

The Relationship between Corporate Governance and Earnings Management: The Case of Malaysia

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Abstract

This study investigates the relationship between corporate governance mechanisms that are audit committee characteristics, board characteristics and earnings management. We used 150 listed firms in Bursa Malaysia as our sample. We analyse our data using descriptive statistics, correlation and regression. Our study found that the size of the board negatively related to earnings management. This suggest that large board are able to provide effective monitoring mechanism to the firm in combating earnings management. Besides, our result also exhibit that the independence of audit committee is also associated with higher earnings management. We conclude that the role of corporate governance mechanisms are important determinants in reducing earnings management in the firms in Malaysia.

Keywords

Corporate Governance, Earnings Management, Audit Committee Characteristics, Board of Directors

INTRODUCTION

Previous studies have shown that managers are individuals who have an incentive to manipulate income especially when their rewards and bonuses are determined based on the firm's performance. In other words, managers have greater tendencies to manipulate income (i.e., by portraying high earnings through earnings management activities) to ensure they will be rewarded by shareholders and firm. As a result, the income reported by the firm may not be a real income generated by the company. Hence, investors rely on the misleading information when they make an economic decision to invest in the company. In order to curb manager's opportunistic behavior, corporate governance has been used as one of the solutions to this problem. Past researches such as Xie et al. (2003) and Ismail et al. (2012) have highlighted on the critical role of governance mechanisms, especially on how board and the audit committee could improve the quality of the earnings. Another study from Malaysian perspective also exhibit that board functional characteristics are significant in improving the performance of firms (Hassan et al. 2020), hence underlining impact of central role of the board in the decision-

making process in the organization. Therefore, this study attempts to determine the relationship between internal governance mechanisms (i.e., board and audit committee characteristics) in mitigating earnings management, based on the capital market in Malaysia.

This study is particularly important given that the effect of corporate governance on earnings management is inconclusive in previous studies as most studies are more focused on the capital markets which govern its corporate governance is fully regulated as in the United States (US) and United Kingdom (UK). Moreover, there is scant evidence from developing countries such as Malaysia, whereas corporate governance varies according to the country in which the firm operate, as suggested by previous studies. In addition, the results of current studies on corporate governance and earnings management are inconsistent (Bishwas & Rapani, 2022). Given that only a few researches have been conducted in Malaysia (e.g. Ismail et. al., 2012; Saleh et al., 2005, Rahman et. al., 2006), this study intends to examine the relationship between corporate governance and earnings management by controlling for several variables.

Corporate governance is “a set of control mechanisms that is specially designed to monitor and ratify managerial decisions, and to ensure the efficient operation of a corporation on behalf of its stakeholders” (Donnelly & Mulcahy, 2008, p. 416). We define earnings management based on the definitions proposed by Healy and Wahlen (1999) and Ronen and Yaari (2008). Healy and Wahlen (1999, p. 368) define earnings management as an act to “mislead” the users of accounting information. According to Ronen and Yaari (2008, p. 371-372) earnings management is performed using the deviation between revenues and cash, that is accrual. The following section explains about the literature review in this area as well as the hypotheses development.

LITERATURE REVIEW

Several studies on corporate governance and earnings management (e.g., Wang, 2006; Lara, et. al, 2007; Machuga and Teitel, 2007; Chang and Sun, 2009; Machuga and Teite, 2009) focused mostly on board and audit committee characteristics, but none of them included the board remuneration as well as Muslim directors in the board as their tested variables.

Therefore, we contend that there is a need to develop a more comprehensive knowledge of the effectiveness of corporate governance in mitigating earnings management by including other potential variable such as board remuneration, and Muslim directors which can be considered as an element of governance especially from the context of developing economy such as Malaysia. We therefore, aims to fulfill this research gap.

Ismail et al. (2012) studied the influence of corporate governance mechanisms on earnings management using Malaysian firms in the year 2001. The dependent variable used in their study is the absolute value of the firm's discretionary accruals, while the independent variables consist of the size of the board of directors, the size of the audit committee, director's shareholding, board independent, audit committee independent, director's remuneration, chairman status, audit quality, CEO duality and CEO quality.

