim, C. C. (1996). An Empirical Study of the Effects of Audit Committees, Disclosure of Nonaudit Fees, and Other Issues on Audit Independence: Malaysian Evidence. *Journal of International Accounting, Auditing and Taxation*. 5(2), 231-248.
- Teoh, S. H., and Wong, T. (1993). Perceived Auditor Quality and the Earnings Response Coefficient. *Accounting Review*, 346-366.
- Thang, N. N., Quang, T., and Buyens, D. (2010). The Relationship between Training and Firm Performance: A Literature Review.
- Thang, N. N., Van Thu, N., and Buyens, D. (2008). The Impact of Training on Firm Performance: Case of Vietnam. *Proceedings of the 7th International Conference of the Academy of Human Resource Development (Asia Chapter)*. 3-6.
- Tharenou, P., Saks, A. M., and Moore, C. (2007). A review and critique of research on training and organizational-level outcomes. *Human Resource Management Review*. 17(3), 251-273.
- Times, M. (2012). Malaysian Students Opting to Study Abroad <http://www.themalaysiantimes.com.my/malaysian-students-opting-to-study-abroad/>
- Titman, S., and Trueman, B. (1986). Information Quality and the Valuation of New Issues. *Journal of Accounting and Economics*. 8(2), 159-172.
- Tomar, S., and Bino, A. (2012). Corporate Governance and Bank Performance: Evidence from Jordanian Banking Industry.
- Tornyeva, K., and Wereko, T. (2012). Corporate Governance and Firm Performance: Evidence from the Insurance Sector of Ghana. *European Journal of Business and Management*. 4(13), 95-112.
- Tsui, J. S., Jaggi, B., and Gul, F. A. (2001). CEO domination, growth opportunities, and their impact on audit fees. *Journal of Accounting, Auditing & Finance*. 16(3), 189-208.
- Tuan, L. T. (2014). From Corporate Governance to Balanced Performance Measurement. *Knowledge Management Research & Practice*. 12(1), 12-28.
- Ujunwa, A. (2012). Board Characteristics and the Financial Performance of Nigerian Quoted Firms. *Corporate Governance*. 12(5), 656-674.
- Upadhyay, A. D., Bhargava, R., and Faircloth, S. D. (2014). Board Structure and Role of Monitoring Committees. *Journal of Business Research*. 67(7), 1486-1492.
- Vafeas, N. (1999). Board Meeting Frequency and Firm Performance. *Journal of Financial Economics*. 53(1), 113-142.
- Vafeas, N., and Theodorou, E. (1998). The Relationship Between Board Structure and Firm Performance in the UK. *The British Accounting Review*. 30(4), 383-407.
- Velentzas, I., and Broni, G. (2010). Business Ethics. *Corporate Governance, Corporate Social Responsibility, I, [in greek], IuS*.
- Velikonja, U. (2014). The Political Economy of Board Independence. *North Carolina Law Review, Forthcoming*.
- Velury, U., Reisch, J. T., and O'Reilly, D. M. (2003). Institutional Ownership and the Selection of Industry Specialist Auditors. *Review of Quantitative Finance and Accounting*. 21(1), 35-48.

- Velury, U., Reisch, J. T., and O'Reilly, D. M. (2003). Corporate Governance and the Selection of Industry Specialist Auditors. *Review of Quantitative Finance and Accounting*. 21, 1-35.
- Venderbosch, R., and Prins, W. (2010). Fast pyrolysis technology development. *Biofuels, bioproducts & biorefining*. 4(2), 178.
- Veronica, S., and Bachtiar, Y. (2014). Corporate Governance, Information Asymmetry, and Earnings Management. *Jurnal Akuntansi dan Keuangan Indonesia*. 2(1), 77-106.
- Vo, D., and Phan, T. (2013a). Corporate Governance and Firm Performance: Empirical Evidence From Vietnam.
- Vo, D., and Phan, T. (2013b). Corporate Governance and Firm Performance: Empirical Evidence From Vietnam.
- Wahab, E. A. A., Zain, M. M., and James, K. (2011a). Audit Fees in Malaysia: Does Corporate Governance Matter? *Asian Academy of Management Journal of Accounting and Finance*. 7(1), 1-27.
- Wahab, E. A. A., Zain, M. M., and James, K. (2011b). Political Connections, Corporate Governance and Audit Fees in Malaysia. *Managerial Auditing Journal*. 26(5), 393-418.
- Walker, P. L., Lewis, B. L., and Casterella, J. R. (2001). Mandatory auditor rotation: arguments and current evidence. *Accounting Enquiries*. 10(2), 209-242.
- Walker, R. (2004). Gaps in Guidelines on Audit Committees. *Abacus*. 40(2), 157-192.
- Wallace, W. (1980). The Economic Role of Auditing in Free and Regulated Markets.
- Wallman, S. M. (1996). The Future of Accounting, Part III: Reliability and Auditor Independence. *Accounting Horizons*. 10, 76-97.
- Wan, H. (2008). *Two Essays on Corporate Governance-are Local Directors Better Monitors, and Directors Incentives and Earnings Management*. University of South Florida.
- Wang, D. H.-M., and Huynh, Q. L. (2013). Complicated Relationships among Audit Committee Independence, Nonfinancial and Financial Performance. *Journal of Knowledge Management, Economics and Information Technology*. 3(5).
- Wang, Y.-F., and Huang, Y.-T. (2014). How Do Auditors Increase Substantially Firm Value? *International Journal of Economics and Finance*. 6(10), p76.
- Weaver, K., and Olson, J. K. (2006). Understanding paradigms used for nursing research. *Journal of advanced nursing*. 53(4), 459-469.
- Wildemuth, B. M. (1993). Post-positivist research: two examples of methodological pluralism. *The Library Quarterly*, 450-468.
- Williams, D. D. (1988). The Potential Determinants of Auditor Change. *Journal of Business Finance & Accounting*. 15(2), 243-261.
- Wintoki, M. B., Linck, J. S., and Netter, J. M. (2012). Endogeneity and the Dynamics of Internal Corporate Governance. *Journal of Financial Economics*. 105(3), 581-606.
- Woo, E.-S., and Koh, H. C. (2001). Factors Associated with Auditor Changes: A Singapore Study. *Accounting and Business Research*. 31(2), 133-144.
- Woodland, A. M., Reynolds, J. K., and Scholar, C. D. (2003). *Restatements and Audit Quality: Working paper at <http://raw.rutgers.edu/raw/aaa/audit/midyear/04midyear/2004%20Midyear%20Auditing%20Meeting.htm>*. Document Number)
- Wooten, T. C. (2003). Research about audit quality. *The CPA Journal*.

