REPUBLIC OF TURKEY
ISTANBUL GELISIM UNIVERSITY
INSTITUTE OF GRADUATE STUDIES

Department of Business Administration

RELATIONSHIP BETWEEN CORPORATE GOVERNANCE AND PROFITABILITY: AN EMPIRICAL ANALYSIS FROM AN IRAQI AND TURKISH BANK

Master Thesis

BISHREE HASAN EESEE ALSHABEEB

Supervisor
Asst. Prof. Dr. Hüseyin ÖCAL

Istanbul – 2022

THESIS INTRODUCTION FORM

Name and Surname	**:** Bishree Hasan Eesee ALSHABEEB
Language of the Thesis	**:** English
Name of the Thesis	**:** Relationship Between Corporate Governance and Profitability : An Emperical Analysis From an Iraqi and Turkish Bank
Institute	**:** Istanbul Gelisim University Institute of Graduate Studies
Department	**:** Department of Business Administration
Thesis Type	**:** Master
Date of the Thesis	**:** 28.02.2022
Page Number	**:** 67
Thesis Supervisors	**:** Asst. Prof. Dr. Hüseyin ÖCAL
Index Terms	**:** Financial Performance, Ownership Structure, Corporate Governance
Turkish Anstract	**:** Bu çalışmanın temel amacı, hem Türkiye'de hem de Irak'ta bankacılık sektöründe yönetim kurulu profili gibi kurumsal yönetim ile sahiplik yapısı ve finansal performans arasındaki ilişkiyi araştırmak ve aralarındaki farklılıkların olup olmadığını yapılandırmak ve bu hedefe ulaşmak için sahip olduğumuz bu hedefe ulaşmaktır.
Distribution List	**:** 1. To the Institute of Graduate Studies of Istanbul Gelisim University 2. To the National Thesis Center of YÖK (Higher Education Council)

Bishree Hasan Eesee ALSHABEEB

REPUBLIC OF TURKEY

ISTANBUL GELISIM UNIVERSITY
INSTITUTE OF GRADUATE STUDIES

Department of Business Administration

RELATIONSHIP BETWEEN CORPORATE GOVERNANCE AND PROFITABILITY: AN EMPERICAL ANALYSIS FROM AN IRAQI AND TURKISH BANK

Master Thesis

BISHREE HASAN EESEE ALSHABEEB

Supervisor
Asst. Prof. Dr. Hüseyin ÖCAL

Istanbul – 2022

DECLARATION

I hereby declare that in the preparation of this thesis, scientific ethical rules have been followed, the works of other persons have been referenced in accordance with the scientific norms if used, there is no falsification in the used data, any part of the thesis has not been submitted to this university or any other university as another thesis.

Bishree Hasan Eesee ALSHABEEB
…/…/2022

TO ISTANBUL GELISIM UNIVERSITY
THE DIRECTORATE OF SOCIAL SCIENCES INSTITUTE

The thesis study of Bishree ALSHABEEB titled as Relationship Between Corporate Governance and Profitability: An Emperical Analysis From an Iraqi and Turkish Bank has been accepted as MASTER THESIS in the department of Department of Business Administration by out jury.

	Signature
Director	*Asst. Prof. Dr. Hüseyin ÖCAL* (Supervisor)
	Signature
Member	*Assoc. Prof. Dr. Kemal ERKİŞİ*
	Signature
Member	*Asst. Prof. Dr. Hakan YILDIRIM*

APPROVAL

I approve that the signatures above signatures belong to the aforementioned faculty members.

... /... / 20..

Signature
Prof. Dr. İzzet GÜMÜŞ
Director of the Institute

SUMMARY

The main goal of this study was to investigate the relationship between corporate governance like board profile and ownership structure and financial performance in the banking sector in both of Turkey and Iraq and to configure out if there are differences between them and to achieve this goal we have chosen the commercial bank from Iraq and the AK bank from Turkey The independent factor corporate governance like board profile and ownership structure variables were board profile, information disclosure, and ownership structure , while the dependent variables financial performance was measured in terms of profitability, repayment capacity, solvency, liquidity and financial efficiency.

Regression analysis was done to test the relationship between the corporate governance like board profile and ownership structure and financial performance. The findings showed that board profile as a factor of corporate governance like board profile and ownership structure does not have impact on the financial performance in the commercial bank of Iraq. in the contrary the results in the AK bank in turkey supported the literature that the board profile positively influence the financial performance.

The results also showed that information disclosure, and ownership structure as a variables of corporate governance like board profile and ownership structure factor positively influence the financial performance in both banks (commercial bank in Iraq and AK bank in Turkey) positively and significantly affects financial performance.

Key Words: Financial Performance, Ownership Structure, Corporate Governance

ÖZET

Bu çalışmanın temel amacı, hem Türkiye'de hem de Irak'ta bankacılık sektöründe yönetim kurulu profili gibi kurumsal yönetim ile sahiplik yapısı ve finansal performans arasındaki ilişkiyi araştırmak ve aralarındaki farklılıkların olup olmadığını yapılandırmak ve bu hedefe ulaşmak için sahip olduğumuz bu hedefe ulaşmaktır. Irak'tan ticari banka ve Türkiye'den AK banka seçildi Yönetim kurulu profili ve ortaklık yapısı gibi bağımsız faktör kurumsal yönetim değişkenleri yönetim kurulu profili, bilgilendirme ve ortaklık yapısı iken, bağımlı değişkenler finansal performans karlılık, geri ödeme kapasitesi açısından ölçülmüştür. , ödeme gücü, likidite ve finansal verimlilik.

Yönetim kurulu profili gibi kurumsal yönetim ile sahiplik yapısı ve finansal performans arasındaki ilişkiyi test etmek için regresyon analizi yapılmıştır. Bulgular, yönetim kurulu profili ve sahiplik yapısı gibi bir kurumsal yönetim faktörü olarak yönetim kurulu profilinin, Irak ticari bankasındaki finansal performans üzerinde bir etkisi olmadığını göstermiştir. Aksine Türkiye'de AK Bank'ta elde edilen sonuçlar yönetim kurulu profilinin finansal performansı olumlu yönde etkilediğine dair literatürü desteklemiştir.

Sonuçlar ayrıca, yönetim kurulu profili ve sahiplik yapısı faktörü gibi kurumsal yönetimin bir değişkeni olarak bilgi ifşası ve sahiplik yapısının her iki bankada (Irak'taki ticari banka ve Türkiye'deki AK bankası) finansal performansı olumlu yönde etkilediğini göstermiştir.

Anahtar Kelimeler: Finansal Performans, Ortaklık Yapısı, Kurumsal Yönetim

TABLE OF CONTENTS

SUMMARY i
ÖZET ii
TABLE OF CONTENTS iii
LIST OF TABLES vi
LIST OF FIGURES viii
INTRODUCTION 1

CHAPTER ONE
LITERATURE REVIEW

1.1. Corporate Governance Definition And Concept 7
1.2. The Scope of Corporate Governance 9
1.3. Corporate Governance Structure 13
1.4. Corporate Governance Mechanism 15
1.5. Theories of Corporate Governance 19
1.5.1. Agency Theory 19
1.5.2. Stewardship theory 21
1.5.3. Stakeholder theory 22
1.5.4. Resource dependence theory 23

CHAPTER TWO
FINANCIAL FINANCIAL PERFORMANCE

2.1. Financial performance Concept 24
2.2. Measuring Organization Financial performance 25
2.3. The Relation Between Corporate Governance and Financial performance .. 26
2.3.1. Review of empirical studies 29
2.3.2. Bank profitability indicators 33
2.3.2.1. Board size 33
2.3.2.2. Board composition 35
2.3.2.3. Chief executive officer duality 38
2.3.2.4. Leverage 42
2.3.2.5. Board size and financial performance 44
2.3.2.6. Leverage and financial performance 46

CHAPTER THREE
METHODOLOGY

3.1. Study Design 47

3.2. Study Strategy 47

3.3. Sample and population 48

3.4. Validity of Instruments 50

3.4. Results of the Study 50

CONCLUSION AND RECOMMENDATIONS 58

REFERENCES 60

LIST OF TABLES

Table 1. Demographic analyze 50
Table 2. Mean , and Skewness analyzes 53
Table 3. Factor and reliability analyzes 54
Table 4. Mean , Std. Deviation and Correlations between factors 55
Table 5. Regression analyze results...56

LIST OF FIGURES

Figure 1. Conceptual framework of the study 33

INTRODUCTION

Corporate governance is the mechanism and system that guides and manages the Institution's financial activities to improve prosperity and company financial reporting, with the overall goal of act recognizes advantage for shareholders while also bringing other partners' interests into consideration. Mechanism through which corporations are managed and regulated (such as board size, boardroom profile, and information leakage) is known as corporate governance. It is a set of links between institution boards, owners, and other stakeholders that deals with the power of directors and controlling shareholders over minority interests, employment savement, money suppliers' privileges, and the rights of other stakeholders (Muriithi, 2009). A common definition of corporate governance is an organizational structure that comprises rules, procedures, and processes, and people who guide and regulate management practices using sound business judgment, objectivity, transparency, as well as truthfulness, in meeting the demands of stockholders. The manner in which financial institutions to firms ensure that they may earn a profit on their investment have also been defined as corporate governance. (Shleifer and Vishny, 1997). It specifically addresses issues of difference of interest, develops strategies to deter organizational misconduct, and aligns stakeholders' priorities through reward mechanisms. Corporate governance is regarded as a legal obligation and a code of conduct for businesses (Martin-Reyna, J.M. S., Duran-Encalada, J.A. ,2015)

The primary goal of corporate governance (such as board size , board profile and information disclosure) is to restrict the techniques of influencing financial records and statements published by different institutions, as well as to improve financial efficiency with them in a manner that benefits all parties involved with the entity, whether internal or external, without favoritism towards one party at the detriment of another (Imade OG ,2019).

In various parts of the world, various Corporate Governance systems have been developed and implemented. According to Mulili and Wong (2010), civil law countries (such as Finland , and the Netherlands) developed corporate structures that prioritized stakeholders. Countries with a common law heritage, such as Australia, the United Kingdom, the United States of America , Canada, and New Zealand, established systems that relied on shareholder returns or interests (Knut Michelberger ,2020).

Because of its significant contribution to a country's economic growth and progress, corporate governance has become a hot subject. Many high-performing businesses fail as a result of a lack of sound corporate governance (such as board size , board profile and information disclosure). The existing literature typically backs up the idea that effective corporate governance improves organizational financial performance. The success of a country's businesses determines its economic well-being. As a result, developed countries' poor levels of growth can be due to a lack of sound corporate governance practices. As a result, strong corporate governance is emphasized in the current literature as the most critical issue confronting the growth of countries like Iraq.

In addition, the rising levels of volatility necessitated serious consideration of how to boost the financial performance of economic institutions. And describing the financial performance's strengths and weaknesses; this drew attention to the principle of governance and its effect on the economic institution's financial performance ; where governance seeks to encourage investment and increase profits while both safeguarding and ensuring the interests of shareholders and other stakeholders. Different countries started to recognize the positive impact that government may have on an economic institution's financial results. The research problem aims to finding the relationship between corporate governance and its impact on the financial performance of companies in both Iraq and Turkey, and a comparison between them.Increased attention to corporate governance with the increasing need for investors and other parties in the Iraqi market for securities of the information credible and confidence and greater transparency in the disclosure as well as the systems of governance lead to raise the value of the institution and that by reducing the cost of capital and reduce the cost of financing, as well as that there are indications modern measurement can be adopted by the Iraqi market for securities for the purpose of evaluating the financial performance of listed companies and then raise their value (Martin-Reyna, S., Duran-Encalada, J. ,2015).

CHAPTER ONE

LITERATURE REVIEW

1.1. Corporate Governance Definition And Concept

Corporate Governance (such as board size, board profile and information disclosure) is the structure through which commercial companies are managed and governed, according to the Organization for Economic Cooperation and Development (2005). The corporate governance structure lays out the rights and obligations of the corporation's primary stakeholders/participants, such as the board of directors, management, shareholders, and even additional stakeholders, as well as the rules and methods for making corporate decisions. It also offers the framework for setting the bank's goals, and the methods for accomplishing those goals and control ing financial success. Corporate governance is defined by the Securities and Exchange of India–SEBI Panel (2003) as management's acknowledgement of shareholders' inalienable rights as actual owners of the firm and with their own responsibilities as trustees on their behalf. When it comes to systemic approaches, it's all about preserving ideals, conducting business properly, and separating personal and company funds. Corporate governance, as according Ammar and Abid (2013), is a process in which management takes the necessary steps to save the interests of stakeholders. It also acts as a governing structure for rules, connections, systems, and procedures (Osundina et al, 2016).

Organizations that embrace corporate governance (such as board size , board profile and information disclosure), which is all about adhering to set standards, rules, and laws, may attain stability and excellent management. Sound corporate governance increases, rather than decreases, the efficiency and value of a company on the stock market, boosting the confidence of all stakeholders. Accountability, transparency, efficient and effective use of limited resources, competitive and efficient managed companies, and investor attraction and retention are all enhanced by good corporate governance (Arinze, 2013).

