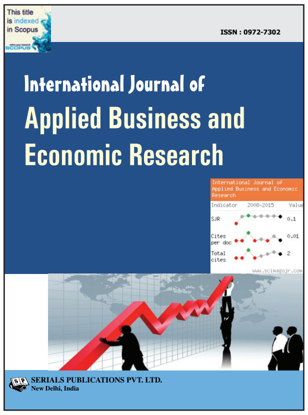


International Journal of Applied Business and Economic Research

ISSN : 0972-7302

available at http: www.serialsjournals.com

Volume 15 • Number 22 (Part 2) • 2017

Effect of Board Turnover and Board Structure on Growth of Companies: A Literature Review

Rajesh Kumar[1] and Shivani Inder[2]

[1]*Research Scholar, Chitkara Business School, Chitkara University, Punjab, India*
[2]*Associate Professor, Chitkara Business School, Chitkara University, Punjab, India*

ABSTRACT

This study examined the effect of board turnover, board structure on frim profitability and shareholders' wealth. For this purpose, the companies are selected from one of the major stock exchange of India, National Stock Exchange (NSE) and the period taken is of 10 years starting from 2007-08 up to 2016-17. Lesser research work is done on emerging economies like India. Most of the research work on these variables is from developed countries and so it is very important to verify the relationship in developing economies. BSE and NSE both stock exchanges are in respectable position in the world with their fast growingrate. Corporate governance is one of the hot topic today's environment due to world wide scandals. To secure the interest and to build the confidence of the investors we need continuous research on these variables, so that research work can contribute to improve the quality of corporate governance and help the legal framework in improvement. India is the country which is becoming the centre of global investors. India need a good corporate governance so that investment opportunities can be captured.

Keywords: Board turnover, board structure, firm profitability.

1. INTRODUCTION

India is an emerging economy. The industry is developing at a very fast rate in India signifying the capitalization of funds in the economic system. Indian stock markets are also maintaining competitive positions across the globe. According to the article in Business Today, BSE ranked 10th and NSE ranked 11th in global market. It signifies that huge amount of capital of the public is in the stock market. The up-surfacing of many scandals (eg. Enron, Worldcom, Satyam) in the marketplaces has triggered the governments, across the world, to strengthen the way corporate governance practices are carried out. The major area of working of corporate governance is to deal with the processes, mechanisms that handle the way through which corporations are controlled and directed. Many steps are taken to secure the investors by introducing laws regarding corporate governance. In July 2002 USA introduced Sarbanes-Oxley Act with the basic objective of securing investors, making directors more responsible and improving corporate governance practices (Wang, Davidson and Wang, 2010). In 2000, Malaysia introduced Malaysian Code of Corporate Governance (MCCG) also known as 2001 Code to improve corporate governance practices of companies (Zabri, Ahmed and Wah, 2016). In year 2005, Clause 49 of listing agreement issued by SEBI was the first which introduced independent director's role on the board to improve the corporate governance. Companies Act 2013 has also introduced some provisions which can improve the practices of corporate governance in India. Alsosome new provisions with respect to corporate governance, focusing on provisions relating to independent director, women director and resident director have been introduced. Board structure and board turnover are important variables which affect firm profitability and shareholder's wealth at large scale. Firm profitability and shareholder's wealth are the indicators of the financial growth of the organization.

Corporate governance has been a topic of concern for regulators in almost each economy. This is because of the fast changing of the economic environment and the toughness of the competition. Financial Committee on Corporate Governance in Malaysia has defined corporate governance as 'the process and structure used to direct and manage the business and affairs of the company towards enhancing business prosperity and corporate accountability with ultimate object.' (Zabri et. al., 2016). The importance of corporate governance is because of large involvement of the public in the companies. The major purpose of the corporate governance is to protect the shareholder's interest and to replace low performing managers (Gibson, 2003). Every country is trying to improve corporate governance via timely changes in the corporate reforms. Corporate scandals throughout the world put the pressure on the improvement in corporate governance (Dah, Frye & Hurst, 2014). In 2002 USA introduced SOX to maintain the investor confidence and to strengthen the corporate governance practices (Dah et. al., 2014). In Malaysian Code of Corporate Governance (MCCG) 2001 was introduced to provide reforms for the improvement in corporate governance. Corporate Governance Notification CGN 2006 in Bangladesh to improve corporate governance. India has also introduced new companies act to strengthen the corporate governance. Companies Act 2013 has introduced three categories of the directors: (1) Independent director (director which has no direct relationship with the firm), (2) Woman director (gender base, to increase the role and participation of woman in the board), (3) Resident director (whose stay in India at least was of 182 days).

