

THE IMPACT OF CORPORATE GOVERNANCE ON VOLUNTARY DISCLOSURE AMONG PUBLIC-LISTED COMPANIES IN MALAYSIA

Mohd Rashdan Sallehuddin

School of Business Management, College of Business
Universiti Utara Malaysia, 06010 Sintok Kedah, Malaysia.

Corresponding author's email: rashdan@uum.edu.my / rashdans@hotmail.com

Abstract

This paper examines the relationships of corporate governance characteristics and ownership with the level of voluntary disclosures in the annual reports of the 254 public-listed firms in Bursa Malaysia for the year 2010. Regression analysis was used to examine the relationship between firms' voluntary disclosure and independent variables consisting of board's size, board's independence, audit committee size and managerial ownership. The study revealed that only board's independence has a significant relationship with firms' voluntary disclosure. In contrast, the extent of corporate voluntary disclosure is insignificant with regard to board's size, audit committee size and managerial ownership. This study provides evidence for regulatory bodies such as Bursa Malaysia and Securities Commission Malaysia to look further and enhancing the corporate governance framework in order to grasp the benefits behind the enactment of corporate governance in Malaysia.

Keywords: corporate governance; voluntary disclosure; public-listed companies; Bursa Malaysia

1.0 INTRODUCTION

The corporate governance had become an important issue and was debated around the world and it is no exceptional case for Malaysian firms as well. Thus, poor corporate governance was one of the main elements that caused Asian financial crisis in 1997. Generally, most of the existing theory such as agency theory and corporate guidelines mutually agreed that having good corporate governance system will strengthen the internal control procedures of the firms and will enhance the disclosure information on the performance of the firm (Cortez & Penacerrada, 2010). It has been argued that corporate governance is the act of protecting shareholders from expropriation by managers (Mitton, 2002). Furthermore, Dennis and McConnell (2003) mentioned that investors will invest less in firms that resides in the countries with poor outsider protection and disclosure governance problems. Most of the countries around the world have had introduced the corporate governance codes and Malaysia is not an exception. The Malaysian Code on Corporate Governance was introduced in March 2000 and Bursa Malaysia (formerly known Kuala Lumpur Stock Exchange) adopted the provisions of the code in its listing rules effective January 2001. According to Akhtaruddin et al. (2009), the corporate governance codes are mechanisms that help firms attain their corporate objectives while disclosure is an essential tool for firms to report their performance and for investors to assess corporate performance.

Generally, the importance of the disclosure information in the annual reports has been highlighted as one of the important aspects of the good corporate governance. Xue (2008) and Tian and Chen (2009) argued that information disclosure is important as it is the heart of corporate governance and furthermore stated the voluntary information disclosure is essential to signal the performance of the firms, reduce the

information asymmetry, clarifying the conflict of interests between the shareholders and management and to make corporate insiders more accountable. In the annual report, there are various types of information disclosed and the main is the disclosure on voluntary financial accounting information which is widely sought especially by investors. This voluntary information from annual reports will enhance transparency, reduce opportunistic behaviors and information asymmetry and management cannot hold the important information for their own benefits (Marshall et al., 2009). Hence, the aim of this paper is to investigate the impact of corporate governance characteristics and ownership on the voluntary disclosure among public-listed company in Malaysia.