Employee and consumer happiness is a result of efficient and successful company governance. It assures the accuracy of financial reporting and the optimal use of resources, enhancing the company's reputation among internal and external stakeholders. Corporate governance, according to Dar and Niazi (2011), lowers transaction costs, capital costs, and financial crisis susceptibility. It leads to an increase in shareholder value, the survival of businesses through difficult times, the development of the capital market, and the strengthening of the global economy.

Abor and Biekpe (2007) describe corporate governance (including board size, board profile, and information disclosure) as a process designed to regulate and guide the operations of businesses in order to increase corporate responsibility and prosperity while maximizing shareholder value. Corporate governance, according to Akinpelu and Ogunbi (2013), would create frameworks where commercial enterprise objectives are determined and how they are fulfilled, as well as financial performance control ing. According to Sharma (2015), corporate governance should guarantee that the frameworks established in an organization are legal, and that all stakeholders are aware of their rights and freedoms, and that they are able to carry out their responsibilities legally (Osundina, J. A., and Chukwuma, J. U.,2016).

1.2.The scope of Corporate Governance

Corporate governance is the system that directs and governs corporations. The governance structure provides the rights and duties of various stakeholders (such as the board of directors, management, shareholders, money suppliers, auditors, regulators, and others) besides, the rules and methods for following the corporate procedures. Governance is the process through which organizations set and achieve their aims while taking into account the social, regulatory, and market context. A method for keeping track of an institution's actions, policies, and decisions is known as governance, according to Gomper (2003). The alignment of interests among stakeholders is a key component of governance.

Since the high-profile bankruptcies of a number of significant organizations in 2001–2002, the majority of which included accounting fraud, there has been increasing interest in modern corporations' corporate governance processes, especially when it comes to responsibility. Various business crises have sparked the public's and politicians' interest in corporate governance regulation. In the United States, Enron Corporation and MCI Inc. are two instances. Their demise is connected to the United States government's implementation of the Sarbanes-Oxley Act in 2002, which aimed to restore public faith in corporate governance. Similar difficulties in Australia were connected to the passage of the CLERP 9 reforms. Similar failures in other countries prompted more regulatory attention (Osundina et al, 2016).

Corporate governance is a collection of regulations that impact how a corporation operates by defining the interaction between stakeholders, management, and the board of directors. Corporate governance, Deals with the challenges that come from the separation of ownership and control at its most fundamental level. Corporate governance, on the other hand, requires more than merely keeping a clear channel of communication open between shareholders and executives. Strong governance principles make it simpler to get a loan and support economic growth. Corporate governance involves a wide variety of social and institutional concerns (such as board size, board profile, and information transparency). The focus of well-designed governance principles should be on fairness, openness, accountability, and responsibility to both shareholders and stakeholders (Arora A, Bodhanwala S ,2018).

Good corporate governance (like, board profile and information disclosure) guarantees a fair and transparent business environment, as well as the ability to hold organizations accountable for their activities. Poor corporate governance, on the other hand, Waste, mismanagement, and corruption are the results. While corporate governance is most generally linked with contemporary joint stock companies, it is equally critical in state-owned enterprises, cooperatives, and family businesses. Strong governance, regardless of the type of organization, is the only way to assure long-term success. Organizations with good corporate governance may maintain high-quality services while making changes. Because of weak governance frameworks, organizational processes and procedures fail to recognize or foresee catastrophic service and financial failures.

The corporate governance debate has mostly centered on the power of the Board of Directors against the discretion of top leadership in decision-making procedures. The standard approach to corporate governance has widely ignored the unique influence that institutional owners have on board of directors, and by extension, upper executives, to act or make specific choices. As a result, governance research have failed to adequately recognise and address the challenges that corporate governance procedures provide. Perhaps the most fundamental problem with corporate governance is this. A range of factors influence owner preferences and investment decisions, including the degree to which they are prepared to take risks (Osundina, J., and Chukwuma, J.,2016).

If the institution's proprietors have financial ties to it, save ing their interest would take precedence, even if it meant lower investment income and overall profitability. In this respect, Pedersen (1997) argue that banks that act as both lenders and shareholders would not encourage big-risk, elevated projects since doing so would jeopardize loan repayment. The government may also serve as both a regulator and an owner. Each of these proprietors Empirical Evidence from Kenya 101 on Organization Ownership, Board, Managerial Discretion, and Financial performance The pursuit of shareholder value and other purposes will be a tradeoff for (stakeholders) when it comes to corporate strategy (Hill and Jones, 2005). This article argues that the Board of Directors is not a panacea for all of the modern corporation's governance issues.

To acquire a better awareness of company governance issues, businesses must study their investors' risk-taking inclinations, as these have a direct impact on the kind of investment choices that leadership likes. The true names of the owners, as well as the percentages of shares owned by these owners, are explored in terms of the group's ownership model (mean concentration). In addition, executive discretion is essential for invention and originality, which are both crucial to an organization's economic. External issues of corporate governance also play a part in successful corporate governance (such as board size , board profile and information disclosure).A positive external environment also involves adequate government or other regulatory control, such as Central Banks and Deferred Stock Exchange Markets, as well as takeover procedures and rules and regulations that save shareholders and other stakeholders, such as money suppliers (Wintoki, M. B ,2012).

Investors may severely discount a business's shares if it is underperforming, and in extreme instances, the company may be chosen to be taken over and reformed to deliver getting adequate for its owners, thanks to the depth and breadth of the capital market system. Accounting standards ensure that financial data is accurate and timely, and investors depend on them to keep management and board of directors accountable.

1.3.Corporate Governance Structure

A successful business is accountable for addressing the expectations of all stakeholders who are affected or affected by the bank's operations. Internal and external stakeholders (board of directors, executive managers, and employees) have been identified (Dar, et al., 2011). (shareholders, debt holders, trade money suppliers, suppliers, customers, government and communities). As one of the stakeholders, the shareholders, as the institution's proprietors and major donors, play a critical role in the institution. Because they borrow money from debtors, they are money providers. The company pays them preferred interest on the principal at regular intervals and for a certain period of time; the principal will be repaid or converted as needed. Shareholders have specific rights that debt holders do not, such as the ability to make key choices about fundamental business reforms., engagement in the election and removal of selected executives in charge of the organization's management and control. Nonetheless, debt holders get interest payments first, followed by shareholders.

A corporation's board of directors (BPD) directs and controls the institution's management and is accountable to its shareholders. The board is in charge of formulating and reviewing the institution's policies, plans, objectives, yearly budget, control ing, and execution for corporate financial performance, as well as guaranteeing proper governance (Dar et al, 2011). They must report on their stewardship to the shareholders. The board of directors is made up of executives (business workers) and non-executive directors, with a non-executive director serving as chairman.

Sandy, Rimon, and Aiman (2014). A non-executive director, to put it another way, is someone who is not involved in the day-to-day operation of the organization but is active in decision-making process and policy development. The shareholders' representatives on the board are nonexecutive members. The number of directors on the board, including executive and non-executive directors, is referred to as board size. The number of directors varies depending on the nation and culture (Zabri, Ahmad & Wah, 2016). As a result, there is no such thing as a conventional board size. Some organizations choose a small board size because they believe that control ing will result in more efficient, better, and faster decision-making, while others prefer a bigger board size because they believe it would result in more qualitative conclusions. According to the findings of Ahmed and Hamdan (2015), a board of twelve people would be beneficial. The board size should be 9 people, according to Xavier, Shukla, Oduor, and Mbabazize (2015), but Effiok, and Usoro (2012) found a total of 12 people on the board, although this was not noteworthy. According to Odiwo, and Kifordu (2013), increasing the size of the board will improve financial performance. The ratio of executive directors to nonexecutives on the board is known as board composition (Arora A, Bodhanwala S ,2018).

The dispute has been over whether the board should have more or fewer chief executive officers. Anthony (2007) advocated for a greater number of executives on the board, stating that fifty seven percent of executive directors should be on the board, which was backed up by Xavier, et al (2015), who stated that 68 percent of executive directors should be on the board. Effiok, et al. (2012) found an insignificant finding, which may be understood to suggest that the number of executives or non-executives was immaterial, and this is consistent with Rimon, and Sandy (2014), who found an insignificant but negatively linked association (Wintoki, M. B ,2012).

According to the Nigerian Companies in 1990, an audit committee shall consist of six members: three members representing shareholders and three members representing management/directors. According to researcher Thurasingam (2013), the number of directors on the committee varies from 2 to 5, however this has no impact on financial performance. Osundina et al (2016) reported a favorable but negligible connection. According to Kajola's (2008) empirical investigations, the audit committee has a negligible impact on financial performance. According to the findings of Narwal (2015), audit committee members have a considerable negative influence on profit making ability (Yasser, Q.R., 2015),.

The administration, which is in charge of a bank's day-to-day operations, is appointed by the board of directors. Leadership and its members are employees of the organization, with one of them serving as the ceo of the company and as the agent of the board of directors (CEO). To coordinate the organization's daily activities, management created the operating technique and directions in the form of an Instruction Manual, and hence the External Control measures.

1.4. Corporate Governance Mechanism

According to Liem (2016), the corporate governance mechanism**’s** purpose is to defend the interests of the principals through established financial performance control ing mechanisms, decrease inefficiencies that develop as a result of unethical acts, and aid in the elimination of the problem of asymmetric knowledge. Corporate governance mechanism include keeping track of a institution's activities, policies, practices, and choices, as well as the actions, Its agents' policies, procedures, and actions, as well as those of impacted stakeholders According to the Basel Committee on Banking Supervision (2015), there are interactions between shareholders, the Board members, management, and even other stakeholders that create a framework through which the institution's aims are realized and financial success is evaluated (Arora A, Bodhanwala S ,2018).

At the Annual General Meeting (AGM), shareholders elect particular persons to lead them through day operations in order to save their interests against management's self-interest.

Because the owners are the proprietors and the members of the board are the agents in an agency, the executive board must work in the shareholders' best interests rather than its own. As a result, they function as Trustees in agency partnerships, having given control of the agency to administration, who operate and govern the institution on a day-to-day basis. Although the board of directors oversees and manages management's operations, the shareholders, as stated by Famogbiele (2012) as save or of the guardian or control of the controllers, should also supervise and manage them. Shareholders have the authority to exercise management and direction over the company's members, guaranteeing efficient and successful management. The nomination (election) and firing of directors and executives, and the approval or rejection of important corporate reforms, are examples of such rights. On the other hand, the majority of shareholders are unaware of these privileges, rendering the executive committee superior and more powerful, especially when the CEO also serves as chairman and chief executive.

The dual role of the executive chairman (or vice chairman) effectively turns the substantive chairman into a puppet, stamping every move taken by the 'powerful' chief executive. This may always result in the 'agents' siphoning off cash from shareholders, as it did in Nigeria during the economic flash floods of 2008/2009, eventually leading to the collapse of corporations. The principles of corporate governance, according to Famogbiele (2012), are built on the tripod principles of accountability, openness, and investor save ion. As a result, shareholders must use this method to assert their rights. Because it continues to serve as a link between management and owners, as well as other stakeholders and the outside world, the Executive board, which reflects the shareholders ' interests oversees the activities of the organizations and therefore should be independent, particularly of management.

Its members should be competent not just in the organization's line of business, but also in other areas of business, such as accounting, business law, and/or finance (Famogbiele ,2012). The board's size and content are additional important aspects that might influence its effectiveness. A small board will facilitate quick decision-making process and reduce bureaucracy. In order to have effective board oversight, limit the severity of agency problems, and effectively oversee management, the board of directors should include more non-executive members. To add to this, Jensen (1999), quoted in Babatunde and Olaniran (2009), stated that executive directors would not be able to adequately self-control the chief executive officer 's financial performance since their careers are intertwined with the current chief executive officer's. Even in the election of the chief executive officer , famogbiele (2012) underlined that the chief executive officer should not be a square peg in a round hole, i.e., the chief executive officer should be an expert in their particular field of business and not a one-size-fits-all type.

The Audit Committee is a committee of auditors who report to the Board of Directors after being appointed by the Management board and being authorized by the shareholders. In Nigeria, it is a statutory corporation with time investors and three management/directors. They must present the board with a financial statement that is reputable, trustworthy, and fully exposes all important facts. The external auditors' reports are overseen and reviewed by this committee, which also appoints and dismisses them (Muchtar, D., and Ahmar, A.S. 2018).

The Audit Committee should be accountable to the shareholders rather than the board of directors , in order to aid the shareholders in expressing their rights even over the board of directors ; in this regard, the Audit Committee should be appointed directly by the shareholders rather than the board of directors , as is the case with the board of directors. Setting precise objectives, impacting business strategy and plans, building an internal control and evaluating it on a regular basis, and executing the risk and internal control rules of the board of directors are all examples of management functions. They are also able to advise and counseling the board members, control ing and supervising the institution's day-to-day operations, employment potential and overcoming obstacles, and trying to establish and control ing relations with stakeholders, all of which have an impact on the company's financial performance (Famogbiele, 2012).