The study aims to investigate the dimensions of corporate governance in India specially associated with CEO turnover, board structure and firm performance nexus. The study follows and is motivated by the recommendations made by Shen & Lin (2009) for examining the relationship between these variables in India where economic and political conditions are different. Review of literature indicates lesser work with respect to the relationship between the above mentioned variables in emerging economies as compared to developed countries.

India is an emerging economy and the boards have an important role in such economy like India. Boards have direct relationship with firm performance. The problem is, "to understand the effect of board turnover and board structure on growth of selected Indian companies".

2. REVIEW OF LITERATURE

India is a developing country. India has different economic and political conditions from neighboring county China (Shen & Lin, 2009). The validity of relationship between board turnover and firm performance is checked in different countries on different times by many authors. In China (Shen & Lin, 2009); Malaysia (Zabri et. al., 2016); USA (Farrel & Whidbee, 2003) have made a great debate on the relationship of firm performance and board turnover. Independent directors have played an important role in increasing the responsibility of board of directors in USA after the implication of SOX (Dah et. al., 2014) and in Korea a positive relationship was found between outside directors and firm performance (Cho & Kim, 2007). In India positive and significant relationship was also found between corporate governance and market value (Balasubramanian, Black and Khanna, 2010; Sarkar & Sarkar, 2009). In Indian economy Jackling & Johl, 2009 found positive relationship of board size with firm performance. The relationship of CEO turnover was found positive with firm performance in Taiwan's economy (Ting, 2013). Firm performance is the major indicator of the growth of the company. To measure the firm performance Return on Assets (ROA) has been employed with variables used by the majority of researchers. EPS is also a variable of firm performance (Shen & Lin, 2009). Different theories used by the authors to reach the final result. 'Behavioral theory of organization' used by Shen & Lin, 2009 tried to establish the relationship. Agency theory and institutional theory tries to establish a foundation for the board turnover and firm profitability relationship. (Shen & Lin, 2009; Balsubramanian et. al., 2010; Dah et. al., 2014; Sarkar & Sarkar, 2009).

The role of top chair of board of directors has played a significant role in firm profitability, like CEO duality has negative relationship with firm profitability (Duru, Lyenger and Zampelli, 2016). Powerful CEO and board independence will give more positive results in firm profitability (Duru et. al., 2016). Cashman, Gillianand Jun, 2012, also explored the relation between board busyness and firm profitability and they found negative relationship, here serving three or more boards was the parameter for the busy directors. In Japan negative relationship was found between non-routine turnover and firm profitability (Kang & Shivdasani, 1995) and there was likely to be outside succession following poor performance. Non-routine turnover has significant results in post-turnover performance improvements, while routine turnover has no significant results in post-turnover improvements (Kang & Shivdasani, 1995). German corporations also had showcased a strong relationship between firm performance and board turnover (Franks & Mayor, 2001). In Indian firms the CEO compensation was not associated with board structure, it was associated with ownership and also the determinants of CEO compensation were also differ in both public and private sectors in India (Jaiswall & Bhattacharyya, 2016).