2.0 LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 Corporate governance

Corporate governance has become an important issue and has been discussed extensively in this region as a result of the Asian financial crisis in 1997/1998. Due to this catastrophe after 1998, the Malaysian government had decided to adopt corporate reforms that could enhance the quality of good corporate management practice. The financial crisis exposed a number of poor corporate governance practices in Malaysia especially lack of transparency, financial disclosure and accountability, allegations of cronyism and poor legal protection of minority investors against expropriation by corporate insiders (Claessens et al., 1999 ; Johnson & Mitton, 2003). Hence, The Finance Committee on Corporate Governance (FCCG) was established in Malaysia to improve disclosure practices, together with increased institutional shareholder activism, are essential in establishing good corporate governance (Abdul Wahab et al., 2008). Under, FCCG the two important recommendations were initiated which first was the establishment of the Malaysian Code on Corporate Governance (MCCG) as part of the Listing Requirements of the Bursa Malaysia Securities Berhad, which identifies a framework for best practices in corporate governance (Bursa Malaysia, 2013). The second was the establishment of the Minority Shareholders Watchdog Group (MSWG), which main objective is to monitor and combat abuses by insiders against the minority (MSWG, 2013). This event could be considered the results of pressure by the government that could lead to effective monitoring by institutional investors. In Malaysia, the corporate image has been tarnished by a number of corporate collapses occurred such as Renong, Perwaja Steel Bhd and Transmile Bhd due to bad corporate governance. The poor corporate governance, a low level of transparency in disclosing information by public-listed companies on Bursa Malaysia and the ineffectiveness of regulatory agencies in enforcing legislation in punishing offenders and protecting minority shareholders are all partly blamed as reasons attributing to the collapse of several Malaysian companies (Abdullah, 2001; Haniffa & Hudaib, 2006). Furthermore, in the case of Malaysia the reason of investor confidence eroding was suggested to be brought by the Malaysian's poor corporate governance standards and a lack of transparency and quality of disclosure in the financial system (Haniffa & Cooke, 2002).

However, the financial crisis has provided added momentum to corporate governance reforms in Malaysia (Wan Yusoff, 2010). It is need to maintain corporate governance standard, increase transparency and improve investor relations while the market regulatory agencies such as Securities Commission (SC) and Bursa Malaysia should press for more effective enforcement of legislation (Haniffa & Hudaib, 2006). Additionally, Liew (2006) had studied and concluded that Malaysian companies and the country in general, had strived to reform corporate governance in response to negative publicity and criticism from the international community in the aftermath of the 1997/1998 Asian crisis. It was argued that awareness of corporate governance in Malaysia only became stronger following the 1997/1998 financial crisis (Abdullah, 2006). Since then, the development of Malaysian corporate governance have progressed steadily and ongoing basis (Wan Yusoff, 2010). The success of Malaysian corporate governance reforms was reflected in a survey conducted by PricewaterhouseCoopers (PwC) and Kuala Lumpur Stock Exchange (KLSE) in 2002. The survey concluded that Malaysian corporate governance standards have

improved since the issue of the MCCG in 2000. Another recent survey, the Malaysian corporate governance score was 77.3%, which is higher than several other Asian countries and comparable to other developed countries such as Australia, Singapore and Hong Kong (McGee, 2008).

2.2 Board Size

Board size refers to the number of members serving on a firm's board. The size of the board may affect its ability to be an effective monitor and guide. Htay et al. (2012) found the larger board size will cause more voluntary disclosure and supported by Abeysekera (2010) assumes that larger board ensures communication to the investors through proper and better voluntary disclosures. Meanwhile, Schiehl et al. (2013) study shows board size and the presence of compensation committee are significantly associated to the degree of voluntary disclosure among the Brazilian firms'. Jensen (1983) highlighted the board of directors is less effective in monitoring because as it grows in size, the control over management will be decreased. Furthermore, a smaller board of directors will be more responsible for monitoring operations of a firm than a larger board of directors (Vaefas, 2000). The study by Lakhal (2003) in French showed that the size of board of directors is not significantly associated to the decision of the result of voluntary disclosure. Consistent, with the majority of empirical findings indicating a positive association between board size and firm voluntary disclosure, thus this study hypothesizes the following:

H1: There is a positive relationship between board size and firm voluntary disclosure.