Ismail et al. (2012) controlled for firm performance, firm size, leverage and growth. By using 400 companies listed on Bursa Malaysia, they analyzed the data using descriptive statistics, correlation and OLS regression. As a result, when they used Modified Jones model as a dependent variable, they found a significant negative relationship between the size of the

audit committee and earnings management. Similarly, they found that the board shareholding negatively related to earnings management at $p < 0.05$ and $p < 0.01$. Pertaining to the control variables, firm size, profitability, and growth recorded significant positive relationships with earnings management at $p < 0.01$, $p < 0.01$ and $p < 0.01$ respectively. However, leverage reported to be negatively related to earnings management at $p < 0.05$. Other variables were found to be insignificant in this model.

When the Kasznik Model has been used as a dependent variable, Ismail et al. (2012) discovered a negative relationship between the size of the audit committee and board of directors with earnings management at $p < 0.01$ and $p < 0.05$ respectively. On the other hands, the control variables, firm size, profitability, and growth exhibit a significant positive relationship with earnings management at $p < 0.05$, $p < 0.01$ and $p < 0.01$. Leverage, however, reported a significant negative relationship with earnings management at $p < 0.10$. Consistent with Ismail et al. (2012), we will also examine the characteristics of the board of directors and the audit committee, by adding another important variable, which are board remuneration, audit committee quality Muslim directors in the board and audit committee.

Saleh et al. (2005) performed a study in Malaysia to measure the influence of board of directors' characteristics on earnings management. Discretionary accrual was chosen by Saleh et al. (2005) as a variable their dependent, while the independent variable consists of the chairman directorship, board independent and size of the board of directors. The study used firm size and firm performance as control variables. Using data from 561 firms from *Datastream*, the study show that the multiple directorships significantly related negatively with the earnings management. The ratio for independent board members is not significant in influencing earnings management.

Another Malaysian based study determines the implications of board of directors, audit committee and ownership structure on earnings management among 97 listed firms in Bursa Malaysia during 2002-2003 (Rahman et al., 2006). Rahman et al. (2006) also uses discretionary accrual as dependent variable in their study to represent earnings management. The control variables they used are return on assets, debt, cash flow, size, growth and Big-5. The findings reported that the size of board of directors associated positively with the earnings management (Rahman et al., 2006).

Lin et al. (2006) examines the relationship between the characteristics of audit committee (size, independent, expertise in finance, activities and ownership shares) and income restatement of 212 public companies in the U.S. The control variables used in Lin et al. (2006) study is firm's growth, debt and Big 5. The findings indicate a negative association between the size of the audit committee and the occurrence of restatement of income. The other four characteristics of the audit committee failed to demonstrate a significant effect on income restatement.

Jiang et al. (2009) also investigate shareholder ownership effect on reported earnings quality. Using the discretionary accrual as the dependent variable and the percentage of shares held by the institutional investor as well as the percentage of shares held by non-institutional investor as the independent variables, Jiang et al. (2009) confirmed that stronger shareholder ownership is associated with quality higher income when total log assets, market to book ratio, cash flow and leverage are controlled.

Another U.S. study measured how firm's corporate governance (board characteristics and audit committee characteristics) has impacted earnings management which was proxied by the level of discretionary accruals (Chtourou et al., 2001). The control variables of this study include firm size, leverage and Big 6. They collected the data from *Compustat* and the sample comprises of firms in the US during the year 1996. Based on the analysis, Chtourou et al. (2001) verified that earning management activities are negatively related to board independent, board size, audit committee independent and audit committee financial expertise.

HYPOTHESIS DEVELOPMENT

Meeting of Audit Committee and Board of Directors

Board and audit committee meeting represents their commitment in discussing and handling financial performance and financial affairs in the firms. Xie et al. (2003) claims that higher number of meetings in the board and audit committee are able to reduce earnings management. The Smith's report (2003) outlined that Audit Committee meetings should meet no less than 3 times in per year (Combined Code 2003, p. 48). In this regard, audit committee are expected to spend reasonable amount of time to check any financial irregularities in the firm. Chen et al. (2006) reported that the board that meet frequently is associated with lower occurrence of fraud. Thus, we hypothesized that:

H1: There is a negative relationship between the number of audit committee meetings and earnings management.

H2: There is a negative relationship between the number of Board meetings Directors and earnings management.