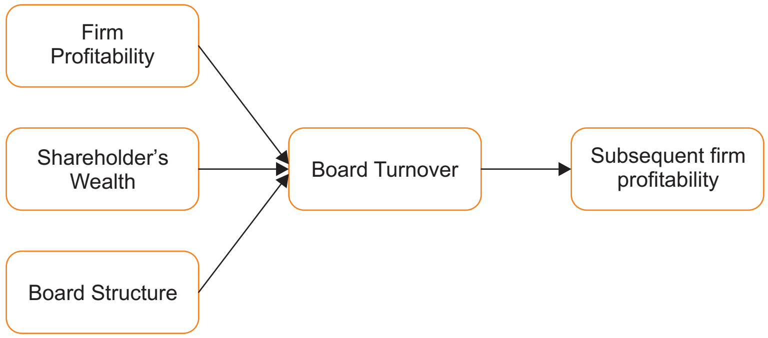
We need to develop and strengthen the corporate governance practices. The major responsibility of board of directors is towards shareholders and they work as an agent for shareholders. So the role of directors is crucial and need to monitor to secure the interest of shareholders, it can be done by good corporate governance (John & Senbet, 1998). The cross listed companies of USA have more sensitive relationship between CEO turnover and firm performance in comparison to non-cross listed firms (Lel & Miller, 2008). Crisis period exposed many weaknesses of the organization. And during the crisis period, no statically significant difference was found in performance of privately held and publicly held banking companies in USA (Akhigbe, McNulty and Stevenson, 2016). CEO turnover was more in companies where CEO was not owner as compared to the companies where CEO was owner (Brunello, Graziano and Parigi, 2003). Foreign nationals have positive relationship with firm performance and firm's international operations (Estelyi & Nisar, 2016). The countries are different on institutional environment with their legal origin and institutional quality control (Hearn, 2014). Board size had negative relationship with firm performance in UK (Guest, 2009). Eisfeldt & Kuhnen, 2013 and Firth, Fung and Rui, 2006 had also supported the significant role of firm performance in CEO turnover. Board size had negative relationship with firm performance in India (Ghosh, 2006). Most of the literature is from developed countries, the contribution of developing economies cannot be ignored in the global competition. This study will attempt to verify the impact of these variables in case of India.

3. THEORETICAL FRAMEWORK

The study would approach the dynamics between the stated variables under the framework provided by the 'Behavioral theory of Organizational Search' by March and Simon (1958). The theory proposes that managers must search complementarities for updating and improving upon the achievement levels of tasks. It states that objectives of organizing activities are satisfying the targets. Cyert and March (1963) suggested that an organization must commit itself to focus on a small number of key economic decisions made by firm. The theory further stresses upon the target levels as the major focus points of firms in performance evaluation. The firms use this variable as factor influencing board turnover. The firm tries to maintain current routine only in the situation when firm performance meets targets. This situation is regarded as satisfactory and the firm has to go for search of limited resources. But on the other hand, when firm fails to achieve the target through its performance, the shareholders tries to discipline the top management so that same performance would not be repeated and enables firms to achieve targets. The theory suggests that the shareholders of the frim take action only when performance goes below target. Shen & Lin (2009) also supported behavioral theory of organizational search in finding the actual reason behind the top management turnover especially in emerging economies where it is difficult to find the actual reason behind top management turnover.

Corporate governance is a very huge concept of discussion in today's environment. We have a number of theories in corporate governance. Each theory has different elements in different economic conditions to apply (Keiland Nicholson, 2003). We can conclude that no single theory provides us the complete frame of the corporate governance and corporate performance relationship (Keiland Nicholson, 2003). The impact of corporate governance on firm performance has direct relationship with the interest of investors, financers, legal practitioners, economists, behavioural scientists and business operators (Bonazzi & Islam, 2007). Corporate governance reforms are made to strengthen the effectiveness of board. The effectiveness of board is positively related to monitoring and control of CEO's with their performance (Bonazzi & Islam, 2007). CEO's ability may be referred to as an estimate of the success in achieving expected performance, which in turn, is a function of monitoring directors through control visits (Bonazzi & Islam, 2007). Board works as an agent which works for principal i.e. shareholders. This concept is discussed in Agency theory, which is successfully used by Duru, et. al., 2016; Eisfeldt & Kuhen, 2013; Akhigbe, et. al., 2016; Ness, Miesing & Kang, 2010; O'Regan, O'Donnell, Kennedy & Cleary, 2005; John & Senbet, 1998. The agency theory builds up when directors act on behalf of shareholders. Organizational search shows more clear view of actual board behaviour than other traditional economic approaches and research about boards and helps the corporate governance in becoming more actionable for practitioners. (Ees, Gabrielesson & Huse, 2009). In emerging economies where due to lack of related information we face difficulty to find the true reason behind the turnover, in this situation behavioral theory of organization is useful to study the turnover (Shen & Lin, 2009). The behavioral theory of organizational search helps us in identifying the top management turnovers because of performance or other reasons.