Internal audit is intended to assist management in controlling and improving risk management and control operations, as well as working closely with the audit firm to widen the scope of the audit. Internal audit will assist managers by providing objective and independent validation of the effectiveness of the organization's operations. This might explain why Andrew (2015) considers solid corporate governance, as well as excellent risk management and compliance, to be critical components of the economic pillar, one of three elements of corporate sustainability (the others being ecological and social) (Muchtar, D., and Ahmar, A.S. 2018).

The methods, strategies, and measures taken for an organization's operational unit to improve efficiency, inspire acceptance of administrative processes and policies, check line validity of administrative data, and preserve assets are referred to as the internal control system. In summary, the ultimate purpose of a system of internal control is to offer reasonable assurance to management at all levels that their objectives will be met by exerting absolute control over activities and risk management. Internal Control is defined by the Institute of Chartered Accountants of England and Wales as "the entire system of financial and other controls established by management in order to carry on the institution's business in an orderly manner, safeguard its assets, and ensure, as far as possible, the accuracy and reliability of its records." It is viewed as a process influenced by an organization's structure, work, and authority flows in the accounting and auditing professions. IC is defined by Ogunbunka (2002) as an organization's plans and coordinated processes and measures adopted to safeguard its assets, maintain the accuracy and reliability of the financial data, promote operating effectiveness, and encourage adherence to established rules and procedures. It is the strategy and structure used by management to manage the risks inherent in a company's activities, such as operational, economic, credit, legal, legislative, and compliance risks, among many others, under the supervision and guidance of a board of directors, (Liem, M. C, 2016).

Almost every organization has a two-tiered internal control, with the first tier (also known as Line Control) and the second tier (also known as Quality Control) (also known as Internal Audit). While the line control is an internal control in and of itself, as it runs through the obligations of every component of top operations, trying to measure and ascertaining level of consistency with the operations and maintenance rules and processes [operations and maintenance manual] put in place by management, the control of control system, as the internal audit, on the other hand, ascertains, verifies, and responsible for supervising the efficiency, propriety, accordance, and effectiveness of its operations. To put it another way,1st tier control measures every unit of the organization's compliance with the operational manual, while 2nd tier control gives an independent assessment of the operational manual's efficiency and effectiveness, both of which together make up the Internal Control System (Liem, M. C, 2016).

1.5.Theories of Corporate Governance

1.5.1. Agency Theory

The relationship between the precepts, such as shareholders, and agents, such as corporate executives and managers, is defined by agency theory. The principals are delegated administration of the firm by the administrator or supervisors, who have been the owners' agents (Clarke, 2004). According to agency cost theory, Employees and management in firms have a vested stake in their own success. Stockholders representatives to act and make choices in the best interests of the principal under the agency principle. On the other hand, the agent's actions are not always in the best interests of the clients (Padilla, 2000). Self-interest, cunning, and a misalignment between the principal's goals and the owner's objectives all have an impact on the agent. According on who you ask, even the concept of risk has diverse connotations (Klapper, F., 2004). Despite these challenges, agency theory began as a shareholder. The agents are controlled by the principal's regulations, which have the purpose of enhancing shareholder value. As a result, this mindset is more tailored to the person (Liem, M. C, 2016).

The link between current ownership structure might be investigated using agency theory. However, if there is a divide, the agency model is used to fit the management's and, as just a result, the owners' goals. Employees under the agency hypothesis tend to be more self-interested, individualistic, and rationally restricted, with rewards and penalties appearing to take priority (Jensen & Meckling, 1976).

1.5.1.1. The Difference of interest is between majority shareholder and minority shareholder in concentrated ownership.

Concentrated ownership, according to agency theory, leads to agency differences between majority and minority shareholders (Wang, 2018). The agency problem has been a key cause of concern in a developing country with a concentrated ownership structure (Al-Saidi dan, 2015). Majority shareholders are more likely to engage in moral hazard conduct by expropriating minority shareholders' rights (Guerrero, 2018); this is especially true in nations with weak investor save ion laws. Due to agency difference, concentrated ownership has a negative impact on institution financial performance. As a result, the issue of concentrated ownership continues to be a source of worry for corporate governance. In industrialized countries, several prior research on the link between concentrated ownership and business financial performance have been done. Halili et al. (2014) found that concentrated ownership leads to improved institution financial performance in Australia.

In the meanwhile, Miralles et al. (2014) showed that concentrated ownership improved institution accounting but not organization market financial performance in Spain. Poutziouris et al. (2015) also discovered an inverted U-shaped relationship between family concentrated ownership and organization financial performance. Similar studies in developing economies have been conducted by Shyu (2011) for Taiwan, Muttakin et al. (2014) for Bangladesh, Jameson et al. (2014) for India, and Wang (2018) for China. The findings of this study were inconsistent. Some of them observed that concentrated ownership had both significant beneficial and minor negative effects on business financial performance (Yasser, 2015). Others found a non-linear relationship between concentrated ownership and institution success, while others did not (Wang, 2018).

Finally, earlier study by Achmad et al. (2009) and Surifah (2013) in Indonesia found that concentrated family ownership had a significant negative impact on organization financial performance. In general, these studies suggest that when a institution's ownership is concentrated, the majority of shareholders have a proclivity to expropriate minority shareholders' rights. The study indicated above was mainly focused on identifying agency differences in family organizations between majority and minority shareholders (Wang, 2018). In addition, previous research has concentrated on the direct impact of debt on institution financial performance (Vieira, 2017), Although Nuesch (2015) asserts that debt may be used to settle agency differences between majority and minority owners, the relevance of indebtedness in mitigating agency difficulties was disregarded. As a result, the purpose of this study is to fill a vacuum in the literature by identifying the role of debt as a moderating factor in the majority-minority shareholder agency problem. This is the first study that we are aware of that provides empirical data on agency crisis resolution procedures using loans from an Indonesian perspective.

This study's findings are likely to add to our understanding of the link between concentrated ownership and organization financial performance , as well as agency differences between majority and minority shareholders. Furthermore, this study contributes to the body of information about the role of debt in settling agency differences between majority and minority shareholders in family and non-family enterprises. In Indonesia, family companies differ from non-family enterprises in a number of methods. Family business owners are self-disciplined and have a strong desire to keep their institution alive by acquiring its shares. As a result, the negative impact of concentrated ownership on organization financial performance will be seen in both family and non-family businesses at various levels of concentration.

1.5.2. Stewardship theory

Davis, Schoorman, and Donaldson (1997) described a steward as someone who preserves and maximizes shareholders' wealth via organizational financial performance, since this optimizes the steward's utility functions. Stewards are institution leaders and managers who work for the benefit of the shareholders, saving and increasing earnings (Jansson, A., 2010).

Stewardship theory emphasizes the role of senior management as stewards, merging their aims as a part of the business, rather than individuality. When an organization achieves success, stewards are happy and driven, according to the stewardship perspective. It emphasizes the need for workers or executives to behave more independently in order to maximize shareholder profits (Shleifer, A., & Vishny, R. W. (1997).

Indeed, this will reduce the costs associated with behavior control ing and management. in this sense, the scholar Daly un 2003 stated that, to make save their names as decision-takers in companies, officers and directors are more likely to manage the business in order to rising financial performance as well as shareholder profits. It is considered that the cash flow has a direct impact on employees' perceptions of their personal financial performance in this way. Furthermore, stewardship theory supports integrating the responsibilities of new ceo and chairman to reduce agency costs and give stewards a larger role within the company. It was evident that the investors' interests would be better protected. In fact, agency theory is used to investigate the relationship between ownership and management structure. However, where there's a separation, the agency model are often applied to align the goals of the management therewith of the owners. The model of an employee portrayed within the agency theory is more of a self- interested, individualistic and are bounded rationality where rewards and punishments seem to require priority (Yusuf, I., and Badamasi, M. ,2016).

1.5.3. Stakeholder theory

Stakeholder theory, according to Wheeler et al. (2002), is formed from a combination of sociology and organizational studies. Any group or someone who may impact or is harmed by the fulfillment of the organization's objectives is referred to as a stakeholder. Managers at firms, according to stakeholder theorists, have a network of ties to serve, which includes suppliers, workers, and business partners. And it has been suggested that, in addition to the owner-manager-employee connection, this network is critical. Sundaram and Inkpen (2004), on the other hand, argue that stakeholder theory attempts to deal with a group of stakeholders who deserve and require management's attention (Yusuf, I., and Badamasi, M. ,2016).

1.5.4. Resource dependence theory

While stakeholder approach focuses on building relationships with a variety of groups for personal gain, resource dependency theory emphasizes the role of company boards in ensuring that the organization has access to the resources it requires. Resource dependency theory, according to Hillman, Canella, and Paetzold (2000), focuses on the role of directors in providing or trying to secure resources necessary to a corporate entity through their links to the external environment. Indeed, resource dependency theorists specialize in the appointment of delegates of independent companies as a way of gaining access to resources critical to an organization's success, according to Johnson et al. (1996). Outside executives who are companions in a house, for example, offer legal advice, in meetings or privately with the organization's executives, which is likely to be more expensive for the institution to secure (Vieira, E.F.S. 2017).

It has been argued that having a sufficient supply of resources improves organizational functioning, financial performance, and survival. Daily et al. (2003) agree with Hillman, Canella, and Paetzold (2000) that directors provide the organization with resources such as information, skills, and access to key stakeholders such as suppliers, buyers, public policymakers, and social groups, as well as legitimacy (Lawrence O.2020).

CHAPTER TWO

FINANCIAL PERFORMANCE

2.1.Financial Financial performance Concept

Many businesses in the industry are fundamentally re-structuring their institution financial performance and operational techniques. These businesses are experimenting with combining their quest for cost-effective growth with the promise of environmental preservation and social responsibility for current and future generations with the notion of sustainable business development. Many businesses are attempting to make substantial adjustments in their policies, institution structure, commitments, and short and long-term strategy frameworks as a result of these new phenomena (Yusuf, I., 2016).

The term 'financial performance ' comes from the old French word 'parfournir,' which means to bring through, carry through, do, or bring forth. Financial performance is described as the act of completing, implementing, attaining, and fulfilling assigned tasks against predetermined criteria of precision, money, fullness, and timing. It is a phrase used in finance to describe the financial measures of a institution's policies, actions, and operational financial performance. It's used to assess a business's success, compliance, and financial standing. The organization's return on investment, assets, equity, capital employed, and profitability all represent these outcomes. The extent to which a financial institution's personal finances is measured over time is referred to as financial performance. In other words, it is a financial strategy for boosting a company's sales, profitability, and shareholder value by managing its current and non-current assets, funding, equity, earnings, and costs (Yusuf, I., and Badamasi, M. ,2016).

Its main purpose is to provide up-to-date information to shareholders and stakeholders so that they may make educated decisions. It may be used to analyze similar businesses in the same industry or to compare sectors as a whole. Making wise decisions necessitates risk management and profit generation while adhering to corporate governance guidelines. In order to make timely judgments, accurate information and detailed industry research are essential. Without the non-financial business community, a nation's economic system is incomplete. A steady and sustainable work base is essential for the country's economy to develop. One of the most effective methods for evaluating a sector's financial performance is financial or ratio analysis. It illustrates the mathematical link between one number or financial performance indicator and another, as well as an attempt to summarize a massive database into a single-minded image of a company's financial success. According to Max Weber, financial ratios are mathematical statements of a relationship between two or more items (Amoateng et al., 2017). Financial performance is a subjective assessment of a company's ability to generate revenue from its main business. The phrase is widely used as a broad measure of a company's long-term financial health (Twinkle p, 2016).

2.2.Measuring Organization Financial performance

Various scholars examine and evaluate the financial performance of the organisation (Shah et al., 2011) employing a variety of measures Matolcsy & Wright (2011) used ROA (Return on Assets= EBIT / Total average Assets – in value –), ROE (Earning per Share income / equity – in value –), Change in market price of equity, Increase in value of the share, adjusted for dividends and risk) to assess an organization's financial performance. Return on equity (ROE) and return on capital (PM) were utilized by Yasser et al. (2011) to assess financial performance. Among the business economic performance metrics used by Shah et al. (2011) were market price of equity split by worth of owning and Tobin's Q (sale price of the shares + debt/total assets - in value). While the income statement was assessed by ROE and Return on Capital (net result + interest) / (equity + total debt), the net income was evaluated by ROE and Profit margin (net result + interest) / (equity + total debt). Bhagat & Black (1999) used Tobin's Q, Assets ratio (Operating income/Assets), Asset turnover (Sales/Assets), Earnings per share (Net profit), Sales per employee, and Growth of Investments, Sales, Operating income, Employees, and Cash flows to assess variable quantity organization financial performance. The study concentrated on the measures that are crucial to the strategic and long success. In this technique, the research would analyze the financial success of firms by concentrating on profitability (Yusuf, I., and Badamasi, M. ,2016).