Independence of the Audit Committee and the Board of Directors

Independent directors in the board and audit committee are expected to perform their monitoring roles in order to prevent the occurrence of earnings management activities in the firm. Independent directors in audit committee play an important role in preventing and detecting any irregularities in financial affairs and financial reporting (Xie et al., 2003). Previous studies reported that audit committee independent is linked to lower earnings management. Studies by Kent et al., (2010) and Xie et al., (2003) also found that there is a negative relationship between board independent and earnings management.

H3: There is a negative relationship between audit committee independent and earnings management.

H4: There is a negative relationship between board independent and earnings management.

Size of Audit Committee and Board of Directors

The size of audit committee and board represent the amount of manpower in running the business operation. According to the UK corporate governance code (2010), a minimum of three independent directors must be appointed as the audit committee. Echoing from Xie et al. (2003), this suggests that better monitoring functions could be achieved by increasing the number of board and audit committee in order to reduce the earnings management. It is because, large board is able to capture the complexity of the business than the small board (Coles et al., 2008). Thus, we hypothesized that:

H5: There is a negative relationship between audit committee size and earnings management.

H6: There is a negative relationship between board size and earnings management.

Financial Expertise of Audit Committee and Board of Directors

The board and audit committee play an essential role in detecting any irregularities in firms' financial statement. However, this role could be more effective if the directors in the board possess the required financial expertise. This argument is confirmed by an earlier study conducted by Abbott et al. (2002). In further support, Xie et al., (2003) and Chtourou et al. (2001) also observed lesser earnings management activities among firms that the audit committee possesses necessary financial expertise. Therefore, we postulate that:

H7: There is a negative relationship between the financial expertise of the Audit Committee and earnings management.

H8: There is a negative relationship between the financial expertise of the Board of Directors and earnings management.

Quality of Audit Committee and Board of Directors

A high-quality audit committee and board of directors is expected to be able to monitor the behavior of managers, therefore can improve the quality of the firm's income (Bishwas and Rapani, 2022). Therefore, the ninth and tenth hypotheses are:

H9: There is a negative relationship between audit committee quality and earnings management

H10: There is a negative relationship between the quality of the board of directors and earnings management.

Board of Directors Remuneration

Board of directors with high remuneration are expected to be more diligent to monitor the behavior of managers and examine the firms' financial matters, which lead to less earnings management behavior. Directors who receive high remuneration is expected to demonstrate higher motivation to carry out their function as the representatives of the shareholders. Wang et al. (2021) provide support to this argument as they found that director's remuneration negatively impacted earnings management. Therefore, the eleventh hypothesis is:

H11: There is a negative relationship between board remuneration and earnings management.

Muslim Audit Committee and Muslim Board of Directors

We argue that Islam promotes truth principles and forbid any kind of manipulation activities. Every Muslim is taught to be trustworthy and transparent in his/ her job. Accordingly, we predict that earnings management occurrence would be lower when Muslim directors are in the board. This argument is in corroboration with Abdul Rahman et al., (2005) who similarly hypothesized that:

H12: There is a negative relationship between Muslim board of directors and earnings management

RESEARCH METHODOLOGY

Population and Sample

The study population consists of all firms listed on the Bursa Malaysia in 2011. From the total population, 150 listed firms in Bursa Malaysia are selected which includes three important sectors that are consumer product sector, industrial products sector and trade services sector. These sectors have been chosen because those sectors are the main sectors contributed to Malaysian capital market. Data will be collected from 150 companies that are randomly selected for each sector. The data is taken from the annual report company downloaded from the Bursa Malaysia website.

Dependent and Independent Variables

The dependent variable in this study is earnings management, which is measured using absolute value of total accruals (Mendes et. al., 2012). Total accruals are calculated using the cash flow model, where it is more reliable when compared to the balance sheet model (Hribar and Collins, 2002). This measurement suggests, that the higher the accrual, the bigger the firm's earnings in the form of future sales, thus indicating lower quality of earnings. The independent variable of this study are board characteristics and audit committee characteristics. Firm size and leverage are introduced as the control variables of this study.

Data Analyses

We performed several statistical analyses in this study. First, we conduct descriptive statistics to identify on the mean, median, range of data, minimum and maximum value of our variables. Next, we conduct Pairwise Correlation analysis to determine the relationship between each variables that we included in our dataset. We also checked the skewness and kurtosis of the data in order to check for the normality. Normality is achieved when skewness and kurtosis is in the range +2 to -2. However, we found that certain data of ours do not meet these criteria. Since our dataset are not in line with the requirement in the linear regression assumption, we therefore utilized Robust regression analysis which completely disregards the assumption of normality (Hair et al., 2013; Ganguly, 2014). All of the analyses have been performed using STATA 12.