Working along the same lines as that of Shen and Lin (2009), the study proposes model shown as below:



(*Source:* By author, to be tested)

Definitions

Variables to be considered in the study are:

Board turnover: The term 'Board turnover' focuses on the chairs of executives who are considered as top executives and key personals of the company. It firstly concerns with the top positions of the firm like CEO or General Manager or President or Managing Director of the company. The study would follow the approach similar to Kato and Long (2006) and would treat board chairs as top managers. The term board turnover indicated the change in the board members. Most of the prior researches focus on the top management turnover like change of CEO, Chairman etc. There may be any reason behind it, but it is very difficult to identify the real reason due to lack of evidence or information. The reasons may be related to forced turnover or firm performance. Lack of information makes very difficult to find forced turnover (Gibson, 2003; Shen & Lin, 2009), because this is the hidden factor and cannot be published. Most of the emerging economies are facing the forced turnover (Shen & Lin, 2009). Next major factor is Firm Performance, which also plays crucial role in turnover. Firms having satisfactory performance will go with routines and not interested to go for alternates (Shen & Lin, 2009). But the firms having poor performance would like to go for alternates at large level (Yermack, 1996). They believe that the turnover will give them new person who can improve the performance than the existing person with poor performance record (Pessarossi & Weill, 2013). Every time, change in any part will give you some different responses, like market reacts positive with the change in board persons of poor performing firms (Pessarossi & Weill, 2013). We also need to check the impact of board turnover on the firm performance in emerging economy like India (Shen & Lin, 2009), because India is a fast growing country and have different economic and political conditions. Corporate governance quality is one of the major issue today's environment, and it can be directly accessed by examining the relationship between top management turnover and firm profitability (Shen & Lin, 2009). Poor performance leads to the change of responsible personal or top management post or chair and the organization goes to choose alternates for better future (Chang & Wong, 2009). Majority of the studies choose top management turnover as their major factor for research.

Board structure: Board structure is mainly concerned with the composition of the board. Board independence (including independence of board committees), diversity (firm and industry experience, functional backgrounds, etc) of board members, and CEO duality are some normally considered issues related to board composition. Change in board composition has been indicated as an influencing factor for board turnover (Parrino, Sias and Starks, 2003). Board structure is the important part of the organization because it makes its impact on the decision making. Board structure means what is the composition of the board. It shows that change in board structure and turnover has significant relationship with firm performance. Board composition refers to the number of members on the board and mix of board members (Ongore, K'Obonyo, Ogutu and Bosire, 2015). Past research work provides the evidence that poor firm performance leads the way to board turnover and also increase the role of outside directors. The concept of outside directors was first introduced in India by SEBI in clause 49 of Listing Agreement. Independent directors are those who are from outside and have no material interest in the firm. The effectiveness of board structuring is very important in governing the company (Zabari et. al., 2016). Board structures are different in almost all economies, it means that setting of standard board structure for all the companies in the world is impossible task (Zabari et. al., 2016). The board has an important role in the organization because board establishes a link between the internal and external actors of the organization (Ees et. al., 2009). Board provides the services to shareholders by monitoring and providing advice on critical decisions (Dah et. al., 2014). So board structure plays important role in providing quality services and change in structure can go up or down depending on the weightage of the services rendered to shareholders. Board composition has impact on the firm profitability (Jackling & Johl, 2009). There is a positive relationship between the proportion of outside directors on the board and independent monitoring of the board (Jackling & Johl, 2009). Number of persons on the board has relationship of great importance with firm performance of large companies (Jackling and Johl, 2009). Muravyev, Berezinets and Ilina, 2014 has considered number of directors (board size) on the board, percentage of independent directors and percentage of male directors on the board as the variables of the board structure. On the same way (Ness et. al., 2010 and O'Regan et. al., 2005) have also considered proportion of outside directors, gender on the corporate board and board size as variables of board structure for evaluating the relationship with firm performance. Board structure has also an important role in CEO replacement (Bhagat & Black, 1999).

