VOLUNTARY CORPORATE DISCLOSURE AND CORPORATE GOVERNANCE ATTRIBUTES: A MALAYSIAN PERSPECTIVE

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2004

Perpustakaan Universiti Malaya
AS11703856

Voluntary Corporate Disclosure and Corporate Governance Attributes: A Malaysian Perspective

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May 2004

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ACKNOWLEDGEMENT

I would like to express my sincere appreciation and heartfelt thanks to Dr. Zakiah Saleh for her invaluable advice and guidance as well as patience in tolerating with my erratic timing.

Most of all this paper is dedicated to my husband, Surash, for giving me the courage and support in making that bold move to step into the academic world after a 14 year absence spent in the working world. To my loving children, Priyadarshni and Sonea, who may have suffered to a certain degree when I decided to go back to school.

A final acknowledgement must be made to my family, who has always been there for me whenever I needed them.

Last but not least to all my friends who have helped me during the course of my study in University Malaya.

ABSTRACT

Companies are under tremendous pressure to disclose more now than ever before with the emergence of corporate governance. However corporate governance is much more than mere adherence to regulations.

This study examines empirically the extent of voluntary disclosure in the 1998 and 2002 annual reports of 30 public listed companies in Malaysia. This paper also attempts to understand determinants of voluntary disclosure in order to encourage companies to disclose more. Thus the impact of three corporate governance attributes such as independent non-executive directors, the existence of dominant personalities (role duality) and the percentage of family on board was studied.

Using an unweighted disclosure index for measuring the extent of voluntary disclosure, the results indicate that the percentage of family members on board is significantly and negatively related to the extent of voluntary disclosure.

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