



EFFECT OF CEO DUALITY AND AUDIT COMMITTEE  
MEETING TOWARDS THE FIRM PERFORMANCE

NORFADILAH BINTI ALIMAN  
2013303369

BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) FINANCE  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
KOTA KINABALU

JUNE 2016

## ACKNOWLEDGEMENTS

In the name of Allah, the most gracious, the most merciful.

Firstly, this final year project could not have been possible without the grace of Allah S.W.T. Thank you for giving me the joys of love and the pain of sorrows, the will to fight and the patience to endure.

Secondly, it could not have been completed without the contributes of many whom, I wish to appreciate and thankful for their invaluable assistance.

I sincerest gratitude to the UiTM because have provided convenient for the students that made the project a possible instead the impossible.

Do to thank my supervisor, Miss Anastasia Binti Harbi. Her suggestions and guidance throughout the preparation of this project was of immense help to me. Not forget thanks to second examiner Sir Shamli Salisi also I want thankful to the members and students of Faculty of Business Management for their inputs.

My final thank go to my family for their understanding, continuous support and enduring love. Not forgetting those individuals who have directly or indirectly been of assistance for me in the preparation of this research project.

<b>TABLE OF CONTENTS</b>	<b>PAGES</b>
TITTLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF ABBREVIATIONS	x
ABSTRACT	xi
<b>CHAPTER 1: INTRODUCTION</b>	
1.0 Introduction	1
1.1 Background of Study	2
1.2 Significance of Study	4
1.3 Problem Statement	7
1.4 Research Objectives	8
1.5 Limitation of Study	9
1.6 Chapter Summary	11
<b>CHAPTER 2: LITERATURE REVIEW</b>	
2.0 Introduction	12
2.1 Theory Used in Study	13
2.2 Literature Review	14

2.3	Theoretical Framework	22
2.4	Chapter Summary	23

**CHAPTER 3: METHODOLOGY**

3.0	Introduction	24
3.1	Scope of Study	25
3.2	Empirical Model	26
3.3	Measurement of Variable	27
3.4	Estimation Method	28
3.5	Hypothesis	30
3.6	Flow of Research Methodology	31
3.7	Chapter Summary	32

**CHAPTER 4: RESULTS AND DISCUSSION**

4.0	Introduction	33
4.1	Analysis Measure	33
4.2	Panel Unit Root (Stationary Test) Test	36
4.3	Diagnostic Test	37
4.4	Breusch and Pagan Lm Test	39
4.5	Hausman Specification Test	40
4.6	Ordinary Least Square	43
4.7	Result of Hypothesis Testing	45
4.8	Chapter Summary	45

## **ABSTRACT**

Issue regarding Corporate Governance is not a new but has been discussed since decades. Corporate Governance is call the system which the companies are directly and control. A good Corporate Governance can help the companies to improve the economic development by enhancing the companies performance. This paper aim to study the effect of mechanism of corporate governance such Audit Committee Meeting and CEO Duality toward firm performance of Return on Equity. The convenience sampling techniques was adopted in this study while select the sample of companies. 10 companies were selected that listed in Bursa Malaysia as sample of this study over a period of six years from 2010 to 2015. This study are found that both mechanism of corporate Governance which Audit Committee Meeting and CEO Duality has insignificant impact on firm performance.

**Keywords: Corporate Governance, Return on Equity, Audit Committee Meeting and CEO Duality**