Return on Assets (ROA):

The net cash flow returned as a proportion of total assets is referred to as return on assets. It may be broken down into the following parts: EBIT / Total average Assets – in book value Equals Return on Assets

Return on Equity (ROE):

The number of riches returned as a ratio of shareholders' equity is referred to as return on equity. Return on equity is a metric for determining a company's profitability by disclosing how much profit it earns with the money invested by shareholders. For each insurance company's annual reports, the return on equity has been derived. The formula for calculating return on equity is: Net Income/Equity Shareholder's * 100 profits is for the entire year, first before dividends are paid to ordinary shareholders but after distributions are paid to preferred stockholders. Stock is not included in shareholder equity (Amoateng et al., 2017).

2.3. The Relation between Corporate Governance and Finance Financial performance

According to Ansong (2015), a business organization's board size and financial success have a progressive relationship, however board membership has no association with financial performance. The notion is that for a board to be more successful, it should include a higher percentage of outsiders in order to have a significant impact on the organization's financial performance (Browne, 2013). According to Liu et al. (2014), business enterprises with three or more female board directors are more likely to do better than those with fewer female board directors. The presence of women on the boards of various companies has a significant impact on the (ROA) and equity of companies that follow good corporate governance principles, and thus on their financial performance (Hykaj, 2016). The gender diversity of the board has been shown to have an impact on Corporate Governance financial performance assessment on Return on Assets, but the makeup of non-executive directors has had no impact (Imade, 2019). The gender of the board of directors, as well as managerial ownership, all has a favorable impact on institution's success (Amoateng et al., 2017).

A diverse board, according to Ntim et al. (2017), will help with legitimacy and building stronger ties with all stakeholders. Similarly, Uwalomwa et al. (2015)

discovered that board size, board composition, and ownership structure all had a positive influence on an institution's profitability. According to Saibaba and Ansari (2012), a larger executive board would benefit all participants since they would give solid investment recommendations that might be visionary and contain a wealth of knowledge that would eventually contribute to the organization's growth. Board structure and communication channels, according to Gambo et al. (2018), help in the control ing and administration of work processes, hence enhancing a commercial organization's ROA. According to Palaniappan and Rao (2015), companies' financial performance would improve if the excellent principles of corporate governance are followed in the sharing of good information to all stakeholders. According to Yang et al. (2012), organization that invests heavily in improving corporate governance principles while transparently disclosing all relevant information to all stakeholders will eventually help the organization lower its cost of equity. However, lack of openness in corporate governance and effective disclosure standards decrease the efficiency of the measures (Wang, B. ,2018).

The financial performance of commercial enterprises is influenced positively by corporate governance according to Chinomona, (2013). Business enterprises that employ effective corporate governance practices have a significant impact on their success. Better-governed businesses confront fewer management issues and can more readily absorb business shocks. Good corporate governance principles lead to greater business financial performance , which simplifies the process of obtaining more cash for investments (Amoateng AK, Gyabaa EN ,2017). Most investors and financial institutions will not put their money into a organization that lacks a well-structured corporate governance system (Elshandidy and Neri, 2015).

Business firms' agency costs are high, according to Olajide et al. (2020), and strong corporate governance is critical for any positive financial performance of businesses in Post Africa. According to Malik et al. (2013), board independence is associated with financial performance in businesses. Organisations ought to have independent and accessible board members, since this will boost the institution's efficacy. Nwaiwu and Joseph (2018) investigated the relationship between corporate governance and financial performance in Nigeria and found that the audit committee has a significant influence on a company's profitability as measured by return on assets and earnings per share. According to Panditharathna and Kawshala (2017), board effectiveness has a substantial positive association with Return on Equity , indicating that many businesses in developing countries are adopting this new approach (Afande, 2015).

According to Zyad (2014), companies with excellent corporate governance are more likely to do well than those with inadequate corporate governance. The adoption of correct and effective corporate governance practices, as well as timely and accurate disclosure of financial data, helps to reduce the cost of equity capital. A institution corporation should embrace a stronger corporate governance reform that is acceptable to all stakeholders in order to profit from a fair risk return trade-off by investors. Increased foreign investment may bring in a large boost in profitability for a institution that strengthens its corporate governance principles (Patibandla, 2006).

Before investing their money in a institution, investors assess a variety of variables such as the board's independence, size, shareholders, and others. Corporate governance such as board size and profile has been hailed as critical to financial market stability and, as a result, to economic growth and development (Bonna, 2012). According to Cretu (2012), successful corporate governance principles ensure the best results for shareholders as a result of their investments, hence helping to economic growth and development. According to Adiloglu and Vuran (2012), as a result of effective corporate governance practices, the market value of commercial businesses and enterprises has continued to improve in the stock market. Good corporate governance practices contribute significantly to a business's growth and financial success, resulting in an economy's economic growth (Wang, B. ,2018).

2.3.1.Review of Empirical Studies

To provide a full assessment of organisational Corporate Governance for a large sample of organizations, Beiner and Zimmerman (2004) used a wide Corporate Governance score in addition to other factors such as ownership type, method adds, and leverage. On average, a single improvement in the Governance Practices index increased a company's market value by 8.6% of its net asset value. Zheka (2007) created an overall Corporate Governance score and shown that it predicts enterprise level efficiency by examining the influence of Corporate Governance (such as board qualities, deck profile, and information leakage) on financial results in Ukraine. A one-point gain in the index boosts financial results by 0.4 percent to 1.9 percent, according to the statistics. while a worst to best transition projects a 40 percent increase in company financial performance. Improved governance standards, according to Kyereboah-Coleman (2007), are linked to higher values and better operating financial performance in a number of African countries (Osundina, J. A., 2016).

Using a data set from Alliance Bernstein, an international asset management institution, Baker, Godridge, and Morey (2007) report a significant positive relationship between organisational (and country-level) Company Governance scores and market valuation, Using monthly organisational and nation administration ratings for 22 emerging-market countries over a five-year period, it was discovered that better-governed businesses had a lower cost of equity (Varshney, P,2012).

Wanjiku et al (2011) employed a causal comparative case study technique in Kenya to investigate corporate governance standards and their link to the success of firms listed on the Nairobi Securities Exchange. Corporate communication, leadership, and technology utilization were all examined in the research. According to the research, there is a positive linear relationship between development and business governance. In Kenya, Ongore and K'Obonyo (2011) looked at the interrelationships between ownership, board, and management methods in a selection of 54 firms listed at nairobi Market, but also business financial performance. The results of this study suggest that management discretion and financial performance have a beneficial association. The impact of ownership concentration and government on business financial performance , on the other hand, was highly unfavorable.

Mang'unyi (2011) investigated the relationship between ownership concentration, as well as their effect on financial performance. His investigation focused on a few Kenyan banks. His research revealed a strong correlation between bank financial performance and corporate governance (such as board characteristics, board profile, and information disclosure). According to the research, Corporate board members, such as the state, should promote as well as socialize governance and its link to financial success to have sent positive signal to the market, and regulatory board members, including the state, should promote and socialize governance and its link to economic success throughout industries. Miring'u and Muoria looked into the effect of corporate governance on the financial success of Banking industry state-owned enterprises (2011). The study looked at the relationship between financial performance, board composition, and size in 30 of Kenya's 41 state entities using a descriptive study technique. The research established a positive relation between return on equity (ROE) and board makeup of all listed firms.

Twinkle Prusty & Saurabh Kumar (2016) Examine the influence of corporate governance, as measured by board financial performance , on the financial performance of a sample of Indian information technology businesses. The purpose of this study is to see if there is a link between the board committee and the board composition and the return on assets and ROCE of the selected information technology businesses. The paper examines the annual reports of the top 5 Indian listed companies based on their net worth as of February 2016, representing the country's information technology organizations, in order to develop a Board Governance Score that not only advocates for voluntary corporate governance disclosure but also its implications on financial performance while considering the interests of all stakeholders involved. The research was conducted over a one-year period, from 2014 to 2015. The findings show that board governance and financial performance of selected information technology companies have a significant positive relationship. Both the board committee (BC) and the board composition (COB) have demonstrated a good link with return on assets and ROCE, but the board committee (BC) has had a considerable influence on return on assets and ROCE. The study, which is backed up by a significant body of literature, clearly shows that the importance of the board cannot be overlooked.

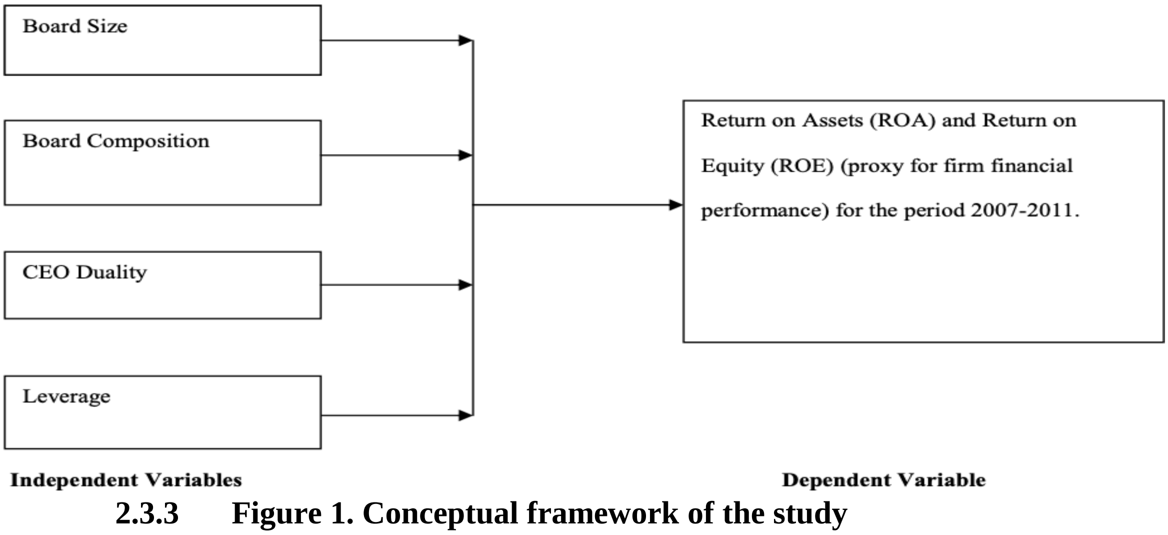
In their study, Lawrence Okoye and Rhoda Uzohue (2020) found that banks are required to operate within acceptable governance norms in order to maintain successful operations. They rely significantly on customer deposits, which are based on trust. The importance of excellent governance processes in banks cannot be overstated, since they are crucial to gaining and maintaining costumer confidence and patronage. The impact of governance practices on the bank profitability in Nigeria is investigated in this research article. The size of the bank board of directors and the directors' interest are used as proxies for corporate governance, whereas return on assets and return on equity are used to reflect financial performance. The size of the institution is a controlled variable in the study. The Generalized Method of Moments estimate approach was used. According to the findings, board size, directors' equity, and institution size all have a significant impact on the financial performance of Nigerian banks. Furthermore, the study demonstrates that delayed return on equity has a significant impact on present financial performance. Over the years 2013–2018, this study looked at the link between corporate governance like board size and profile and the financial success of Kenyan insurance companies. The findings of regression analysis revealed that corporate governance has a considerable impact on the financial success of insurance companies. In addition, the findings revealed that board diversity had a favorable and significant impact on financial success. As a result, insurance companies with a higher proportion of professional directors on their boards perform better than companies with a lower proportion of professional directors on their boards.

Jordi Paniaguaa, and Juan Sapenab (2018) investigate the relationship between institution governance (such as board size , board profile and information disclosure) and ownership structure and financial performance. They used complementing linear and non-linear multiple regression analysis to improve our results. For the period of 2013 to 2015, the panel data utilized in this study encompassed 1207 businesses from 59 countries across 19 industries. The research provides two significant contributions. First, the different empirical approaches used in this work provide a broader perspective to financial performance empirical analysis. Second, the research contributes to our knowledge of the role of corporate governance and ownership on business financial success.

Knut Michelberger (2020) attempts to assess the findings of current empirical research on the influence of corporate governance on business financial performance and to identify probable study design flaws that contribute to inconsistency in the findings. There are two primary types of studies: studies with a larger sample and a longer time period using multivariate analysis to determine the overall impact of corporate governance (such as board size , board profile and information disclosure) on companies measured with an extended set of financial research variables measuring multiple dimensions of impact, and studies with a larger sample and a longer time period using multivariate analysis to determine the overall impact of corporate governance on companies measured with an extended set of financial research variables measuring multiple dimensions of impact. Overall, current research shows that corporate governance has no consistent influence on business financial performance.

