INTERNATIONAL JOURNAL OF ACADEMIC RESEARCH IN BUSINESS & SOCIAL SCIENCES
Vol 14, Issue 12, (2024) E-ISSN: 2222-6990

A Conceptual Framework for Understanding Board Characteristics and Firm Performance Nexus and the Role of Moderator on their Relationship

Dalia Utama Zulnisyam
Othman Yeop Abdullah Graduate School of Business, *Universiti Utara* Malaysia 50300 Kuala Lumpur, Malaysia
Email: daliautama06@gmail.com

To Link this Article: http://dx.doi.org/10.6007/IJARBSS/v14-i12/23760 DOI:10.6007/IJARBSS/v14-i12/23760

Published Date: 16 December 2024

Abstract
This paper theoretically investigates the link between corporate board characteristics and firm performance before and during the COVID-19 pandemic. Underpinned by the upper echelon theory, this paper examines the potential interaction terms and moderating variables that may influence their relationship. This paper adds to the existing literature by presenting the effect of board characteristics presently demonstrated and shedding light on their relationship in the context of an emerging economy. Ultimately, this paper offers investors, shareholders, and management insights into embracing board diversity to reap its full benefits in enhancing firm performance. Additionally, this paper imparts valuable input for the corporation, particularly the management, in their continuous effort to remain competitive and protect stakeholders' interests during uncertain times.
Keywords: Board Diversity, Corporate Governance, Firm Performance

Introduction

A corporate board's diversity has garnered colossal attention from academicians and practitioners. The immense attention given to the diversity domain of the corporate board is warranted, given that good corporate governance can generate and preserve value for investors. Good corporate governance exercise is broadly acknowledged by a mass of corporations, predominantly publicly listed firms, to boost transparency, captivate new investments, induce great corporate culture, restrain misconduct, encourage parity and equality, and eventually improve performance.

Subsequence to an elevated level of influence and materiality impact that the corporate boards have on investors, it is clear why corporate leaders, financial analysts, institutional investors, and other stakeholders dedicate so much time and attention to the configuration of the corporate board, including the diversity of board members. Albeit diversity greatly manifolds, several of which are ready for analysis, substantial awareness has fixated on corporate board diversity as constituted by the gender composition of board directors. Although there is an ethical and moral argument for board diversity in equity, inclusion, and social justice, researchers and practitioners concentrate on the business case of gender diversity in corporate boards.

Firms regularly encounter calamities, but the COVID-19 pandemic may be distinctive given its speed of change and its influence on the economy's private and public segments (e.g., Kells, 2020; Mather et al., 2021). The widespread of the lethal coronavirus worldwide, the implementation of severe approaches concerning social distancing, stay-at-home advisories (if not orders), community quarantine, and such impose distressing impacts on every single market worldwide, particularly for the operational of publicly listed firms on the share market of a country (e.g., Jebran & Chen, 2023; Shen et al., 2020). This crisis signifies the worst global downturn after the Second World War (e.g., Ellul et al., 2020). In other words, constraints led to a fall in gross domestic product (GDP) and severe unemployment approaching levels poorer than the Great Depression (e.g., Gelter & Puaschunder, 2021), and numerous countries endured serious corporate bankruptcies (e.g., Fu & Shen, 2020).

The COVID-19 pandemic negatively affects firm performance (FP) by reducing the total investment, including each firm's total revenue, correspondingly (e.g., Makni, 2023). The negative impact is more prominent for firms with smaller investment sizes or sales revenues, particularly those in serious-impact areas and industries (e.g., Shaik, 2021; Rababah et al., 2020; Shen et al., 2020). The negative impacts of COVID-19 on FP are less pronounced in countries with better healthcare systems, better advanced financial systems, and better institutions (e.g., Hu & Zhang, 2021). Further, COVID-19 pandemic-related restrictions have heightened the proceeds of big technological and pharmaceutical firms while ruining or bankrupting many smaller firms more dependent on the conventional economy (e.g., Levy, 2021).