2.3 Board Independence

The effectiveness of the corporate governance in reducing agency problems between management and shareholders depends significantly on the composition of the board directors. According to Adam and Mehran (2003), the increases in the proportion of outside directors on the board should increase firm performance as they are more effective monitors of managers. Chen and Jaggi (2000) suggest that inclusion of independent directors on the board will increase the compliance with disclosure requirement and the board will be more responsive to investors. Furthermore, Cheng and Courtenay (2006) examined the relationship between board monitoring and level of voluntary disclosure which showed that the firms with higher proportion of independent directors on board are associated with higher level of voluntary disclosure. It is supported by Htay et al. (2012) which showed evidence that information disclosure is element to reduce the cost of capital and provides more transparent information to investors and higher number of independents directors on board results in more voluntary financial information disclosure. Finally, the studied by Clemente and Labat (2009) revealed the significant impact of independent directors on the amount of voluntary reported information among listed Spanish firms. There only a few studies showed insignificant relationship between board independence and voluntary disclosure such as Matoussi and Chakroun (2008) which found that board independence does not lead to more voluntary disclosure among Tunisian listed firms. Moreover, Agrawal and Knoeber (1996) found out that outside representation on the board is insignificantly related to the firm value. Based on the above discussion, the following hypothesis is developed:

H2: There is a positive relationship between board independence and firm voluntary disclosure.

2.4 Audit Committee

The audit committee has an important role in corporate governance by improving the decision making of the board and enhancing the monitoring of management and accountability to shareholders (Ho & Wong, 2001). Furthermore, audit committee is a fundamental part of corporate governance with the aim of promoting high standards performance and disclosure. According to Rezaee (2002), the evolution of audit committees shows that many companies voluntarily created audit committees to provide more effective communication between the board of directors and external auditors. Furthermore, the study by Barako

(2007) showed that the presence of audit committee is the main criteria that influences the voluntary release of information. Muhamad Sori et al. (2008) found that independent audit committees would pursue good corporate governance because an independent audit committees will behave in the same way with stakeholder's interest and able to protect stakeholder's benefit. Moreover, the effective audit committees are the corner-stone of public's confidence in corporate governance and financial reporting (Hunt & Carey, 2001). However, a study by Akhtaruddin et al. (2009) showed that the total ratio of audit committee members on the board is not related to voluntary disclosures. Thus, the following hypothesis is examined:

H3: There is a positive relationship between audit committee size and firm's performance among financial institutions in Malaysia.

2.5 Managerial ownership structure

Generally, the ownership structure such as the identities of a firm's equity holders and the sizes of their position is potentially important element in corporate governance. The type of ownership can be explained by individual, institution, foreign and managerial ownership. It is common to depict ownership structure by ownership concentration and ownership balance. According to Hui and Jing (2008), ownership concentration reflects the level of concentration among several major shareholders while ownership balance degree reflects the relative strength of these major shareholders. Nasir and Abdullah (2004) suggested that outside ownership is positively associated with the degree of voluntary disclosure. According to Warfield et al. (1995), the extent of shareholding by management is positively associated with the amount of information disclosed. A study by McKinnon and Dalimunthe (1993) found a significant association between ownership structure and voluntary segment disclosure among diversified Australian companies. However, Eng and Mak (2003) indicated that lower management ownership is associated with increased disclosure where when management ownership is low, there is an increased need for monitoring and disclosure. It is supported by Huafang and Jianguo (2007) that the managerial ownership was not significant in related to the disclosure. Furthermore, a studied by Mohd Ghazali (2007) found negative association and disclosed significantly less CSR information in the public-listed companies annual reports. Therefore, from the explanations above there are existences of mix association between managerial ownership and corporate environmental disclosure level. Therefore, it is hypothesized that;

H4: There is a negative relationship between managerial ownership structure and firm voluntary disclosure.

3.0 METHODOLOGY

3.1 Research design

This study comprised 254 companies that published their annual reports during the year ended 31 December 2010. Out of 735 public-listed companies were selected only 254 companies representing the final samples. The samples selected from each industry accounted for approximately 35 % of the population from eight sector excluding companies operating in financial sector. The value of 35 % was derived after the overall sample size (n=254) was divided by the total population (n=735). Since listed companies are categorized differently according to industry type, and the number of companies for each industry was not the same, stratified random sampling was utilized in this research.