Shabri Abd. (2021) The vast majority of agency theory research has centered on the significant task of resolving the fundamental agency problem. Unlike the issues of independence, equity, and the market for corporate control, which have been a major focus of past studies on agency difficulties, Debt's role in resolving agency issues has gotten very little empirical research. From the perspective of Indonesia, this study contributes to the existing empirical literature on the agency conflicts by empirically assessing the role of debt as a moderating component in resolving the majority-minority shareholder agency conundrum. This study explores the connection between ownership concentration, loans, and the financial performance of family and non-family firms in Indonesia from 2009 to 2018, using the GMM-difference estimation approach. According to the study, institutional ownership has an inverted U-shaped relationship with the financial performance of family and non-family enterprises. At significant concentrations of ownership, agency differences between majority and minority shareholders arise. The combination of high concentrated ownership and loans has a good impact on business financial performance. This means that debt size can be used to mitigate disputes between majority and minority shareholders (Wang, B. 2018),.

2.3.2 Conceptual framework of the study


Board Size
Board Composition
CEO Duality
Leverage
Return on Assets (ROA) and Return on Equity (ROE) (proxy for firm financial performance) for the period 2007-2011.
Independent Variables
Dependent Variable

2.3.3 Figure 1. Conceptual framework of the study

2.3.2.1. Board size

As according Hermalin and Weisbach, board size will be less efficient than small boards (2003). When boards have many members, agency issues may occur as a result of free-riding directors. They claimed that when a board gets too big, it tends to become more symbolic rather than fulfilling its fundamental function as a manager. Extremely small boards, on the other hand, miss out on the advantages of having a wider spectrum of expert advice and opinions all around table that larger boards enjoy. Furthermore, larger boards are more likely to have greater board differences in terms of expertise, skills, gender, and race (Dalton and Dalton, 2005). A smaller number of independent directors is correlated with less board, enabling wealth expropriation by the chief executive or internal members simpler. The few directors on a small board are preoccupied with making decisions, leaving little time for oversight. Companies with the shortest board (maximum of six members) are better aware about the group's revenues, as according Vafeas (2000), and hence have stronger control ing capabilities. Listed business values in Singapore are highest when the directors comprises six members, according to Mak and Yuanto (2003), echoing prior results. Bennedsen and Nielsen (2004), in their research of small and mid-sized strongly guarded Danish firms, come to mind., they discovered that board size seems to have no effect on financial performance when the board size is less than six members, but that when the board size is seven members or more, there is a significant negative relationship between the two. No significant evidence of a link between board size and financial success was identified by Bhagat and Black (2002).

Bonn, Yokishawa, and Phan (2004) measured the efficacy of deck payment history in Japanese as well as Australian companies, finding that board size and financial results (measured by economy ratio and profitability on assets) were inversely associated in Japanese companies but not in Australian companies. In contrast to Japanese corporations, the Australian sample's ratios of outdoors membership and the proportion of female members on the board of directors had a beneficial influence (Osundina, J. A., 2016).

In contrast to the previous findings, Adams and Mehran (2005) discovered that a board size has a positive impact on the financial; even so, When the findings of their OLS reveal that board size, but just not board composition, has a beneficial effect on financial performance, Mak and Li (2001) support the thesis that options based is endocannabinoids determined. In 147 Taiwanese institutions studied from 1995 data, central leadership and organization size all had a beneficial influence on financial success. Industry in the United States of America, Adams and Mehran (2005) discovered a positive association between board size and financial success (as assessed by Tobin's Q). According to Adam and Mehran's findings, such a financial performance link might be industry specific, implying that larger boards are better at shooting a range of firms based on their organisation structure. Larger boards are associated with stronger financial success, according to a meta-analysis backed by 131 papers by Dalton (2005).

Keeping up with boards with an excessive number of directors is sometimes a challenge and costly for corporations. With an excessive number of board members, planning, work coordination, decision-making, and having regular meetings becomes problematic. In general, empirical research on the relationship between panel size and financial performance of organizations yields conflicting findings. While Ahmadu et al. (2005), Chan and Li (2008), De Andres et al. (2005), and Mustafa (2006) discovered a correlation between larger boards and weaker financial results, Beiner et al. (2004), Bhagat and White (2002), and Limpaphayom and Connelly (2006) did not (Arinze, 2013).

2.3.2.2.Board composition

Executive and non-executive members make up the majority of boards. Non-executive directors converse with dependent directors, whereas executive directors converse with independent directors (Shah et al., 2011). For successful board functioning and fair supervision, a minimum of one-third of independent non - executive directors are preferred. Dependent directors are vital because they require insider information about the company that outside directors do not have, yet they will abuse this information by shifting money from other investors to them (Beasly, 1996). A board of directors made up of people who don't appear to be company executives, stockholders, blood relations, or in-laws (Gallo, 2005). An independent panel is made up of people who aren't affiliated with the institution in any manner, Because independent directors have no monetary interests in a particular organization, there is no or very little likelihood of a conflict of interest arising.

Independent directors are important, according to Dalton, Daily, Ellstrand, and Johnson (1998), since inside or dependent directors may not have access to external information and resources that are available to the institution's or outside free members

Furthermore, the chief executive has access to inside or dependent members for advice/counsel as a result of their position with the company, It is not required for them to be appointed to the board in order to perform this duty. Executive and non-executive members make up the majority of boards. Non-executive directors and executive directors meet with dependent directors and independent directors (Shah et al., 2011). For successful board functioning and fair supervision, a minimum of one-third of independent non - executive directors are preferred. Dependent directors are vital because they require insider information about the organization that outside directors do not have, yet they will abuse this information by shifting money from other stockholders towards themselves (Bakar ABSA, and Ahmad MB ,2019).

A board members comprised of individuals who are just not corporate executives, investors, family members, or in of house (Gallo, 2005). Because independent directors have no monetary interests across the organization, An independent committee is often made up of people who have no links to the organization. As a consequence, there is very little chance of a potential conflicts of interest arising. As a result, board independence is critical, according to Dalton, Daily, Ellstrand, and Jones (1998) and Jacobs (1985), because within dependent members would not have access to foreign expertise and resources to the group's outside or independent directors. Moreover, as a consequence of their work with the firm, the CEO has access to the inside of the board of directors or dependent members for advice/counsel; participation on the board isn't essential to accomplish this responsibility. Despite the above research results, Mak and Li (2001) and Adams and Mehran (2005) found that having a larger board does have a positive effect on financial performance; however, when examining 147 Singaporean organizations from 1995 data, support the claim that board structure is endogenous cannabinoids decided whenever the results of their OLS indicate that board size, central leadership, and company size have a positive effect on the profitability performance of the organization. In the US banking business, Adams and Mehran (2005) discovered a connection between panel capital structure and profitability (as assessed by Tobin's Q). According to Adam and Mehran's findings, such a quarterly earnings association might be actually track, implying that larger boards are better for businesses with flat organisation structure. The findings of a meta-analysis of 131 research, Dalton and

Dalton (2005) discovered that bigger boards are related with higher financial performance in firms (Mande, V., 2012).

Boards with an oversized number of directors are often an obstacle and expensive for the organizations to take care of. With such a large size of the board, planning, undertaking, judgment, and having weekly meetings will be tough. In general, empirical research on the relationship between board size and profitability of companies yields conflicting results. While Ahmadu et al. (2005), and Mustafa (2006) identified a correlation between larger boards and worse financial performance, Limpaphayom and Connelly (2006) found no such link. According to Staikouras et al., although having a favorable link with financial performance, board composition has little impact on the organizational financial results (2007). These results were comparable to those of Adusei (2010), who found no link among the board variety and bank profitability in Ghana, despite the fact that board composition has a positive influence on bank productivity (Shabri Abd. 2021). From 1996 to 2003, Alonso (2006) looked at sixty six institutions in OECD countries at the same time. They observed an inverted U-shaped association between bank financial performance indicators (Tobin's Q, return on assets, and the yearly stock returns of a banking shareholder). and board size, which they claim supports a larger board while enforcing an efficient size limit. Boards controlled by outsiders or NEDs, according to Jensen and Meckling (1976), may assist to ameliorate the agency conflicts by watching and limiting management's opportunistic conduct. Previous research on the relationship between board makeup and financial success of organizations has yielded mixed results. NED has a good link with financial success, according to Omar (2003) and Rhoades et al. (2000).

Hasnah (2009) found that the presence of non-executive directors is linked to a company's financial performance as assessed by return on assets. In this sense, the researcher Coles in 2001 found that outside directors had a detrimental influence on an organization's financial success. In addition, Erickson et al. (2005) discovered a link between higher board independence and lower organization value. Bhagat and Black (2002) and De Andres et al. (2005), on the other hand, found no link between the board's composition and the organization's worth (Bakar ABSA, and Ahmad MB ,2019).

2.3.2.3. Chief executive officer duality

A corporation's chief executive officer can play a critical role in generating value for shareholders. In order to increase the value of a firm, the CEO might observe and implement Corporate Governance requirements (Defond and Hung, 2004). Furthermore, because these firms produce value for them, shareholders invest extensively in businesses with stronger Corporate Governance requirements (Morin and Jarrell, 2001). The board's decisions on selecting and discharging a chief executive officer, as well as their appropriate salary, have a significant impact on a company's value.

A failing chief executive who fails to create value for shareholders is generally fired by the board. The financial success of a corporation is inversely correlated with the turnover of its chief executive officer, Particularly in developed countries, because investors have lost trust in these companies and have stopped investing. The board of directors is responsible for overseeing the chief executive officer's compensation and ensuring that he is properly compensated for his services. The board can hence the business by connecting the chief executive officer's remuneration to the firm's financial success. This measure was taken to encourage the chief executive to perform well since his own financial interests are tied to the organization's financial performance. A chief executive officer's tenure is also a key driver of an organization's financial performance.

Chief executive officers are employed on a short-term basis and are much more concerned with the organization's financial success during their stay, forcing them to focus on short- and medium-period objectives. The efficacy of stock price as a gauge for business financial success is limited by the chief executive officer's propensity. The management of a company can solve this challenge by tying some benefits for the ceo of the company to the firm's long-term financial and non-financial success (heinrich, 2002). The importance of the chief executive officer's dual position in an organization's value cannot be overstated. Because the agency expense between both the two roles is minimized when one individual serves as both chairman and chief, a company's value increases (Alexander, 1993). In this sense , president-CEO duality results in bad financial performance since the board is unable to terminate an underperforming CEO, and it may result in a large cost if the CEO follows his own interests to the detriment of the shareholders (White 1992). Jensen (1976) suggested that when a private has two high positions, he or she is more likely to pursue personal interests' techniques that are potentially harmful to the business as a whole. Mallette (1992), who shared the same viewpoint, claimed that the current chairman must make choices that may result in a conflict of interest within the combined positions. Furthermore, the combined positions allow the CEO of the company to set the agenda for the board of directors and to influence (if not dominate) the board's choice of directors.

They found in their report that a board's capacity to control CEOs is hampered by chief executive officer duality. Empirical studies of the influence of duality on various business financial performance indicators, on the other hand, have shown mixed results. Mustafa (2006) discovered a negative significant association between chief operating officer duality and organization financial performance. Zimmermann (2007), and Oang (2005), on the other hand, found no significant difference between organizations with and without role duality in terms of financial success. Executive and non-executive members make up the majority of boards of directors. Non-executive directors advise dependent factors, and executive directors advise independent non - executive directors. For good board doing and fair supervision, a minimum of one-third of independent factors is preferred. Dependent factors are especially significant since they require insider information about the organization that outside factors do not have, They will, however, take advantage of this information by diverting funds from other investors to them (Beasly, 1996). A board of directors comprised of individuals who are not firm executives, investors, blood relatives, or family in-laws (Gallo, 2005). An independent panel is usually made up of persons who have no ties to the organization in any way since board independence have no concrete interests in it. As a result, there is very little chance of a conflict of interests developing.

Board diversity is important, according to Dalton (1998), because internal dependent directors would not have access to external data and resources that are available to the company's or outside independent members. Furthermore, as a consequence of their work with the firm, the chief operating officer has accessibility to inside or junior directors for advice/counsel; participation on the board isn't essential to accomplish this responsibility. Despite the findings above, Mak and Li (2001) and Adams and Mehran (2005) discovered that bigger board sizes improve financial success. When looking at 147 Singaporean schools using 1995 data, though, Mak and

Li (2001) reinforce the premise that decisions are based on external inputs when the findings of their OLS show that board size, centralized authority, and organizational traits all have a positive impact on financial success. In the US banking industry, Adams and Mehran (2005) discovered a relationship between board income with economic success (as assessed by Tobin's Q). As per Adam and Mehran's findings, a financial success link like this is sector specific, indicating that larger boards of directors perform equally as well as smaller businesses relying on their management systems. Bigger boards are associated with better financial performance, according to a conceptual by Dalton and Dalton based on 131 papers (2005).

Managing boards with an excessive board of members is a challenge and costly for firms. In general, empirical research on the relationship between committee size and financial performance of organizations yields conflicting results. While A Chan and Li (2008), De Andres et al. (2005), and Mustafa (2006) identified a link between larger boards and weaker financial performance, Beiner et al. (2004), Bhagat and Black (2002), and Limpaphayom and Connelly (2006) found no such link.