The COVID-19 pandemic has driven numerous media channels to assert that female leaders around the globe have demonstrated superior crisis management capabilities compared to their male counterparts, evidenced by faster responses and more effective communication regarding pandemic policies (e.g., Aldrich & Lotito, 2020). Although much of this reporting relies on anecdotal evidence, empirical research indicates that females may approach decision-making in crises differently from men. Females are generally recognized for their greater risk aversion (e.g., Dawson, 2023), which can lead to a more cautious attitude toward health risks and a propensity for swift action.

Before the COVID-19 pandemic, researchers argued that gender-diverse boards had a notable impact on FP, although the empirical findings are mixed. On one hand, empirical works, such as those by Hoobler et al. (2018) identify a strong positive correlation. On the other hand, the theoretical framework by Soare et al. (2022) indicates either a detrimental or non-existent relationship. Furthermore, discrepancies in outcomes emerge when varying FP measures are employed, as demonstrated by (Bennouri et al., 2018).

Peteghem et al. (2018), argue that increasing board diversity without taking other characteristics of board members may lead to inefficiencies in board dynamics. Thus, in addition to the impact of female directors on the boardroom, it is worth examining the influence of ethnicity on Malaysian corporate boards. In Malaysia, the corporate boards have displayed progress in female directors occupying the corporate board seats over the years but have made far less progress in improving cultural/ethnic representation in the boardrooms.

A study based on 312 Bursa-listed firms sampled in 2019 shows that 14% of the board comprises one ethnicity. 52% of the board comprises two ethnicities, and 26% consists of three ethnicities in Malaysia's top 100 publicly listed boards (ICDM & WTW, 2021). The influence of ethnicity may be substantial in a multicultural society such as Malaysia. To a certain extent, Malaysia has been labeled as an ethnic salad bowl instead of a melting pot as a genuinely multicultural society because every ethnic group in the country favors retaining the group's distinct ethnic identity (e.g., Goh & Teh, 2022).

Additionally, it is important to investigate how foreign directors influence the FP association in Malaysia as board members are becoming more international following globalization. As the business world's border faded and people from various cultures started forming closer connections, the engagement of foreign directors on the corporate board is among common internationalization traits. As board members from diverse backgrounds, foreign directors may offer plenty of advantages, including costs to firms. Thus, this has triggered a growing literature research on the function of foreign directors on firm behaviors lately.

Foreign directors may have good networks and expertise and can impart good strategic direction (e.g., Hooghiemstra et al., 2019). Foreign directors, markedly those with adequate experience, are linked with more remarkable strategic change in firms, with the impact intensity depending on FP (e.g., Samara & Yousef, 2023). Board cultural diversity influenced by foreign directors has a positive link with FP, with diversity in masculinity, ambiguity averting, and long-term orientation dimensions being remarkably significant (e.g., Dodd & Zheng, 2022). Furthermore, a board of directors with foreign experience gained in highly innovative countries promotes firm innovation, especially in highly innovative industries (e.g., Xiang & Yi, 2022).

This paper is structured as follows: The paper begins with an overview of the literature on board characteristics and their impact on FP. Then, this paper discusses the theoretical background, identifies the research gap, and outlines the directions for future research. Next, the paper presents the research frameworks and hypotheses. Finally, the paper outlines the research methodology.

Board Characteristics and Firm Performance

Females occupying board seats have been the focus of intense disputes worldwide (e.g., Nkomo et al., 2019) that draw prominent researchers' attention. Initiatives towards enhancing the number of female directors occupying corporate board seats have gained traction in numerous parts of the world, including Malaysia. The commitment of firms to boost female representation on the corporate board continues to ascend as multiple corporations promote gender diversity. In this country, the average percentage of females occupying publicly listed corporate board seats stands at approximately 22% as of 1 May 2023 (*Bursa Malaysia*, 2023). Changes in demographics in the workplace and changes in the law are the major influences shaping this outcome (e.g., Deloitte, 2019).