Model Development

$$EM_i = BODSIZE_i + BODIND_i + BODMEET_i + BODREM_i + ACMEET_i + ACSIZE_i + ACIND_i + ACEXP_i + ACQUALITY_i + BODMUSLIM_i + ACMUSLIM_i + SIZE_i + LEV_i + e$$

Measurement of variables

Dependent Variable

Earnings management (EM) = Absolute value of total accruals. It is measured using net income minus net cash flow from operation divide with total asset from previous year (Jo and Kim, 2007)

Independent variables

BODIND = Percentage of independent directors in the board (excluding the chairman)
 BODSIZE = Number of board members.
 BODMEET = Number of board meeting in a year.
 BODQUALITY = 1 (if BODSIZE \geq 3, BODIND = 100%, BODMEET \geq 3, BODEXP \geq), 0 otherwise.
 BODREM = Total remuneration of board divided with total assets
 BODMUSLIM = Percentage of Muslim directors in the board
 ACIND = 1, if the percentage of independent directors in the audit committee is 100%, 0 otherwise.
 ACSIZE = 1, if the number of audit committee size is \geq 3, 0 otherwise.
 ACMEET = 1, if the number of audit committee meeting is \geq 3, 0 otherwise.
 ACQUALITY = 1 if [ACSIZE \geq 3, ACIND = 100%, ACMEET \geq 3, ACEXP \geq 1), 0 otherwise.
 ACEXP = 1 if the number of audit committee with accounting expertise is \geq 1, 0 otherwise.
 ACMUSLIM = Number of Muslim directors in the audit committee.

Control variables

SIZE = Natural log of total assets
 LEV = Total debt divided with total assets

FINDINGS AND DISCUSSION

The results of descriptive statistics, pairwise correlations and multivariate regression that have been conducted using Stata 12 are presented in this section. Table 1 shows descriptive statistics for earnings management, corporate governance variables and firm characteristics. Descriptive statistics show averages for earnings management is 4.6803 with the lowest and highest values are 0.0023 and 49.47 respectively. The ratio of debt to assets (LEV) recorded an average of 0.3813 with the total the minimum amount is 0.01% and the maximum amount is 1.25%. Average for the log size (SIZE) is 19.4893 with the minimum and maximum amount are 16.8067 and 23.1674. Total assets recorded an average of RM731,000,000 with a minimum and maximum value of RM19,900,000 and RM11,500,000,000 respectively. Next for remuneration (BODREM), the ratio for executive remuneration divided by the total assets recorded the lowest value of 0.0001, while the highest value is 0.0400.

The average for Audit Committee meetings (ACMEET) is 4.9463 where this amount almost the same as the study conducted by Rahman et. al. (2006) that is by 4.97. There are companies that only held two Audit Committee meetings a year and the largest number of meetings recorded 11 times. This is comparable to Rahman et. al. (2006) whom recorded meetings are as many as 3 to 9 times a year.

On regards to the characteristics of the audit committee, Table 1 shows that the mean size of the audit committee (ACSIZE) is 3.1879 with the lowest of 2 directors, while the highest is 4 directors. For audit committee independent (ACIND), the minimum value is 6.67% while

the maximum value is 100%. The average ACIND is 88.2335%. ACMEET has been conducted two times to 11 times in a year. The average for ACMEET is 4.9463. In respect to ACEXP, we found that at least 25% of the Audit Committee has knowledge in the field. Certain firms have all audit committee with financial expertise. The quality of the Audit Committee (ACQUALITY) is measured by using a scale of 0 and 1 where 0 indicates poor quality while 1 indicates good quality.