Firm profitability: Return on Assets and Earning Per Share are the two measures which would be used to measure firm profitability. Return on Assets is Net Income divided by total assets. Earnings Per Share is Net Income divided by the weighted average number of shares to shares outstanding (Gibson, 2003). Impact of board turnover on subsequent firm profitability would be evaluated by considering the change in firm profitability between two years, one is following year ($t + 1$) and other is year (t) in which board turnover occurs with the help of difference in ROA and EPS (Shen & Lin, 2009). Firm profitability is the symbol of the growth of the organization. It is rightly said by prior researchers that firm profitability is a factor which contributes in turnover. Firm profitability and its targets guide the organization to take decisions regarding the board turnover (Shen & Lin, 2009). If the firm profitability meets the target it is treated as satisfactory and the firm carry the routine, and if the firm profitability does not meet the target it is treated as unsatisfactory and in this case the firm goes for alternates (Shen & Lin, 2009). Most of the studies use ROA (Return on Assets) and ROE (Return on Equity) as the measurement of firm performance. ROA is defined as net income before interest expense for the fiscal period divided by total assets for the same period and ROE is defined as income before interest expense for the fiscal period divided by total shareholder's equity for the same period. (Zabriet.al., 2016). Whenever turnover occurs during under performance of the firms it has positive impact on firm profitability (Shen & Lin, 2009).

Shareholder's wealth: Market value of a stock may be employed as a measure for the shareholder's wealth, which equates the present value of future returns to the owners of the firms. Announcement of top management turnover fluctuate the market value of stock (Ting, 2013).

Focussing on the theoretical framework, the main objective of the study is to understand the relationship among board turnover, board structure and growth of Indian companies. The main object will be achieved with the help of the following sub objectives:-

1. To study the relationship between board turnover, board structure and firm profitability for Indian firms.
2. To study the relationship between board turnover, board structure and shareholder's wealth of Indian companies.
3. To study the role of board turnover in corporate governance quality.

The study would focus on the following hypothesis for achieving the above defined objectives:

H1: "If firm performs below target performance, then it has negative relation with board turnover".

H2: "If firm profitability is below target performance, then board structure is negatively related to board turnover".

H3: "If shareholder's wealth is below target, then it is negatively related to board turnover".

H4: "If firm profitability below target performance, then board turnover has a positive relation on subsequent firm profitability".

H5: "If shareholder's wealth is below target, then board turnover has a positive impact on subsequent firm profitability".

4. RESEARCH METHODOLOGY

The study will deal with the assessment of impact of firm profitability, shareholder's wealth and board structure on board turnover and further on subsequent firm profitability.

Research Design

The study would adopt explanatory approach to establish causal relationship between the variables as per the relationship proposed in the theoretical framework. It will also employ probability function to estimate whether the variables (firm profitability, shareholder's wealth and board structure) predict the board turnover and subsequent firm profitability quantitatively or not. For quantitative analysis, we would use logit models in order to express the probability function of top management turnover (expressed as below) through the other variables.

$$\text{Pr(turnover)} = f\,\text{(firm profitability, board structure, shareholder's wealth)}$$

Further by controlling the dependent variables (i.e. firm profitability, board structure and shareholder's wealth), we would quantify the probability function estimate between the subsequent firm profitability and top management turnover.

$$\begin{aligned}\text{Pr(Subsequent firm profitability)} &= f\,\text{(top management turnover)}\\ &= f\,\text{(firm profitability, board structure, shareholder's wealth)}\end{aligned}$$

Scope of the Study

The study would limit the analysis for a sample of companies which are listed on National Stock Exchange from period from 2007-08 onwards.

Sampling Design

The study would follow the representative (probability) sampling frame. In order to boost the reliability of the results, the study would consider the data from at least 50 companies selected randomly out of the 100 companies composing the Index of NSE (Nifty 100 index). As index is barometer of the market, so the companies selected out of index would better represent the market.