Policymakers, investors, activists, and corporate governance consultants support gender diversity to improve board effectiveness, yet frictions persist. To manage these frictions, governments all over the world began adopting quotas. In Malaysia, for instance, federal law demands all publicly listed firms in *Bursa Malaysia* to achieve at least 30% of females occupying board seats. However, empirical research by Hwang et al. (2018) argues that there is a limited supply of female director candidates and that supply-side restrictions can reduce the positive impact of government mandates to increase gender diversity in the corporate boardroom.

Empirical works (e.g., Tleubayev et al., 2020) find that opinions on risk and opportunity differ between males and females. The traits required to climb the upper echelons, such as boldness, toughness, and leadership capability, are closer to those typically correlated with males, not females (e.g., Heilman et al., 1989). As an outcome, females are regularly perceived not to possess the attributes required to thrive at the upper echelons. This lack of unity between the stereotypical features of females and professional obligations leads to the inference that females are less competent to manage professions that males typically dominate. These stereotypes can deter females' careers in the upper echelon seats.

There is a broad consensus that societies frequently presume that males are inclined to be more competitive, possess great self-confidence, and are bolder in confronting risks (e.g., Poletti-Hughes & Briano-Turrent, 2019). Conversely, female directors tend to consider risk from a more broad and controlled perspective, especially when uncertain investments give straightforward positive returns (e.g., Zampone et al., 2024). Further, female directors might gather exclusive human capital that benefits the firm, which may enhance FP via groupthink reduction, etc. (e.g., Wahid, 2019). They are less bold in investing during economic crises, thus inclined to decrease cash expenditures, such as dividend payments and holding firm cash, during financial crises (e.g., Ngo et al., 2019). However, female directors also have an advantage in constructing communication channels that create alignment with external stakeholders to resolve agency issues and aid access to resources (e.g., Khan et al., 2023). Furthermore, Pidani et al. (2020) accentuate that female directors can make distinctive contributions with higher social expertise, permitting them to establish better connections with outside stakeholders.

In contrast, Sattar et al. (2022), observe an inverse connection between gender-diverse boards and firm profitability. Overall, while the fraction of female board members may bring substantial benefits in the form of more excellent financial performance and innovation, the influence can differ depending on the specific context of the firm and other aspects, such as the strength of shareholder rights, including the capability of board members to contribute distinctively. Moreover, the effect of gender-diverse boards may be enhanced or hampered depending on the firm's organizational structure, organizational culture, and growth orientation (e.g., Li & Chen, 2018). As such, the approach of simply incorporating female directors to the board without safeguarding equal access to information may reduce the advantages of gender diverse board and even heightened inefficiencies, which may underwrite the inconclusive or even downright contradictory empirical results on the advantages of gender-diverse corporate boards.

Malaysia is a unique country with a heritage of diverse cultures, including a lengthy era of British colonial rule. The population in Malaysia in the first quarter of 2024 is estimated at 34.0 million. It comprises three main ethnicities, which are Malay (57.9 percent), Chinese (22.6 percent), and Indian (6.6 percent) (Department of Statistics Malaysia, 2024). People of Malay and Indigenous ethnicity are collectively known as Bumiputera, and the rest of the population is known as non-Bumiputera (e.g., Paoliello, 2019). There is a broad consensus that ethnic/cultural diversity occurs due to migration among different economies (e.g., Alhendi et al., 2021). Ethnic backgrounds and values shape individuals' perceptions and behavior.

The origin of Malaysia's multiethnic groups may be traced back to British colonialism in Malaysia. Under British rule, laborers from India, referred to as "coolies", the British name for indentured laborers (e.g., Hoefte, 2017) migrated to Malaysia to work in the rubber plantations. Meanwhile, laborers from China (e.g., Kaur, 2012) migrated to Malaysia to work in the tin mines. These migrations turned Malaysia into a multicultural society of diverse ethnic groups with heterogeneous relationships and cultures. Each ethnic group upholds and exercises its separate cultural values and religious beliefs regardless of the blurring of racial lines via modernism and education (e.g., Mohd Iskandar & Pourjalali, 2000). The influence of ethnicity may be substantial in a multicultural society such as Malaysia.