3.2 The disclosure index

The voluntary disclosure checklist was prepared to measure voluntary disclosure. It is based on checklists developed by previous researcher (Matoussi & Chakroun (2008); Clemente & Labat (2009); Eng & Mak (2003) and Ho & Wong (2001). In this study, the voluntary disclosure checklist instrument are divided into three different categories; strategic information, non-financial information and financial information. Based on Matoussi and Chakroun (2008), the disclosure score is calculated using un-weighted approach, which gives the value of one if the item exists in the annual report of the company and value of zero otherwise. After obtaining the disclosure scale for each company this amount is then divided by the total number of items in the checklist to obtain the disclosure score for each company.

Table 1 Summary of the operationalization of variables

Variables	Measurement
Voluntary Disclosure Index	<u>Disclosure score</u> Number of items in the checklist
Boards' Size	Total number of directors on the board of directors.
Boards' Independence	Proportion of non-executive directors to the total number of directors.
Audit committee Size	Number of members serving on the audit committee.
Managerial Ownership	<u>Number of shares held by managers</u> Total shares outstanding

3.3 Method of data analysis

This study uses content analysis to measure voluntary disclosure. The Statistical Package for Social Sciences (SPSS) is used to find the extensiveness of the voluntary information disclosed by the public-listed companies in their annual reports. The techniques such as descriptive statistics, correlation analysis and multiple regression are used in the analysis of different results and are discussed below.

3.4 Descriptive Statistics

The descriptive statistics will be used to study the board size, board independence, audit committee size and managerial ownership and used to describe the basic features of the data gathered from the study.

3.5 Regression Analysis

Based on the discussion of dependent and independent variables, the following regression model is developed:

$$\text{TVDX} = \beta_0 + \beta_1\text{BSZ} + \beta_2\text{BID} + \beta_3\text{ACS} + \beta_4\text{MGO} + \varepsilon \quad (1)$$

where;

TVDX = Total Voluntary Disclosure Index

$\beta_1\text{BSZ}$ = Board's Size

$\beta_2\text{BID}$ = Board's Independence

$\beta_3\text{ACS}$ = Audit Committee Size

$\beta_4\text{MGO}$ = Managerial Ownership

ε = error terms

3.6 Correlation Analysis

This analysis technique was used in hypothesis testing of the relationships among the independent variables and between independent variables and dependent variable. The significance of the correlation was tested at the 1% and 5% level in two-tail test. A Pearson correlation was used to test the correlation between the independent variables.

4.0 RESEARCH FINDINGS

4.1 Descriptive Statistics Analysis

Table 2 Summary of descriptive statistics

	N	Min.	Max.	Mean	Std. Deviation
Total Voluntary Disclosure (TVDX) Index	254	0.76	0.93	0.85	0.06
Board's Size	254	6	13	9.30	2.21
Board's Independence	254	0.40	0.83	0.61	0.13
Audit Committee Size	254	2	8	3.92	0.99
Managerial Ownership	254	0.00	0.72	0.18	0.25

Table 2 provides the descriptive statistics of the dependent and the explanatory variables. The result for the mean of level voluntary disclosure is 0.85 and indicated the sample companies disclosed about 85% of the 42 disclosure items. The voluntary disclosure index has the range from 0.76 to 0.93 revealed that there were rather small variations in voluntary disclosures practices among public-listed companies in Malaysia. The mean of boards' size is 9 directors with a maximum of 13 directors, meaning that the most of the public-listed companies had relatively high board size. According to Jensen (1983), large boards can make coordination, communication and decision making more than the small board. The mean of the board's independence is 0.40 which indicates that the number of non-executive directors sitting on the board is about average. Meanwhile, the mean value of audit committee size is 3.92 which is moderate composition and shows that most of the companies fulfill the requirements of Bursa Malaysia where an audit committee should comprise at least three directors which the majority of whom are independent. Finally, in term of managerial ownership, the maximum ownership is 72.0% and on the average only 18% of those companies controlled by managers and directors.