According to Staikouras et al. (2007), board composition has little effect on financial performance of organizations, despite the fact that it has a favorable link with financial performance. These results echoed those of Adusei (2010), who discovered no link among the independent directors on bank profitability in Ghana, despite board size having a favorable impact on bank efficiency. Alonso (2006) investigated 66 banks in OECD countries at the same period from 1996 to 2003. They discovered that bank financial measurements had an inverted U-shaped relationship. (assets ratio, and the yearly stock returns of a bank shareholder) and board size, which they argue promotes a bigger board while imposing an efficient size limit. Members of the board controlled by foreigners or non-executive directors (NEDs), so according Jensen and Meckling (1976), might help eliminate agency conflicts by watching and moderating management's opportunistic behavior. Previous research on the relationship between board makeup and financial success of organizations has yielded mixed results (Bakar SA, and Ahmad MB ,2019).

NED has a favorable link with financial success, according to Dehaena et al. (2001), Omar (2003), and Rhoades et al. (2000). For example, Lefort (2008) and Coneelly (2006) found a relationship between board composition (the number of independent factors) and organizational financial performance. Hasnah (2009) identified a relationship between the presence of quasi directors and the financial success of a firm as measured by ROA. On the other side, Coles et al. (2001) found that outdoor directors had a detrimental influence on an organization's financial success. The researcher Erickson (2005) also found a negative relationship between greater board independence and organization value. However, Bhagat and Black (2002) and De Andres et al. (2005) found no significant relationship among the composition of the board and also the value of the organization. Supported above discussion and within the light of the agency theory, the subsequent hypothesis may be empirically tested.

2.3.2.4. Leverage

Significant money suppliers, like banks, have more projects within the organization, and need to determine the benefits from their enterprises materialize. The authority of money suppliers stems in part from a set of rules they coming when organizations default or breach loan agreements, and in part from the fact that they often lend for a limited period of time, requiring borrowers to return for further cash at frequent intervals. As a consequence, banks and other huge debtors resemble massive stockholders in many respects. Diamond (1984) proposes one of the most important models of enormous money suppliers' controlling. Kaplan and Minton (1994) found that organizations with a primary banking link have a higher rate of management and the company in reaction to poor financial management than those without. J.P. Morgan partners occupy a significant governance role within the firms, according to DeLong (1991). J.P. Morgan made an investment in the early twentieth century. According to Gilson (1990), after changing management and directors, U.S. banks did a significant governance work in bankruptcies. Debt finance, according to Weir, Laing, and McKnight (2002), is a contained governance mechanism in which greater debt lowers free income and hence limits managerial freedom. Managers must use any surplus cash to cover the institution's obligations rather than participate in non-positive net present value initiatives due to debt. Debt owing to major money suppliers, such as banks, is seen to be a good way to reduce the agency problem. Significant money suppliers, like substantial stakeholders, are interested in seeing that management take steps to improve financial performance (Arora A, Bodhanwala S ,2018).

This hypothesis appears to be backed up by empirical evidence. Shleifer, A., & Vishny, R. W. (1997) reference the studies of Kaplan and Minton (1994), who found that firms with a major current bank have a greater incidence of leadership. or directors dealing with bad financial performance than firms without. Various empirical studies (such as Wang, B. 2018) that looked at the association among Governance Practices and a firm's financial practices include leverage as an effect variable. In an attempt to justify utilizing leverage as a sway variable, these studies have confirmed that debt has an influence on a company budgetary success. Alsaeed (2006) defines organization leverage as the ratio of total liabilities to total assets. Another sort of agency problem called debt agency happens when there is a conflict of interest among stockholders with loan borrowers. Debtors are entitled for claims, which have a tendency to grow when financial performance is poor. As a result, high financial performance helps owners higher than debtor, although this is not always the case when financial performance is atrociously poor. In reality, as the firm approaches bankruptcy, equity investors risk losing just their shareholdings, transferring the burden of insolvency on debt holders. These findings, taken combined, encourage managers striving to save equity holders' interests to embark on high-risk, high-reward ventures. This might lead to inefficiencies in the economy, as initiatives that would otherwise be profitable are skipped in favor of higher-risk but inferior competitors (Wang, B. ,2018).

There appears to be no consensus in the literature on the function of debt. Although some academics believe it has the potential to encourage boards to take the necessary actions to safeguard shareholder interests, others refer to the rise of debt agencies and the obligation to form boards in methods that save both owner and money supplier interests. It is advised that the money suppliers be represented on the board in order to achieve this, As is common in Europe countries ,the banks own major holding of the interests on dept. Debt purchasers give financing in exchange for a guaranteed stream of payments and a variety of additional corporate covenants, like the benefit and risk of company fixed and other assets (VO, D., 2013).

If the business breaches these covenants or fails to make payments, debt holders may be able to reclaim collateral, file for bankruptcy, choose to reorganize, and remove management. However, there may be roadblocks in the way of distributed debt holders properly exercising corporate governance as planned. As tiny equity holders, small debt investors may be cannot control complex organizations and may suffer free-rider incentives (Arora A, Bodhanwala S ,2018).

Furthermore, the effectiveness of corporate control over distributed debts is primarily dependent on the judicial and insolvency systems' efficiency. Large debt owners, like big equity holders, have the potential to alleviate In the event of a default or breach of covenants; large money suppliers are granted a variety of control powers. They will revise the conditions of the loans in order to avoid inefficient bankruptcy in terms of money flow. Huge money suppliers, on the other hand, rely heavily on competent and efficient judicial and insolvency procedures. If the system fails to effectively identify contract violations and give the tools to bankrupt and restructure businesses, money suppliers may lose a vital tool for Corporate Governance. Important money suppliers, like large owners, may also try to influence the bank's operations to reflect their own views. Large money suppliers, for example, may persuade a company to skip beneficial investments in favor of taking on too much risk, as Myers (1997) points out, because the money supplier suffers a portion of the cost but does not enjoy the benefits.

2.3.2.5. Board size and financial performance

According to Hermalin and Weisbach, board size may be less effective than small boards (2003). When boards have many members, accountability concerns might occur as a result of free-riding directors. They said that when a board gets too big, it starts to serve more as a symbol than as a component of management. Smaller boards, on the other hand, do not have the benefit of a wider distribution of expert advice and judgment around the table as larger boards have. Furthermore, larger boards are more probable to have more diversity in terms of knowledge, skills, gender, and nationality on their boards (Dalton and Dalton, 2005). Lower boards have a lower number of the outside members, enabling wealth expropriation by the chief executive or internal directors a lot easier. The few directors on a small board are preoccupied with making decisions, leaving little time for participated.

Companies with the shortest boards (minimum of five board members), according to Vafeas (2000), are more informed on the organization's revenue and hence have higher control ing capabilities. According to Mak (2003), the declared company values of Singaporean and Malaysian firms are highest when the board of directors consists of five members, confirming the previous findings. Nielsen (2004) found that board size had no effect on financial performance when the board size is smaller than six members in a study of small & mid tightly held Danish companies. When the board has seven or more members, however, there is a significant negative link. There is no clear evidence of a relationship between board size and financial success, according to Bhagat and Black (2002).

Bonn, Yokishawa, and Phan (2004) discovered a negative correlation between board size and financial performance (measured by market-to-book ratio and return on assets) for Japanese businesses, but no such correlation for its Australian equivalent. In the Australian sample, however, the ratios of outside directors and female directors to overall board numbers show a favorable impacts, in contrast to the Japanese firms (Bonn, 2004). Despite the fact that Mak and Li (2001) and Adams and Mehran (2005) found a positive impact on financial performance with larger board sizes, when they examined 147 Singaporean organizations from 1995 data, Mak and Li (2001) support the argument that board structure is endogenously determined when the results of their OLS indicate that board size, leadership structure, and organization size all have a positive impact on organization financial performance , but their 2SLS regressions do not support t

In the United States banking business, Adams and Mehran (2005) discovered a favorable association between board size and financial performance. According to Adam and Mehran's findings, such a financial performance link may be industry-specific, implying that bigger boards operate effectively for particular types of companies depending on their organizational structures. Dalton and Dalton (2005) found that bigger boards are associated with greater institution financial performance in a meta-analysis based on 131 research.

2.3.2.6. Leverage and financial performance

The bulk of boards are made up of executive and quasi members. Directors are referred to as reliant members, while quasi directors are known to as independent directors (Shah et al., 2011). At least one-third of independent non-executive directors are required for effective board function and fair scrutiny. Reliant members are particularly important since they have intimate knowledge of the firm that outside directors do not, yet they might misuse that knowledge by diverting funds from other shareholders to oneself (Beasly, 1996). A directors comprised of individuals who are not employees of the institution, stockholders, blood relatives, or in-laws (Gallo, 2005).

CHAPTER THREE

THEORETICAL METHODOLOGY

3.1. Research Design

To investigate business issues, a variety of research designs might be applied (Hair et. Al., 2011). Study design may be classified into three categories based on how researchers ask their research issues and report their findings: exploratory, description, and interpretive studies (Saunders et al., 2009).

Our research begins by explaining corporate governance and the financial performance of companies in Iraq and Turkey; however, our ultimate aim is to examine whether the link exists and how it influences the financial performance of companies in Iraq and Turkey, which we will compare.

3.2. Research Strategy

The study strategy includes trials, questionnaires, case study, experiential learning, theory building, ethnographic, and archival research. These really are fundamentally superior research methodologies, and they should not be utilized in combination (Saunders et al., 2009). The worth of a research approach is judged by whether it enables researchers to address their research questions. the research their objectives, implying that the research objectives should come first in the research plan selection process. Furthermore, the amount of current knowledge, the length of time required, and other resources all have an influence on the creation of the research approach (Saunders, 2009).

Our investigation will require an archiving method that includes data from administrative records. The information is gathered from each bank's annual report, which is a sort of recorded secondary data. Other study methods we described have substantial differences from one another. We no longer use survey research in our work, preferring instead to obtain data directly from yearly records. The best ratios are used as indications to rate the overall financial effectiveness of chance control, notwithstanding the study's goal of valuing credit score chance control. The action strategy that focuses on case – control and organizational difficulties, but the goal of our study is to investigate the life of relationship among credit rating risk control and profit. In some studies, the action method is simply too radical to be applied. Furthermore, the movement method emphasizes the researcher's function as a corporate operator. Mobility assessments are no longer necessary and we're not workers of such companies. And ethnographic, rather than logical research like ours, is more suited to inductive inquiry.

3.3. Sample and Data Collection

As I will work with finite population, I can use Yamane’s Sample Calculation Formula (Sekaran & Roger, 2016).

$$n = \frac{N}{(1+Ne^2)}$$

n: Sample Size

N: Population Size: 400 manager in both of AK bank and commercial bank in Iraq.

e: Level of Precision/Sampling of Error “the level of repeatability of measurements”: 0.05 (Sekaran & Roger, 2016).

the margin of error at ± 6.93%

According to this Formula I will study with 200 people.

A total of 200 questionnaires have been distributed, 100 questionnaires have been distributed in AK bank and three of its branches in Istanbul Turkey the other 100 questionnaires have been distributed in the commercial bank in Iraq Bagdad and 2 of its branches 8 cases from AK bank in Turkey and 12 cases from commercial bank in Iraq were dropped because of luck of answers. As a result, 180 responses were retained for data analysis 90 from AK bank in Turkey and 88 from commercial bank in Iraq. This research is specifically targeted on banking industry in Iraq and Turkey as a comparison study. All the respondents must fulfill few criterions in order to accomplish the objectives, and to increase the accuracy of the research. These criterions are: respondents must be of Iraqi and Turkish nationality, permanent employer in these two banks (AK and commercial bank). Hence, face to face survey has been chosen to ensure that all potential respondents have accessed to the respondents, thereby increasing the chance to reach the target respondents.

The questionnaire in this research can be divided into three sections: section a of the questionnaire contained social-demographic questions. section b of the questionnaire contained questions about Corporate Governance (Board Profile, Information Disclosure and Ownership Structure) , section c of the questionnaire contained questions about financial performance in the two banks AK bank in Turkey and commercial bank in Iraq.

In order to make sure the content of the questionnaire is reliable and valid, all the measurement items were adapted from prior studies related to this research. Corporate governance is measured using ownership structure, information disclosure, financial transparency and board profile (Barako et al., 2006; Board of directors aghi & Ahmadpour, 2010). Corporate governance questions items taken from the study conducted by Juliet Wakaisuka-Isingoma in 2018.

Financial performance, according to Brealey et al. (2009), may be judged in terms of earnings, repayment ability, solvency, liquidity, and financial efficiency. According to Levy (2015), a business's lack of financial capability impedes its growth. Marus Eton, Fabian Mwosi, Arthur Sunday, and Sammy Godfrey Poro performed a survey in 2021 that included financial performance questions.

Scales were measured using likert scale, where 1 = absolutely I disagree and 5= absolutely i agree. Questionnaires are sent to respondents using stratified random sampling. Once the questionnaire is completed, respondents are required to return the questionnaire to the researcher.