Recently, board members are becoming more international. Following globalization, the business world's border faded, and people from various cultures started forming closer connections. Board diversity contributed by foreign directors may enhance the merit of decision-making undertaken by the boards. The improved merit contributed by board directors from different backgrounds may produce a more extensive range of experiences, knowledge, and views for the board, enhancing assessments and discussions during the decision-making course (e.g., Conyon et al., 2019; Handa, 2021). Corporate board directors with international experience may present several advantages to firms, such as improving firm profitability (e.g., Joenoes & Rokhim, 2019; Sarhan et al., 2019), firm learning (e.g., Iliev & Roth, 2018), and corporate governance practices transfer between countries (e.g., Handa, 2021; Iliev & Roth, 2018).

Foreign directors, as advisors to top executives, may use their information on global markets to deliver beneficial inputs and positively affect firm decisions. Existing literature argues that corporate boards comprise foreign directors with international experience who have valuable foreign networks and expertise, which may ease entry to distinctive networks and enhance a firm's competitive advantage. Enhancing foreign involvement may improve the board's ability to assess strategic direction, introduce novel ideas and perspectives, supply access to global networking prospects, and safeguard transparency and accountability on strategic decisions (e.g., Conyon et al., 2019).

In foreign countries where they serve, board directors must persistently create novel solutions that may contrast with their responses in their home country. This situation permits them to become more alert and creative, increasing their proficiency in efficiently handling numerous courses of strategic action. In conclusion, foreign directors may hold a wide range of general competencies that give them a valuable edge in initiating and executing strategic change within a firm. Regarding resource obligation, corporate boards with a high degree of foreign director fraction may aid the exploration of growth prospects by incorporating a more comprehensive range of products or markets.

Board of directors related to foreign markets can heighten the prospects in this field, including providing inimitable skills, vision, and information about handling numerous constituencies and taking advantage of prospects in untested investment fields. For instance, in a progressively globalized world, a board of directors from diverse cultural and political backgrounds may impart beneficial information about prospective synergies in both supplier and customer markets. Nevertheless, it is vital to note that boards of directors from other countries and cultures will have beliefs, norms, and values that contrast with the substantial attributes of national directors to varying levels. Granting foreign director fractions in the boardroom has a positive and detrimental effect, but the association between foreign director fractions and firm profitability is still questionable with mixed empirical results (e.g., Dodd & Zheng, 2022).

Emphasis of the Study

There is heightened concern regarding board characteristics, precisely the inclusion of female directors, which has triggered the enactment of numerous rules and policies designed to bolster the fraction of female board members occupying board seats around the globe. Numerous empirical literature has associated board characteristics, which may be represented by gender diversity, ethnic diversity, and foreign directors with FP (e.g., García Martín & Herrero, 2018). A well-constituted board will assist the board in discharging its stewardship responsibilities to attain sustainable FP across main FP measures, implying a correlation between board diversity and FP. Higher adoption of diversity attributes over different dimensions correlates with better FP (e.g., Bennouri et al., 2018; Green & Homroy, 2018).

Although numerous empirical works (e.g., Nguyen & Muniandy, 2021) observe a connection between board diversity and FP, the empirical evidence also shows that a moderating variable might modify the association. Additional studies are essential to clarify existing outcomes and explicitly analyze differences in board diversity attributes' influences that may link with firm profitability. Thus, this study will examine the board characteristics (gender, ethnicity, foreign director, and board independence) and their impact on FP empirically. This study diverges further by examining interaction terms between board characteristics and the moderating impact of a moderator variable on their relationship.

