

THE EFFECT OF CORPORATE GOVERNANCE ON FIRM FINANCIAL PERFORMANCE: A STUDY ON MALAYSIAN FOOD AND BEVERAGES COMPANIES

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This study explores the effect of Corporate Governance towards the firms' financial performance. This study attempts to determine the effect of Corporate Governance by using recent available data on the past 5 years (2013-2017) on 37 Malaysian Food and Beverages Companies that listed on the main board of Kuala Lumpur Stock Exchange (KLSE). The independent variables of this study is the Corporate Governance that included the Board Size, Board Independent and Audit Committee while the dependent variable is the firms' financial performance which is the Return of Asset of the companies. The results derived from this study suggests that board size was positively and significantly associated to firms' financial performance while other components of Corporate Governance was found to be insignificant in this study.