Table 1: Descriptive Statistics

Variables	Mean	Minimum	Maximum	Median (50%)	Skewness	Kurtosis
ACSIZE	3.2879	2	4	3	1.0539	3.5796
ACIND	88.2335	6.67	100	100	1.6410	6.8016
ACMEET	4.9463	2	11	5	1.8650	10.5343
ACEXP	62.1334	25	100	66.67	0.2342	1.6772
ACQUALITY	0.2586	0	1	0	1.1136	2.2402
BODSIZE	7.34	4	14	7	1.1766	5.5872
BODIND	49.1168	16.67	100	48.075	0.7532	3.5999
BODMEET	5.5302	2	11	5	1.4177	5.8184
BODEXP	45.1535	12.5	100	40	0.6946	2.9682
CONSUMER	0.3467	0	1	0	0.6444	1.4152
INDUSTRIAL	0.26	0	1	0	1.0943	2.1975
TRADE & SERVICES	0.2133	0	1	0	1.3995	2.9587
ACMUSLIM	44.6443	0	100	33.33	0.0426	2.2406
LEV	0.3813	0.01	1.25	0.3705	1.1354	6.1388
LOGSIZE	19.4893	16.8067	23.1674	19.4292	0.2488	2.7584
BODMUSLIM	33.8346	0	100	28.57	0.8397	3.1790
TOTAL ASSET	731 000	19 900	11 500	274 000	5.4551	38.3896
EM	4.6803	0.0023	49.47	0.1554	11.9325	144.7855
BODREM	0.0076	0.0001	0.0400	0.0042	5.6216	47.5777

In respect to board characteristics, the average for the size of the Board of Directors (BODSIZE) is 7.34 while the maximum is 14 directors. Average for the board independent (BODIND) are as much as 49.1168 where this amount is not included chairman. The average number of BODMEET is 5 times a year. For the BODEXP, the mean is 45.1535 with the lowest value of 12.5% and value highest of 100%. The average for BODMUSLIM is 33.8346%. The minimum for BODMUSLIM is 0%, and the maximum is 100%.

Pairwise Correlation

We conducted the pairwise correlation¹ and we found that all of the coefficients are below 0.8, indicating an acceptable value for the multicollinearity test. From the results obtained, we found a positive relationship between the quality of the Audit Committee (ACQUALITY) and the financial knowledge of the Audit Committee (ACEXP) at $p < 0.01$. This shows the strong relationship between ACQUALITY and ACEXP. The size of the Board of Directors is positively related to the size of Audit Committee (ACSIZE) and the Audit Committee independent (ACIND) and negatively related with the Audit Committee meeting (ACMEET) at $p < 0.01$, $p < 0.05$ and $p < 0.1$ respectively. For the independent board (BODIND), it has a positive relationship with the Audit Committee independent (ACIND) and negatively related to the size of the Board of Directors (BODSIZE) at $p < 0.01$ and $p < 0.01$ respectively.

Robust Regression

Robust regressions were conducted on the corporate governance variables and earnings management and we present the result in Table 2. We run the regression in stages. In Model 1, we run the regression by including all control variables only. In Model 2, we include board characteristics in the model. In Model 3, we add audit committee characteristics, while in Model 4, we replaced audit committee characteristics with the composite variable, that is audit committee quality (ACQUALITY). In Model 1, when we run our control variables with the total accruals (EM), we found that the R-Squared is around 4%. In this model, we can see that both control variables are significant in influencing earnings management. The leverage is negatively related to EM, while SIZE positively related to EM. This indicates that the higher the DTA, the lower the total accruals owned by the company.

In the second model, when we add board characteristics to the model, we found that the R² value increases to 11.87%. From this model, found that the size of the Board of Directors at the coefficient -0.0193, $t = -1.85$ is significant at $p < 0.1$. This means, the higher the size of the Board of Directors at in a company, the lower the total accruals in a company. This result is the same as (Ismail et al, 2012) which recorded a negative relationship between the size of the board of directors and earnings management. Both DTA and SIZE are highly significant at $p < 0.01$. DTA has a coefficient value of -0.3376 and $t = -4.95$ while SIZE is 0.0452 and $t = 2.88$.