Theoretical Clarification and Gap

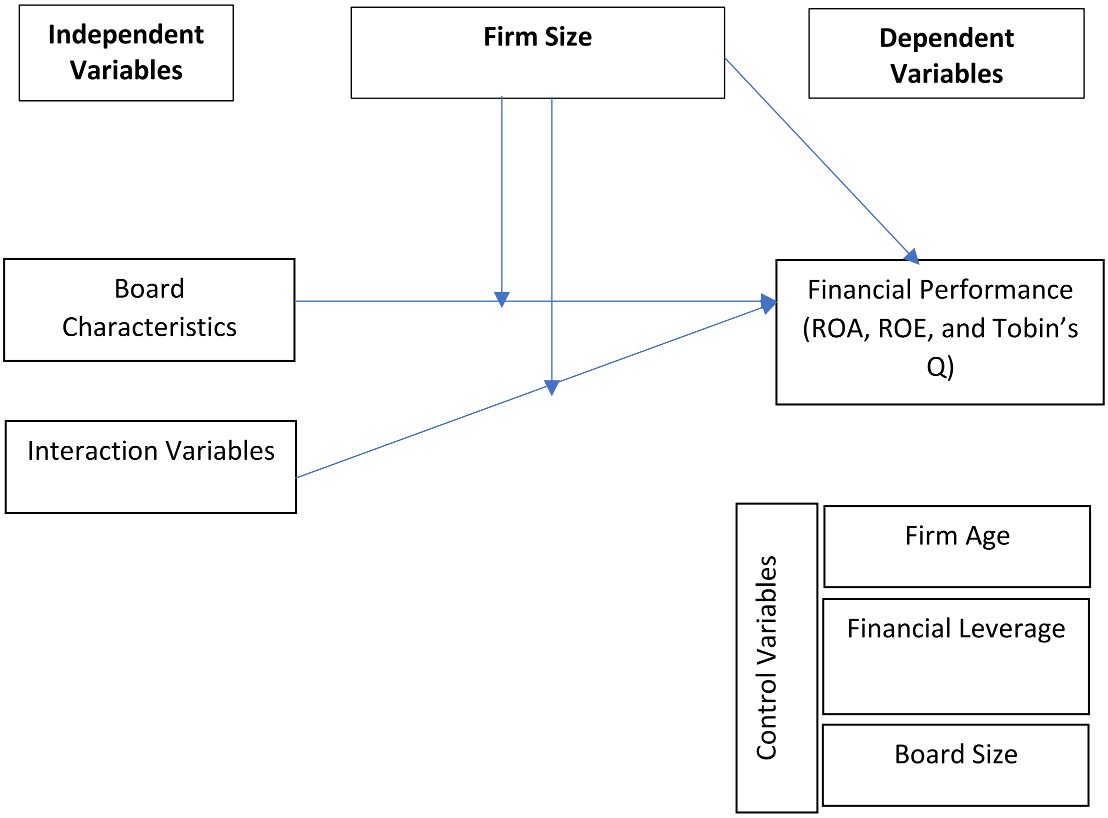
Most of the existing empirical works focusing on the influence of board characteristics on FP relationships have relied on data from developed markets, mainly from Europe and North America. Nonetheless, there is growing attention on emerging markets, particularly large ones such as China, India, and Turkey. Despite this, limited studies focus on publicly listed firms in emerging economies such as Malaysia. Thus, emerging economies may offer a different perspective, which is different in numerous aspects and impart a better comprehension of the extent of FP.

Researchers may adopt numerous theories to examine FP, such as agency theory (e.g., Kabir et al., 2023) and resource dependence (e.g., Winkler et al., 2020; Yang et al., 2019). Besides these theories, this study's adoption of upper echelons theory further provides additional theoretical ground when studying the function of board characteristics on FP. Thus, this study is contributory across the border as limited empirical frameworks analyze the moderating influence of a moderator variable on the connection between board characteristics and FP in an emerging market such as Malaysia. Furthermore, in terms of methodology, this study employs panel data regression, which can impart better definite results and may control specific obscured heterogeneities in the cross-sections.

This study's outcomes have excellent policy and market inferences and set the foundation for future empirical works. Thus, to widen the angle of this study, researchers may study subjects regarding the board age, ownership concentration, and ESG and its role in diverse boards and FP relationships. These subjects have substantial potential in academic and practical fields to further expand this body of literature, specifically in emerging economies such as Malaysia.

Research Framework

Drawing from the existing empirical research, this study establishes the fundamental construct and builds the conceptual research framework, delineated in Figure 3.1, with an understanding. Perceptions of corporate governance mechanisms and their applications in corporations may affect FP positively. Thus, this study constructs the conceptual framework to look into the connection between board characteristics and FP, including the moderating role of a moderator in their relationship. This inter-relationship will be theoretically conceptualized in this study framework to examine the impact of those attributes in the Malaysian context.