Table 3 The scores of different areas the voluntary disclosure items

	N	Min.	Max.	Mean	Std. Deviation
Corporate Governance	254	0.60	1.00	0.85	0.11
Information Accountability and Audit	254	0.92	1.00	0.96	0.04
Shareholders	254	0.75	1.00	0.82	0.12
Director Remuneration	254	1.00	1.00	1.00	0.00
Strategic Information on Future Prospect	254	0.33	1.00	0.53	0.28
Social Reporting	254	0.00	0.75	0.60	0.24

Table 3 indicated the descriptive statistic for voluntary disclosure items. The highest means scores is director remuneration value 100% shows most of the public-listed companies are willing to disclose the information regarding directors' remuneration. Meanwhile the second highest of the disclosure is on accountability and audit which is 96%. Meanwhile, the mean of corporate governance and shareholders are 85% and 82% respectively. Finally, the lowest scores on disclosures items are mainly on social reporting and strategic information on future prospect with 60% and 53% respectively.

Table 4 Pearson correlation matrix

		Total Voluntary Disclosure (TVD)	Board's Size (BSZ)	Board's Independence (BID)	Audit Committee Size (ACS)	Managerial Ownership (MGO)
Total Voluntary Disclosure (TVD)	Correlation Coefficient Sig.(2-tailed)	1.000	0.117* 0.005	0.546 0.103	-.013 0.972	-0.035 0.922
Board's Size (BSZ)	Correlation Coefficient Sig.(2-tailed)		1.000	-0.126 0.728	-0.777** 0.008	0.379 0.280
Board's Independence (BID)	Correlation Coefficient Sig.(2-tailed)			1.000	-0.227 0.528	-0.227 0.528
Audit Committee Size (ACS)	Correlation Coefficient Sig.(2-tailed)				1.000	-0.388 0.268
Managerial Ownership (MGO)	Correlation Coefficient Sig.(2-tailed)					1.000

*Correlation is significant at the 0.05 level (2-tailed)

**Correlation is significant at the 0.01 level (2-tailed)

As can be seen in Table 4, total voluntary disclosure (TVD) has a significant relationship with Board's Size. In contrast, the other variables Board's Independence (BID), Audit Committee Size (ACS) and Managerial Ownership (MGO) do not significantly influence the total voluntary disclosure (TVD). The positive relationship between the board size and voluntary disclosure can be explained on the ground that larger board ensures sufficient communication to investors by making more voluntary disclosures. Meanwhile, for Board's Independence (BID) the insignificant result for the board independence may be explained by the fact that directors who are not really independent were selected not on the base of quality and performance. For the Audit Committee Size (ACS), it seems that the size of the audit does not have an influenced on the firms' voluntary disclosure. It may due to since the CEO control or dominated audit committee activities thus it would be limited activities by the committee to perform effective to monitor the firms' disclosure. Finally, Managerial Ownership (MGO) do not significantly influence the company voluntary disclosure where by holding high ownership by executive director in the companies would result decreasing reporting to the public.

Table 5 The Result of regressions analysis

Variable	Unstandardized Coefficients		Standardize Coefficients		t	Sig.
	B	Std. Error	Beta			
Constant	-17.092	4.415			-3.872	.000
BSZ	.316	.390	.050		.809	.419
BID	37.390	4.770	.492		7.839	.000
ACS	.028	.033	.043		.832	.406
MGO	.000	.001	-.020		-.399	.690

5.0 CONCLUSION

Generally, the public awareness has put more pressures on the public-listed companies in Malaysia to engage in voluntary disclosure. As a result, the pressure will push the companies to report the activities and disclose to the public. Based on the descriptive statistics of the disclosure index, it can be concluded that the extent of voluntary disclosure in the annual reports of public-listed companies in Malaysia is considered low for the categories on social reporting and strategic information on future prospect. The result based on full regression models showed that only one variable was associated with total voluntary disclosure namely board's independence. The positive signs for the proportion of shares held by executive directors imply that companies with a higher proportion of shares held by executive's directors disclose more information in their annual reports. However, the board's size, audit committee size and managerial ownerships were not statistically significant in explaining the level of firms' disclosure. The outcome from this study could be explore more empirically on the importance of corporate governance structures among public-listed companies in Malaysia. Future research on voluntary disclosure should seek to take into account other forms of disclosures such as stock market announcement, interim report and press rather than depends to annual reports. The contradicting results in the current study suggest the need for further conceptual thinking about governance structure and firms' disclosure in developing countries particularly Malaysia.