Hypothesis

H1: Board Profile has a positive impact on Financial performance

H2: Information Disclosure has a positive impact on Financial performance

H3: Ownership Structure has a positive impact on Financial performance

H4: Corporate Governance has a positive impact on Financial performance

3.4. Validity of instruments

According to Kothari (2004), validity describe the level to that a sample of test questions accurately describess the content of the test. Experts in research study examined the study questionnaire for content validity. The research instrument's appropriateness was tested using correlational analysis. The content and structural comments were seeks to make the instrument's final draft good.

3.5. Results of the Study

Descriptive statistics

Because the grading system in surveys is the Likert type scale, it was employed in this study. Likert scales are frequently employed with matrix questions, according to Mugenda & Mugenda (2003). In most cases, the items used in Likert scales are similar in nature. The easiest to create are Likert scales, which are founded on the premise that everyone from the question item on the Likert scale contains an equal ideological value, and importance when we expressing an attitude toward the situation in statements. The values on a Likert scale are arranged in a certain sequence and indicate whether a trait is present or absent. The majority of the data obtained was quantitative, and it was examined using descriptive analytic approaches with tools like the Statistical Package for Social Sciences (SPSS).

The descriptive analysis of qualitative data was used. A explanation of the major qualities and measurement phrases for each variable may be found below. The implications of corporate governance aspects including such board characteristics; board composition, chief executive duality, and leveraging on financial performance were investigated in this study. The components of independent and dependent variables were separated, with study variables accounting for board size, composition of the board, chief executive officer duality, and leverage, as well as dependent variables taking account for financial performance indicators including such ROA and on Equity. The subjects to use for measuring have listed in the table one.

Table 1. Demographic analyze of survey responses

		Ak bank (Turkey)		Commercial bank (Iraq)	
Variable	**Classification**	**Frequency**	**Percent %**	**Frequency**	**Percent %**
Gender of The Respondent	Male	39	42.4	60	68.2
	Female	53	57.6	28	31.8
	Total	92	100	88	100
Education level	Secondary and below	12	13	5	5.7
	Tertiary	27	29.3	36	40.9
	University	53	57.7	47	53.4
	Total	92	100	88	100
Age of the respondents	Less Than 34 Years Old	8	8.7	9	10.2
	Between 35 and 44	41	44.6	45	51.1
	Between 45 and 54	30	32.6	19	21.6
	More Than 55 Years Old	13	14.1	15	17
	Total	92	100	88	100
Experience	Less Than 4 Years	8	8.7	2	2.3
	Between 4 and 8 Years	20	21.7	21	23.9
	Between 8 and 12 Years	39	42.4	30	34.1
	More Than 12 Years	25	27.2	55	39.8
	Total	92	100	88	100
Department of working	Human Resource	5	5.4	3	3.4
	Financial Department	14	15.2	15	17
	Marketing	23	25	17	30.7
	Research And Development	27	29.3	19	21.6
	Others	23	25	24	27.3
	Total	92	100	88	100

We can observe from the table 1. Which demonstrate the demographic test that the rate of the female in the sample of Ak bank (Turkey) is 57.6% and male 42.4% , and in the sample of Commercial bank (Iraq) is 31.8% female and male 68.2 % we notice that the percent of working women in Iraq in comparison with turkey is low in spite of the nature of working in the bank that requires women participation that’s maybe belongs to the war in Iraq and many social and cultural factors. By looking to the education level we notice that the huge percent from bank employee have a university degree 53.4% in Commercial bank (Iraq) and 57.7% in Ak bank (Turkey) , and when we look to age of the respondents in the table above we can see that the big percent from the participants their age between 35 and 44 years old 51.1% in Commercial bank (Iraq) and 44.6 % in Ak bank.

By looking to the results related with Experience in in Ak bank 42.4% from the respondents have between 8 and 12 years of experience and 27.2% have more than 12 Years of experience , in the commercial bank (Iraq) the big percent of the respondents have more than 12 Years of experience (39.8%) and about 34 % have between 8 and 12 years of experience which indicates that the turnover rate of workers in AK bank in turkey more than commercial bank in Iraq. also we can notice that that big percent of the sample from AK bank are from research and development 29.3% then from marketing and other department 25% , but in commercial bank in Iraq the big percent of sample are from marketing department.

Table 2. Mean , Std. Deviation, Skewness and Kurtosis analyzes

	Commercial bank (Iraq)				Ak bank (Turkey)			
Board Profile	Mean	Std. Deviation	Skewness	Kurtosis	Mean	Std. Deviation	Skewness	Kurtosis
BP1	2.8804	1.53238	.093	-1.477	3.0227	1.33026	017	-1.182
BP2	2.3370	1.38498	.461	-1.181	2.7614	1.24101	.099	-1.173
BP3	3.3804	1.26528	-.190	-.909	3.2386	1.24101	.122	-1.227
BP4	2.4457	1.33724	.203	-1.419	2.9432	1.44125	.031	-1.396
BP5	2.9674	.93116	-.101	.732	3.1932	1.30303	-.177	-1.160
Information Disclosure								
ID1	2.9130	1.29795	-.928	.440	3.1477	1.35222	-.218	-1.164
ID2	2.7826	1.25642	-1.215	.278	2.8750	1.27588	.104	-1.123
ID3	2.4783	1.27941	-.713	-.125	2.9886	1.19860	-.019	-1.145
Ownership Structure								
OS1	2.0326	1.12368	.695	-.754	3.0795	1.32371	-.240	-1.252
OS2	2.2935	1.31382	.567	-.939	3.0909	1.29221	-.173	-1.064
OS3	1.5978	.91459	1.686	2.459	2.2614	1.30863	1.011	-.032
Financial Financial performance								
FP1	1.2065	.40703	1.474	.176	2.0341	1.15916	1.065	.256
FP2	1.8043	.98605	.968	-.218	2.4659	1.08224	.257	-.803
FP3	1.7826	1.04646	1.156	.286	2.7955	1.28796	.492	-.937
FP4	2.1848	1.22186	.635	-.833	2.9432	1.30743	.107	-1.156
FP5	2.4783	1.29647	.188	-1.317	2.7386	1.21763	.128	-1.188
FP6	2.2283	1.27618	.629	-.817	3.1136	1.29926	.106	-1.206
FP7	2.9783	1.17649	.001	-.788	2.7614	1.40602	.133	-1.279
FP8	3.0109	1.29661	-.021	-1.070	3.3409	1.29443	-.404	-.953
FP9	2.8152	1.21284	.175	-.899	2.9545	1.38886	.030	-1.282
FP10	2.9674	1.37042	.008	-1.177	2.8864	1.37658	.128	-1.179

The mean, standard deviation, skewness, and kurtosis results are seen in Table 2. The usual skewness and kurtosis values are between -3 and +3, and table 2 shows that all of the question item scores in the AK bank and commercial bank are between -3 and +3, indicating that perhaps the information both in sample is normal and suitable for study.

Table 3.Factor loading and reliability analyzes

		Commercial bank (Iraq)				Ak bank (Turkey)			
Factor's Name	**Variables**	**Factor Loading**	**Eigen-value**	**Variance Explained**	**KMO**	**Factor Loading**	**Eigen-value**	**Variance Explained**	**KMO**
Board Profile	BP1	.688	1.652	54.127	.571	.739	1.904	60.812	.584
	BP2	.698				.677			
	BP3	.613				.659			
	BP4	.824				.698			
	BP5	.898				.724			
Information Disclosure	ID1	.833	1.479	50.110	0.603	.633	1.307	43.556	.546
	ID2	.772				.740			
	ID3	.544				.558			
Ownership Structure	OS1	.792	1.885	62.834	0.523	.523	1.494	50.817	.583
	OS2	.911				.700			
	OS3	.734				.688			
Financial Financial performance	FP1	.655	1.740	68.801	0.816	.693	2.267	61.656	.564
	FP2	.727				.708			
	FP3	.708				.679			
	FP4	.853				.777			
	FP5	.733				.574			
	FP6	.816				.665			
	FP7	.763				.673			
	FP8	.768				.662			
	FP9	.742				.644			
	FP10	.782				.834			
Cronbach's Alpha		.881				.703			

We can observe from the factor analyses that we applied that the value are less than 0.5 and by looking to the obtained results in both samples AK bank and commercial bank we see that the values for each item is more than 0.5 which mean that the items in both samples are suitable to analyze, When dimensionality is constrained, this indicates the presence of linkages between constructs by searching for correlations between objects and variables (Netemeyer, Bearden, & Sharma, 2003).

Four-Factor Structure in Preliminary Form To extract eigenvalues for every factor in the data, a preliminary analysis was performed on two samples. The Kaiser-Meyer Olkin Measure confirmed the study' sampling adequacy. Table 3 shows that the percentage explained by each component accounted for more than 50% of the total. Furthermore, we can observe that the eigenvalues for every factor in two samples are bigger than one, and that KMO is greater than 0.5 for all factors in both samples.

Cronbach's alpha is a metric for determining the consistency or reliability of a set of scale or test items. Cronbach's alpha is therefore a function of the total score variance, the number of items in a test, and the average covariance between pairs of items.

A bigger number of objects can lead to a larger, whereas a lesser number of items can lead to a smaller. If alpha is high, it's possible that the questions are redundant. A low alpha score might indicate that the exam has insufficient questions. We can notice from the obtained results that the total Cronbach's alpha value in both banks are high Commercial bank (.881) and Ak bank (.703).

Table 4. Mean , Std. Deviation and Correlations between factors

	Commercial bank (Iraq)					Ak bank (Turkey)				
	Board Profile	**Information Disclosure**	Ownership Structure	Financial Financial performance	Corporate Governance	**Board Profile**	**Information Disclosure**	Ownership Structure	Financial Financial performance	Corporate Governance
Board Profile	1					1				
Information Disclosure	622(**)	1				.503(**)	1			
Ownership Structure	661(**)	.641(**)	1			.121	.053	1		
Corporate Governance	522(**)	.609(**)	.719(**)	1		.522(**)	.476(**)	.331(**)	1	
Financial Financial performance	854(**)	.814(**)	.836(**)	.714(**)	1	.789(**)	.770(**)	.526(**)	.637(**)	1

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

The correlation value among two factors must be lower than 0.85, we can observe from the results which obtained in the table four that the correlation value between Board Profile,Information Disclosure ,Ownership Structure, Corporate Governance and Financial performance in the commercial bank (Iraq) are less than 0.85 and these values are acceptable , moreover we can notice that there are positive and significant correlation between these factors as it seen in the table 4. From the other side the correlation value between Board Profile ,Information Disclosure ,Ownership Structure, Corporate Governance and Financial performance in the AK bank (turkey) are also less than 0.85 and these values are acceptable ,but the correlation value between Ownership Structure and both of Board Profile and Information Disclosure are not significant , all the other correlation values between the factors are positive and significant.

Table 5. Regression analyze results

		Commercial bank (Iraq)					**AK bank (Turkey)**				
Dependent Variables	Independent Variables	β	t	P Değeri	R^2	F	β	t	P Değeri	R^2	F
Financial Financial performance	(Constant)		4.452	.000	.539	36.51		4.602	.000	.407	19.25
	Board Profile	-.005	-.054	.957			.344	3.519	.001		
	Information Disclosure	.253	2.567	.012			.288	2.960	.004		
	Ownership Structure	.560	5.443	.000			.274	3.241	.002		
	Corporate Governance	.714	9.666	.000			.637	7.669	.000		

Regression analysis is a proven way for determining which factors have an influence on a certain issue. Regression analysis helps you to accurately establish which elements are most important, which factors may be ignored, and how these factors interact.

The R-squared number indicates how near the data is to the fitted regression line. For multiple regressions, it's also known as the coefficient of determination or the coefficient of multiple determination. When a model describes 100% of the variability in response data around its mean, it is said to be perfect.

With respect to the effects of Board Profile ,Information Disclosure ,Ownership Structure, Corporate Governance on Financial performance ($p < 0,05$), H1, H2, H3 and H4 respectively, the results in commerical bank (iraq) support hypothesis H2 ,H3and H4. Thus, the Information Disclosure ,Ownership Structure, Corporate Governance the higher Financial performance are more than likely to be The inability to sustain hupotheses H1 is one of the most notable discoveries. Board Profile has no effect on financial success ($p>0.05$), contrary to predictions. Online shoppers' Board Profile has little impact on financial success.

As a result, hypothesis H1 is unsupported. And In terms of the financial performance implications of board profile, information disclosure, ownership structure, and corporate governance, in the AK bank ($p < 0,05$) H1, H2, H3 and H4 respectively, the results support all the hypothesis H1, H2, H3 and H4. Thus, the Board Profile ,Information Disclosure ,Ownership Structure, Corporate Governance the higher Financial performance are likely to be.

CONCLUSION

The main goal of this study was to investigate the relationship between corporate governance like board profile and ownership structure and financial performance in the banking sector in both of Turkey and Iraq and to configure out if there are differences between them and to achieve this goal we have chosen the commercial bank from Iraq and the AK bank from Turkey The independent factor corporate governance like board profile and ownership structure variables were board profile, information disclosure, and ownership structure , while the dependent variables financial performance.