- Wu, X. (2012). Corporate Governance and Audit Fees: Evidence from Companies Listed on the Shanghai Stock Exchange. *China Journal of Accounting Research*.
- Xiang, R., He, X., and Cheng, Y. (2014). Female Director Characteristics of Audit Committee and Corporate Transparency. *Proceedings of the Eighth International Conference on Management Science and Engineering Management*. 1037-1047.
- Xie, B., Davidson, W. N., and 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.
- Yanan, Z., Wen, C., and Jinzheng, R. (2013). Auditor Switching by Corporate Governance: Empirical Analysis From the Listed Company in China. *Journal of Modern Accounting and Auditing*. 9(2), 230-238.
- Yang, F.-H. (2006). Number of Independent Board Directors and Training Hours and Financial Performance of TSEC Electronic Companies. 68(01).
- Yang, J. S., and Krishnan, J. (2005). Audit Committees and Quarterly Earnings Management. *International Journal of Auditing*. 9(3), 201-219.
- Yassin, F. M., and Nelson, S. P. (2012). Audit Committee and Internal Audit: Implications on Audit Quality. *International Journal of Economics, Management and Accounting*. 20(2).
- Yatim, P., Haniffa, R., Kent, P., and Clarkson, P. (2006). Governance Structures, Ethnicity, and Audit Fees of Malaysian Listed Firms. *Managerial Auditing Journal*. 21(7), 757-782.
- Ye, P., Carson, E., and Simnett, R. (2011). Threats to Auditor Independence: The Impact of Relationship and Economic Bonds. *Auditing: A Journal of Practice & Theory*. 30(1), 121-148.
- Yermack, D. (1996). Higher Market Valuation of Companies with a Small Board of Directors. *Journal of Financial Economics*. 40(2), 185-211.
- Yu-Shu, P., Chyi-Lin, H., and Altan-Uya, D. (2015). Corporate Social Responsibility and Corporate Financial Performance: The Intervening Effect of Social Capital. *Journal of Advanced Management Science*. 3(4).
- Yuniarti, R. (2011). Audit Firm Size, Audit Fee and Audit Quality. *Journal of Global Management*. 2(1), 84-97.
- Yusoff, W. (2010). Characteristics of Board Directors and Board Effectiveness: A Study of Malaysian Public Listed Companies. *Unpublished PhD Thesis, University of Victoria, Australia*
- Zahra, S. A., and 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, N. A., and Ahmad, H. (2007). Corporate Governance in Malaysia: The Effect of Corporate Reforms and State Business Relation in Malaysia. *Asian Academy of Management Journal*. 12(1), 23-34.
- Zakaria, Z., Purhanudin, N., and Palanimally, Y. R. (2014). Board Governance and Firm Performance: A Panel Data Analysis. *Journal of Business Law and Ethics*. 2(1), 01-12.
- Zaman, M., Hudaib, M., and Haniffa, R. (2011). Corporate Governance Quality, Audit Fees and Non-Audit Services Fees. *Journal of Business Finance & Accounting*. 38(1-2), 165-197.
- Zawawi, M. (2007). Audit Firm Tenure and Financial Reporting Quality in Malaysia. M. Sc Thesis, Department.

- Zhou, H., Maggina, A., and S.O.Ansah. (2013). Audit Committee and Firm Performance: Evidence from Greece. *American Accounting Assosiation*.
- Zwick, T. (2006). The impact of training intensity on establishment productivity. *Industrial relations: a journal of economy and society*. 45(1), 26-46.