References

- Abdullah, S. N. (2006). Board composition, audit committee and timeline of corporate financial reports in Malaysia. *Journal of Corporate Ownership and Control*, 4(2), 33-45.
- Abdullah, S. N. (2001). Characteristics of board of directors and audit committees among Malaysian listed companies in the period leading to 1997 financial crisis. *Accountant National*, October, 18-21.
- Abdul Wahab, E. A., How, J., & Verhoeven, P. (2008). Corporate governance and institutional investors: Evidence from Malaysia. *Asian Academy of Management Journal of Accounting and Finance*, 4 (2), 67-90.
- Abeysekera, I. (2010). The influence of board size on intellectual capital disclosure by Kenyan listed firms. *Journal of Intellectual Capital*, 11(4), 504-518.
- Adams, R. & Mehran, H. (2003). Is Corporate Governance Different for Bank Holding Companies?, *Working Paper*, Federal Reserve Bank of New York.
- Agrawal, A., & Knoeber, C. R. (1996). Firm performance and mechanisms to control agency problems

- between managers and shareholders. *Journal of financial and quantitative analysis*, 31(03), 377-397.
- Akhtaruddin, M., Hossain, M. A., Hossain, M., & Yao, L. (2009). Corporate governance and voluntary disclosure in corporate annual reports of Malaysian listed firms. *Journal of Applied Management Accounting Research*, 7(1), 1-19.
- Barako, D. G. (2007). Determinants of voluntary disclosures in Kenyan companies annual reports. *African Journal of Business Management*, 1(5), 113-128.
- Bursa Malaysia. (n.d.). Retrieved December 9, 2013, from Corporate Governance: <http://www.klse.com.my>
- Chen, C. J., & Jaggi, B. (2001). Association between independent non-executive directors, family control and financial disclosures in Hong Kong. *Journal of Accounting and Public Policy*, 19(4), 285-310.
- Chen, E. C. M., & Courtenay, S. M. (2006). Board composition, regulatory regime and voluntary disclosure. *The International Journal of Accounting*, 41(3), 262-289.
- Claessens, S., Djankovic, S., Fan, J. P., & Lang, L. H. (1999). Expropriation of minority shareholders: Evidence from East Asia. *Policy Research Working Paper Series*. Washington: The World Bank.
- Clemente, A. G., & Labat, B. N. (2009). Corporate governance mechanisms and voluntary disclosure. The role of independent directors in the board of listed Spanish firms. *International Journal of Accounting Information Systems*, 5, 5-24.
- Cortez, M. A. A., & Penacerrada, N. T. (2010). Is it beneficial to incur environmental cost? A case study of Toyota Motors Corporation, Japan. *Journal of International Business Research*, 9, 113.
- Denis, D. K., & McConnell, J. J. (2003). International corporate governance. *Journal of financial and quantitative analysis*, 38(01), 1-36.
- Eng, L. L., & Mak, Y. T. (2003). Corporate governance and voluntary disclosure. *Journal of Accounting and Public Policy*, 22, 325-345.
- Haniffa, R. M., & Hudaib, M. A. (2006). Corporate governance structure and performance of Malaysian listed companies. *Journal of Business Finance and Accounting*, 33(7), 1034-1062.
- Haniffa, R.M. and T.E. Cooke (2002), 'Culture, Corporate Governance and Disclosure in Malaysian Corporations', *Abacus*, 38, 317-349.
- Ho, S. S. M., & Wong, K. S. (2001). A study of the relationship between corporate governance structures and the extent of voluntary disclosure. *Journal of International Accounting, Auditing and Taxation*, 10, 139-156.
- Htay, S. N. N., Rashid, H. M. A., Adnan, M. A., & Meera, A. K. M. (2012). Impact of corporate governance on social and environmental information disclosure of Malaysian listed banks: panel data analysis. *Asian Journal of Finance & Accounting*, 4(1), 1-24.
- Hui, H., & Jin, Z. (2008). Relationship between corporate governance and financial distress: An empirical study of distressed companies in China. *International Journal of Management*, 25(4), 654-664.
- Hunt, J., & Carey, A. (2001). Audit committees: effective against risk or just overloaded?. *Balance sheet*, 9(4), 37-39.
- Huafang, X., & Jianguo, Y. (2007). Ownership structure, board composition and corporate voluntary disclosure: Evidence from listed companies in China. *Managerial Auditing Journal*, 22(6), 604-619.
- Jensen, M.C. (1983). Separation of ownership and control. *Journal of Law and Economics*. 26(2). 301-325.
- Johnson, S., & Mitton, T. (2003). Cronyism and capital controls: Evidence from Malaysia. *Journal of Financial Economics*, 67, 351-382.
- Lakhal, F. (2003, December). Earning voluntary disclosures and corporate governance: Evidence from France. In *EFMA 2004 Basel Meetings Paper*.
- Liew, P. K. (2006). The perceived roles of corporate governance reforms in Malaysia: The view of corporate practitioners. *University of Essex*, 06-02, 25.