For the third model, Audit Committee characteristics such as committee size audit, audit committee independence, audit committee meetings and also auditor expertise in accounting and finance have been added. We found that the R² value is now 10.21%. The Audit Committee independent is significant at $p < 0.1$, with a coefficient value of 0.0017, and $t = 1.70$. This variable is positively related to total accruals. It means that the higher the number of independent directors in the Audit Committees, the higher the total accruals in a firm, and vice

¹ Due to brevity, we exclude the pairwise regression results from this paper. Nevertheless, it is available upon request from the first author.

versa. The size of the Board of Directors is significant at $p < 0.05$, with a coefficient of -0.0255 and $t = -2.20$. The results for LEV and SIZE are remained to be significant, similar to the results in the previous model. In Model 4, the quality of the Audit Committee (ACQUALITY), Board of Directors and controlled variables were tested. In this model, we found that the R^2 value is 9.77%. Only three variables were significant in this model that are BODSIZE, LEV and SIZE. The BODSIZE has a coefficient value of -0.0000 and $t = -0.03$ is significant at $p < 0.1$. LEV and SIZE are highly significant with a value of $p < 0.01$. The coefficients for these two variables are -0.3293 and 0.0431 and the value of $t = -4.68$ and 2.63 . BODSIZE and LEV are negatively related with total accruals. This means, the total accruals will increase when both of the variable decreases and vice versa. SIZE is also related positively with the total accruals, thus suggesting that the higher the SIZE, the higher will be the EM in the firm. Other tested variables found to be insignificant in our study.

Table 2: Robust Regression

Variables	Expected sign	Model 1	Model 2	Model 3	Model 4
DV= EM		Coef	Coef	Coef	Coef
ACQUALITY	-				0.0205 (0.5000)
ACSIZE	-			0.0356 (0.9300)	
ACMEET	-			-0.0090 (-0.6900)	
ACIND	-			0.0017* (1.7000)	
ACEXP	-			0.0005 (0.6500)	
ACMUSLIM	-			0.0000 (0.0100)	-0.0000 (-0.0300)
BODSIZE	+		-0.0193* (-1.8500)	-0.0255** (-2.2000)	-0.0196* (-1.8300)
BODMEET	-		-0.0007 (-0.000)	-0.0013 (-0.1400)	0.0001 (0.0100)
BODIND	-		-0.0004 (-0.3600)	-0.0010 (0.7300)	-0.0005 (-0.4100)
BODEXP	-		-0.0005 (-0.68)	-0.0008 (-0.8500)	-0.0006 (-0.7800)
BODMUSLIM	-		0.0003 (0.4200)	0.0005 (0.4600)	0.0003 (0.2800)
BODREM	-		1.7391 (1.1200)	1.3897 (0.8600)	1.5765 (0.9900)
LEV	+/-	-0.2692*** (-4.2100)	-0.3376*** (-4.9500)	-0.2997*** (-4.2900)	-0.3293*** (-4.6800)
SIZE	+/-	0.0093 (0.8100)	0.00452*** (2.8800)	0.0369** (2.2100)	0.0431*** (2.6300)
Cons_		0.1015 0.4400	-0.4403 -1.4600	-0.4709 -1.4900	-0.3957 -1.2800
Industry Effect		Yes	Yes	Yes	Yes
F		4.44	3.44	2.38	2.78
p>F		0.0009	0.0003	0.0042	0.0017
R-Squared		0.0406	0.1187	0.1021	0.0977

CONCLUSION

This study aims to examine the relationship between audit committee characteristics and board characteristics to earnings management. By using sample from 150 companies selected in Bursa Malaysia, we found a negative relationship between size of the board and earnings management. This suggest that the higher the number of board members, the lower the earnings management in the firm. We argue that the presence of high number of boards could improve the monitoring roles more effectively, thus reducing earnings management in a company. We also found that higher audit committee independent lead to higher earnings management, which is contradict to our hypothesis. We argue that the presence of independent directors in audit committee might be simply due to ticking the box activity, especially in the developing country such as Malaysia where the friendship and relatives are valued. Thus, we suggest the firm to design huge board to provide an effective and efficient monitoring roles in the company, in combating earnings management. In addition, other factors such as debt to assets and firm size are also necessary to take into account because it also affects the earnings management in the firm. Other governance variables are found to be insignificant in our study.

We realize that our study is not free from limitations. Our sample is relatively small, thus future studies should utilize higher number of samples. Since we only cover for three sectors only, namely the consumer, industrial and trade, future studies should add more industries and might see differences of behaviors among them. As suggestions for the improvement in future studies, the measurement for earnings management should be improved by using discretionary accruals. Furthermore, other types of estimation such as Ordinary Least Square should also be implemented if the data fulfill normality parameters. In addition, examining the impact of Islamic work ethics on earnings management behavior of managers (Usman & Mat, 2021) in future studies is believed to be a crucial part in expanding the existing knowledge in this research area.

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