UNIVERSITI TEKNOLOGI MARA

BOARD LEADERSHIP STRUCTURE, BOARD REMUNERATION AND FIRM SIZE TO FIRM PROFITABILITY OF TOP 100 FTSE BURSA MALAYSIA INDEX COMPANIES

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Dissertation submitted in partial fulfillment of the requirements for the degree of

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CANDIDATE'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of University Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledged as reference work. This thesis has not been submitted to any other academic institution or non-academic institution for my other degree or qualification.

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ABSTRACT

This paper examines the interrelation between board leadership structure, board remuneration and firm size to firm profitability in a sample of top 100 FTSE Bursa Malaysia Index listed companies. The two board leadership structures examined in this study are size and role duality. This paper also examined board remuneration and firm size as independent variables controlling by leverage. The data are gathered from the analysis of annual report for companies listed in the Bursa Malaysia, beginning from the year 2007 until 2010. Multiple regressions are applied to test the significance of board leadership structures, board remuneration and firm size to firm profitability. The result shows that all independent variables do not have a significant relationship with the firm profitability.

Keywords: Board of Director, Leadership Structure, Remuneration, Firm Size, Firm Profitability, and Top 100 FTSE Bursa Malaysia Index listed companies

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