Data Collection

The study would focus on the secondary data. For collecting all the relevant data, the website of Ministry of corporate affairs, and the annual reports of the sample companies will be considered.

5. MAJOR FINDINGS & CONCLUSION

The present study is at the research proposal stage and the data collection is going on. So the findings would focus on the testing of the hypothesis only.

References

Akhigbe, A., McNulty, JE. and Stevenson, BA. (2016). Does the form of ownership affect Firm Performance? Evidence from US Bank Profit Efficiency before and during the Financial Crisis. *The Quarterly Review of Economics and Finance*, http://dx.doi.org/doi:10.1016/j.qref.2016.07.015.

Balasubramanian, N., Black, B.S. & Khanna, V. (2010). The relation between firm level corporate governance and market value: A case study of India. *Emerging Markets Review*, 11, 319-340.

Bhagat, S. and Black, B. (1999). The uncertain relationship between board composition and firm performance. *Business Lawyer*, 54, 921-963.

Bonazzi, L., & Islam, S.M. (2007). Agency theory and corporate governance: A study of the effectiveness of board in their monitoring of the CEO. *Journal of Modelling in Management*, *2*(1), 7-23.

Brunello, G., Graziano, C. and Parigi, BM. (2003). CEO turnover in insider-dominated boards: The Italian case. *Journal of Banking and Finance*, 27, 1027-1051.

Cashman, G.D., Gillian, S.L. and Jun, C. (2012). Going overboard? On busy directors and firm value. *Journal of Banking and Finance,* 36, 3248-3259.

Chang, E.C. and Wong, S.M.L., (2009). Governance with multiple objectives: Evidence from top executive turnover in China. *Journal of Corporate Finance,* 15, 230-244.

Cho, DS. & Kim, J. (2007). Outside directors, ownership structure and firm profitability in Korea. *Corporate Governance*, 15(2), 239-250.

Dah, M.A., Frye, M.B. & Hurst, M. (2014). Board changes and CEO turnover: The unanticipated effects of Sarbanes-Oxley Act. *Journal of Banking and Finance*, 41, 97-108.

Dahya, J., McConnell, JJ. & Travlos, NG. (2002). The Cadbury Committee, Corporate Performance, and Top Management Turnover. *The Journal of Finance*, 57, 461-483.

Duru, A., Lyenger, R.J. and Zampelli, E.M. (2016). The dynamic relationship between CEO duality and firm performance: The moderating role of board independence. *Journal of Business Research*, http://dx.doi.org/10.1016/j.jbusres.2016.04.001.

Ees, HV., Gabrielesson, J. and Huse, M. (2009). Towards a Behavioral Theory of Boards and Corporate Governance. *Corporate Governance: An International Review,* 17 (3), 307-319.

Eisfeldt, al., and Kuhen, CM. (2013). CEO turnover in a competitive assignment framework. *Journal of Financial Economics*, 109, 351-372.

Estelyi, KS. and Nisar, TM. (2016). Diverse boards: Why do firms get foreign nationals on their board? *Journal of Corporate Finance*, 39, 174-192.

Farrell, K.A. & Whidbee, D.A. (2003). Impact of firm performance expectations on CEO turnover and replacement decisions. *Journal of Accounting and Economics,* 36, 165-196.

Firth, M., Fung, PMY. and Rui, OM. (2006). Firm Performance, Government structure, and Top Management Turnover in a Transitional Economy. *Journal of Management studies*, 43, 1289-1330.

Franks, J. and Mayer, C. (2001).Ownership and control of German corporations. *The Review of Financial Studies*, 14 (4), 943-977.

Ghosh, S. (2006). Do board characteristics affect corporate performance? Firm level evidence for India. *Applied Economics Letters*, 13, 435-443.

Gibson, MS. (2003). Is Corporate Governance Ineffective in Emerging Markets? *The Journal of Finance and Quantitative Analysis*, 38, 231-250.

Guest, PM. (2009). The impact of board size on firm performance: Evidence from the UK. *The European Journal of Finance*, 15 (4), 385-404.