- Marshall, S., Brown, D., & Plumlee, M. (2009, August). The impact of voluntary environmental disclosure quality on firm value. *Academy of Management Proceedings*, 2009 (1) pp. 1-6. Academy of Management.
- Matoussi, H., & Chakroun, R. (2008). Board composition, ownership structure and voluntary disclosure in annual reports: Evidence from Tunisia. *Laboratoire Interdisciplinaire de Gestion Universite-Entreprise (LIGUE)*, 1-28.
- McGee, R. W. (2008). Corporate governance in Asia. Eight case studies. *Working paper School of Accounting*, Florida International University, 38.
- McKinnon, J. L., & Dalimunthe, L. (1993). Voluntary disclosure of segment information by Australian diversified companies. *Accounting and Finance*, 33(1), 33-50.
- Meek, G. K., Roberts, C. B., & Gray, S. J. (1995). Factors influencing voluntary annual report disclosures by US, UK and continental European multinational corporations. *Journal of international business studies*, 555-572.
- Minority Shareholder Watchdog Group. (n.d.). Retrieved December 9, 2013, from MSWG: <http://www.mswg.org.my>
- Mitton, T. (2002). A cross-firm analysis of the impact of corporate governance on the East Asian financial crisis. *Journal of Financial Economics*, 64(2), 215-241.
- Mohd Ghazali, N. A. (2007). Ownership structure and corporate social responsibility disclosure: some Malaysian evidence. *Corporate Governance*, 7(3), 251-266.
- Muhamad Sori, Z., & Mohamad, S. (2008). Governance structure and external audit price: evidence from an emerging economy. *International Journal of Economics and Management*, 2(2), 259-279.
- Nasir, N. & Abdullah, S. N. (2004). Voluntary disclosure and corporate governance among financially distressed firms in Malaysia. *Financial Reporting, Regulation and Governance*, 3(1).
- Rezaee, Z. (2002). *Financial statement fraud: prevention and detection*. John Wiley & Sons.
- Schiehl, E., Terra, P. R. S., & Victor, F. G. (2013). Determinants of voluntary executive stock option disclosure in Brazil. *Journal of Management & Governance*, 17(2), 331-361.
- Tian, Y., & Chen, J. (2009). Concept of voluntary information disclosure and a review of relevant studies. *International Journal of Economics and Finance*, 1(2), 55.
- Wan-Yusoff, W. F. (2010). Characteristics of boards of directors and board effectiveness: A study of Malaysian public listed companies. Unpublished Phd Thesis. Victoria University. Australia.
- Warfield, T. D., Wild, J. J., & Wild, K. L. (1995). Managerial ownership, accounting choices and informativeness of earnings. *Journal of Accounting and Economics*, 20(1), 61-91.
- Vafeas, N. (2000). Board structure and the informativeness of earnings. *Journal of Accounting and Public Policy*, 19(2), 139-160.
- Xue, W. (2008). Voluntary disclosure behavior and strategy in Chinese listed companies. *Journal of Modern Accounting and Auditing*, 4(4), 36.