Regression analysis was done to test the relationship between the corporate governance like board profile and ownership structure and financial performance. The findings showed that board profile as a factor of corporate governance like board profile and ownership structure does not have impact on the financial performance in the commercial bank of Iraq the respondents in this bank in Iraq answered that The CEO of the commercial bank of Iraq is not supported by counsel from the Board of Directors , the CEO's financial performance is not controlled and appraised satisfactorily , and the commercial bank is not clearly defined in terms of lines of authority and responsibility , so the board profile is not lead to the higher financial performance in the bank. in the contrary the results in the AK bank in turkey supported the literature that the board profile positively influence the financial performance.

The results also showed that information disclosure, and ownership structure as a variables of corporate governance like board profile and ownership structure factor positively influence the financial performance in both banks (commercial bank in Iraq and AK bank in Turkey) positively and significantly affects financial performance. The respondents in two banks answered that the Bank has a clearly identified and publically accessible disclosure policy which defines principles, rules and procedures of reporting to shareholders, relevant authorities, public, and other interested parties ,and the Bank ownership structure promotes capital rights , voting rights, and managerial rights. This study adds to the corporate governance like board profile and ownership structure literature by shedding light on the effects of corporate governance like board profile and ownership structure (board profile, information transparency, and ownership structure) on financial performance from the perspective of emerging countries such as Turkey and Iraq. The paper also includes an empirical evaluation of the impact of various governance structures used by insurance banks, as well as recommendations for policymakers to consider when evaluating and updating corporate governance like board profile and ownership structure rules. The report also makes recommendations to management and other stakeholders on how to improve a bank's financial performance by reorganizing its board of directors. Future study might focus on data from other industries and nations in order to assess and assess the impact of corporate governance like board profile and ownership structure in different sectors and countries. Other governance characteristics like as gender diversity, director salary, age, and ownership can also be investigated by future academics.

Limitations of the Study

Improved survey metrics of bank corporate governance, such as board profile and ownership structure, as well as a variety of possible financial performance functions, like inflation, gender, marginal rates, market competition, and heritage, could enhance the empirical outcomes' reliability and lower the risk of measurement error. Those elements could not be considered at the very same time in this inquiry. Different study methodologies (such as interviews or an experiment) might provide various results, and different techniques to assessing corporate governance like board profile and ownership structure and financial performance may give limited results. The researcher ran into a number of roadblocks that were expected to make limitation access to the data needed for the investigation.

REFERENCES

Agarwal, A., & Knoeber, C. R. (1996). The organization financial performance and mechanisms to control agency problem between managers and shareholders. Journal of Financial and Quantitative Analysis, 31(3), 377-397.

Aldamen, H., Duncan, K., Kelly, S., McNamara, R., & Nagel, S. (2012). Audit committee characterstics and organization financial performance during the global financial crisis. Accounting & Finance, 52(4), 971-1000.

Amoateng, AK,, Osei. KT., Ofori, A., Gyabaa, EN. (2017). Empirical study on the impact of corporate governance practices on financial performance : Evidence from SMEs in an emerging economy. European Journal of Accounting, Auditing and Finance Research 5(8):50-61.

Arikawa, Yasuhiro, Inoue Kotaro, and Saito Takuji. (2017). Corporate Governance, Employment Laws, and Corporate Financial performance in Japan: An international perspective. Tokyo Institute of Technology 9(2) ,1–34.

Arora, A., Bodhanwala, S. (2018). Relationship between corporate governance index and organization financial performance : Indian evidence. Global Business Review 19(3):675-689.

Arosa, B., Iturralde, T., & Maseda, A. (2010). Outsiders on the board of directors and organization financial performance : evidence from Spanish non-listed family organizations. Journal of Family Business Strategy, 1(1), 236-245.

Aydin, N., Sayim, M. and Yalama, A. (2007). Foreign Ownership and Organization Financial performance : Evidencefrom Turkey. International Research Journal of Finance and Economics (3) , 102–110.

Bakar, A., Ghazali N., Ahmad, MB. (2019). Sustainability reporting and board diversity in Malaysia. International Journal of Academic Research in Business and Social Sciences 9(3):91-99.

Bauer, R., Gunster, N., & Otten. (2004). Empirical evidence on corporate governance in Europe: The effect on stock returns, organization value, and financial performance. Journal of Asset Management, 5(2), 91-104.

Bhagat, S., & Black, B. S. (2002). The non-correlation between board independence and long-term organization financial performance. Journal of Corporation Law, 27(1), 231-274.

Bhagat, S., & Bolton, B. (2008). Corporate governance and organization financial performance. Journal of Corporate Finance, 14(1), 257–273.

Black, B. (2001). The corporate governance behavior and market value of Russian organizations. Emerging Markets Review, 2(1), 89–108.

Black, B., Jang, H., & Kim, W. (2006, January 4). Does corporate governance predict organizations' market values? Evidence from Korea. Journal of Law, Economics, and Organization, 22(2), 366–413.

Byun, H. S., Lee, J. H., & Park, K. S. (2012). How does product market competition interact with internal corporate governance?: evidence from the Korean economy. Asia-Pacific Journal of Financial Studies, 41(1), 377–423.

Cadbury Report. (1992, December). The financial aspects of corporate governance and Gee And Co. Ltd. Chhaochharia, V., & Laeven, L. (2008, April). The invisible hand in corporate governance. ECORPORATE GOVERNANCE I Finance Working Paper No. 165, 91(8).

Connelly, J., Limpaphayoma, T. P., & Nagarajan, N. (2008). Form versus substance: the effect of family influence and corporate governance practices on organization value in Thailand. University of Pittsburgh Working Paper.

Dalton, D., Johnson, J., & Ellstrand, A. (1999). Number of directors and financial financial performance : a metaanalysis. Academic Management Journal, 42(6), 674-686.

Durnev, A., & Kim, E. H. (2005). To steal or not to steal: organization attributes, legal environment, and valuation. Journal of Finance, 60(3), 1461-1493.

Enya, H., Miller, S. M., & Yang, T. (2011, February). Board structure and organizations financial performance : evidence from the US Property-Liability Insurance Industry. Working Paper series of The Geneva Association.

Fauzi, F., & Locke, S. (2012). Board structure, ownership structure and organization financial performance : a study of new zealand listed-organizations. ASIAN Academy of Management Journal of Accounting and Finance, 8(2), 43-67.

Hassan, M. K. (2012). A disclosure index to measure the extent of corporate governance reporting by UAE listed corporations. Journal of Financial Reporting and Accounting, 10(1), 4 - 33.

Hayes, R., Mehran, H., & Schaefer, S. (2005). Board committee structures, ownership, and organization financial performance. Working Paper, Federal Reserve Bank of New York and University of Chicago.

Hermalin, B. E., & Weisbach, M. S. (1988). The determinants of board composition. RAND Journal of Economics, 19(4), 589-606.

HKSA. (2001). Corporate governance disclosure in annual reports: a guide to current requirements and recommendations for enhancement. Hong Kong Society of Accountants.

Imade, OG. (2019). Board gender diversity, non-executive director's composition and corporate financial performance : evidence from listed organizations in Nigeria. African Journal of Business Management 13(9):283-290.

Jansson, A., & Olaison, U. (2010). The effect of corporate governance on stock repurchases: evidence from Sweden. Corporate Governance: An International Review, 18(5), 457-472.

Jordi Paniaguaa, Rafael Rivellesb, and Juan Sapenab (2018). The relationship between institution governance and ownership structure and financial financial performance , 130-145.

Kajananthan, R. (2012). Corporate governance practices and its impact on organization financial performance : special reference to listed banking institutions in Sri Lanka. Global Journal of Management and Business Research, 12(21).

Klapper, F., & Love, I. (2004). Corporate governance, investor save ion and financial performance in emerging markets. Journal of Corporate Finance, 10(5), 703-728.

Klein, A. (1998). Organization financial performance and board committee structure. Journal of Law and Economics, 41(1), 275- 303.

Knut Michelberger (2020). Assess the influence of corporate governance on business financial performance , 90-112.

Lawrence, Okoye and Rhoda, Uzohue (2020). Governance norms in order to maintain successful operations. Journal of Financial Economics, 80(1), 33.

Liem, M. C. (2016). Corporate governance in Banking Industry: An explanatory study. Research Journal of Finance and Accounting, 7(6), 30 – 48.

MacNeil, I., & Li, X. (2006). Comply or explain: Market discipline and non-compliance with the Combined Code. Corporate Governance: An International Review, 14(5), 486–496.

Mallin, C. A. (2016) *Corporate Governance.* 5th ed. Oxford: Oxford University Press.

Mande, V., Park, Y. K., & Son, M. (2012). Equity or debt financing: does good corporate governance matter? Corporate Governance: An International Review, 20(2), 195–211.

Marston, C. L., & Shrive, P. J. (1991). The use of disclosure indices in accounting research: a review article. *The British Accounting Review, 23*(3), 195-210.

Martin-Reyna, J.M.S., Duran-Encalada, J.A. (2015). “Effects of Family Ownership, Debt and Board Com-position on Mexican Organizations Financial performance ", International Journal of Financial Studies, Vol. 3, No. 1, 56–74.

McConnell, J. J. and Servaes, H. (1990). Additional Evidence on Equity Ownership and Corporate Value. *Journal of Financial Economics*, 27(2), 595-612.

Mitton, T. (2004). Corporate governance and dividend policy in emerging markets. Emerging Markets Review, 5(4), 409-426.

Muchtar, D., Mat Nor, F., Albra, W., Arifai, M., Ahmar, A.S. (2018), “Dynamic Financial performance of Indonesian Public Companies: An Analysis of Financial Decision Behavior”, Cogent Economics & Finance, Vol. 6, No. 1, 1-14.

Mura, R. (2007). Organization Financial performance : Do Non-Executive Directors Have Minds of their Own? Evidence from UK Panel Data. *Financial Management,* 36(3), 81–112.

Muth, M. and Donaldson, L. (1998). Stewardship Theory and Board Structure: A Contingency Approach. *Corporate Governance: An International Review,* 6(1), , 5-28.

OECD. (2004). OECD Principles of Corporate Governance.

Osundina, J. A., Olayinka, I. M. & Chukwuma, J. U. (2016). Corporate governance and financial financial performance of selected manufacturing companies in Nigeria. International Journal of Advanced Academic Research/ Social and Management Sciences, 2(10), 29 – 43.

Patel, S. A., & Dallas, G. S. (2002). Transparency and disclosure: overview of methodology and study results- United States. SSRN Working Paper No. 422800.

Paul, G. D., Ebelechukwu, E. C., & Yakubu, S. (2015, January). Impact of corporate governance on financial financial performance of microfinance banks in North Central Nigeria. International Journal of Humanities Social Sciences and Education (IJHSSE), 2(1), 153-170.

Perfect, S. B. and Wiles, K.W. (1994). Alternative Construction of Tobin's Q. An empirical comparison. *Journal Empire of Finance,* 1(3-4), 313-341.

Rechner, P.L. and Dalton, D.R. (1991). CHIEF EXECUTIVE OFFICER Duality and Organisational Financial performance : A Longitudinal Analysis. *Strategic Management Journal,* 12(2), 155-160.

Rodriguez-Fernandez, M. (2016). Social responsibility and financial financial performance : The role of good corporate governance. *BRQ Business Research Quarterly*, *19*(2),.137-151.

Shabri, Abd. (2021) The vast majority of agency theory : Empirical evidence from Indonesia.

Shleifer, A., & Vishny, R. W. (1997). A survey of corporate governance. Journal of Finance, 52(2), 737–783.

Twinkle Prusty & Saurabh Kumar (2016).The influence of corporate governance, as measured by board financial performance , on the financial financial performance : Empirical evidence from India

Varshney, P., Kaul, V. K., & Vasal, V. K. (2012). Corporate governance index and organization financial performance : empirical evidence from India. Retrieved from http://ssrn.com/abstract=2103462

Vieira, E.F.S. (2017),"Debt Policy and Organization Financial performance of Family Organizations: The Impact of Economic Adversi-ty", International Journal of Managerial Finance, Vol. 13, No. 3, 267-286.

VO, D., & Phan, T. (2013). Corporate governance and organization financial performance : Empirical evidence from Vietnam

Wang, B. (2018), "Ownership, Institutions and Organization Value: Cross-Provincial Evidence from Chi-na", Research in International Business and Finance, Vol. 44, 547-565.

Wintoki, M. B., Linck, J. S., & Jeffry, N. M. (2012). Endogeneity and the dynamics of internal corporate governance. Journal of Financial Economics, 105(3), 58

Yasser, Q.R., Al Mamun, A. (2015), "Effects of Ownership Concentration on Organization Financial performance : Pakistani Evidence", Journal of Asia Business Studies, Vol. 9, No. 2, 162-176.

Yusuf, I., Tambaya, U. Y. & Badamasi, M. (2016). Corporate governance and financial performance of listed Deposit Money Banks in Nigeria. Institutional Frameworks, 278 – 288.