Hearn. B. (2014). Institutional influences on board composition of international joint venture firms listing on emerging stock exchanges: Evidence from Africa. *Journal of World Business*, http://dx.doi.org/10.1016/j.jwb.2014.04.006.

Jackling, B. & Johl, S. (2009). Board structure and firm performance: Evidence from India's top companies. *Corporate Governance: An International Review,* 17(4), 492-509.

Jaiswall, SSK. and Bhattacharyya, AK. (2016). Corporate governance and CEO compensation in Indian firms. *Journal of Contemporary Accounting & Economics*, doi: 10.1016/j.jcae.2016.06.001.

John, K. and Senbet, LW. (1998). Corporate governance and board effectiveness. *Journal of Banking and Finance*, 22, 371-403.

Kang, J.K. & Shivdasani, A. (1995). Firm performance, corporate governance and top executive turnover in Japan. *Journal of Financial Economics*, 38, 29-58.

Kato, T. and Long, C., (2006). CEO Turnover, firm performance and enterprise reform in china: Evidence from micro data. *Journal of comparative Economics,* 34, 796-817.

Kiel, G.C. and Nicholson, G.J. (2003). Board composition and corporate performance: How the Australian experience informs contrasting theories of corporate governance. *Corporate Governance: An International Review,* 11(3), 189-205.

Lel, U. and Miller, DP. (2008). International Cross-Listing, Firm Performance, Top Management Turnover: A test of the Bonding Hypothesis. *The journal of Finance*, 63 (4), 1897-1937.

March, J. and Simon, H. (1958), *Organizations*, Blackwell, Cambridge, MA.

Muravyev, A., Berezinets, I. and Ilina, Y. (2014). The structure of corporate boards and private benefits of control: Evidence from Russian stock exchange. *International Review of Financial Analysis*, http://dx.doi.org/10.1016/j.irfa.2014.03.008.

Ness, RKV., Miesing, P. and Kang, J. (2010). Board of directors composition and financial performance in a Sarbanes-Oxlay world. *Academy of Business and Economics Journal*, 10 (5), 56-74.

Ongore, V.O., K'Obonyo, P.O., Ogutu, M. and Bosire, E.M. (2015). Board composition and financial performance: An empirical analysis of companies listed at the Nairobi Securities Exchange. *International Journal of Economics*, 5 (1), 23-43.

O'Regan, P., O'Donnell, D., Kennedy, T. and Cleary, P. (2005). Board composition, non-executive directors and governance cultures in Irish ICT firms: a CFO perspective. *Corporate Governance*, 5(4), 56-63.

Parrino, R., Sias, RW. and Starks, LT. (2003). Voting with their feet: institutional ownership changes around forced CEO turnover.*Journal of Financial Economics*, 68, 3-46.

Pessarossi, P. & Weill, L. (2013). Does CEO turnover matter in China? Evidence from the stock market. *Journal of Economics and Business*, 70, 27-42.

Sarkar, J. & Sarkar, S., (2009). Multiple board appointments and firm performance in emerging economies: Evidence from India. *Pacific-Basin Finance Journal* 17, 271-293.

Shen, W. & Lin, C., (2009). Firm Profitability, State Ownership and Top Management Turnover at Listed Firms in China: A Behavioral Perspective. *Corporate Governance: An International Review,* 14(4), 443-456.

Ting, H. (2013). CEO turnover and shareholder wealth: Evidence from CEO power in Taiwan. *Journal of Business Research*, 66, 2466-2472.

Wang, H., Davidson, W.N. and Wang, X. (2010). The Sarbanes-Oxley Act and CEO tenure, turnover and risk aversion. *The Quarterly review of Economics and Finance*, 50, 367-376.

Yermack, D. (1996). Higher market valuation of companies with a small board of directors. *Journal of Financial Economics*, 40, 185-211.

Zabri, S.M., Ahmed, K. & Wah, K.K. (2016). Corporate Governance Practices and Firm Performance: Evidence from Top 100 Public listed companies in Malaysia. *Procedia Economics and Finance*, 35, 287-296.