The proposed research framework is shown in Figure 1.

Figure 1 Relationship between Board Characteristics, Interaction Variables and Firm Performance

Hypotheses

Referring to the existing works (e.g., Ararat & Yurtoglu, 2021; Nguyen & Muniandy, 2021; Pucheta-Martínez & Gallego-Álvarez, 2020) on the corporate governance domain, strategic and diversity management, the empirical findings infer that an interaction approach amongst independent variables will likely be used to investigate their combined effects on dependent variables. Therefore, this study will integrate interactive variables to examine the diversity issues further.

Although researchers expect diverse boards theoretically to add to FP underpinned by their quality decision-making, skillsets, and advisory capacities, the link between diverse boards and the FP is complex. Numerous empirical works (e.g., Ozdemir, 2020; Sarhan et al., 2019) observe a connection between board diversity and FP; the empirical evidence also shows that moderating variables might modify the association. Consistent with the above suggestion, this study introduces moderators into the model because this study predicts the variable will affect the connection between board characteristics and FP.
This study's subsequent hypotheses are proposed after considering the theoretical arguments and prior research results.

Hypothesis 1:
Board Characteristics will have a significant and positive impact on Firm Performance.
Hypothesis 2:
Interaction between Board Characteristics will have a significant and positive impact on Firm Performance.
Hypothesis 3:
Moderator Variable moderates the relationship between Board Characteristics and Firm Performance.

Method and Measure
This study will investigate publicly listed non-financial firms in *Bursa Malaysia*. The sample will be selected based on the largest to the lowest market capital hierarchy. The sample selection will be based on a judgmental approach or non-probability sampling. The final sample will be free of firms with incomplete and missing information on critical explanatory variables of the study. This study will mine the information on demographic diversity from the annual reports of sampled firms published on the legitimate website of *Bursa Malaysia*. This study will employ multiple regression of panel data to examine board characteristics and FP nexus.

The independent variables of this study are demographic characteristics and interaction terms, while the dependent variable is firm financial performance (ROA, ROE, Tobin's Q). The regression model will integrate firm age, financial leverage, and board size as the control variables into the analysis to account for other possible impacts on the mathematical models of this study.

Model
Firm Performance Y = α + βBoard Characteristics + ΣβInteraction Variables + ΣβModerating Variables + ΣβControl Variables + ε

ROA	=	α + βBoard Characteristics + ΣβInteraction Variables + ΣβModerating Variables + ΣβControl Variables + ε
ROE	=	α + βBoard Characteristics + ΣβInteraction Variables + ΣβModerating Variables + ΣβControl Variables + ε
Tobin's Q	=	α + βBoard Characteristics + ΣβInteraction Variables + ΣβModerating Variables + ΣβControl Variables + ε

This study will define firm age as the natural logarithm of the years since the firm was incorporated following Brahma et al. (2021) to minimize the effect of outliers. Following Mastella et al. (2021), this study will calculate leverage as the total debt/the total assets. Additionally, this study calculates board size as the total number of board members following Brahma et al. (2021).

Conclusion
Numerous existing empirical frameworks (e.g., Belaounia et al., 2020; Nguyen, 2023; Soare et al., 2022) examine the association between board characteristics and FP, but the outcomes are mixed. This study will demonstrate that firm size (FSIZE) is a positive and significant moderator in the board characteristics and FP nexus because the markets perceive diverse

boards in larger firms as more capable of achieving superior performance than smaller firms. Additionally, larger firms are generally more recognized, which facilitates their attraction and retention of highly skilled board members compared to smaller firms. Further, larger firms tend to be more well-established than smaller ones and pose more resilience to unexpected market disruptions such as those triggered by the COVID-19 pandemic.

This study's outcomes are substantial in understanding whether FSIZE moderates the connection between board characteristics and FP, which has not been thoroughly examined in prior empirical research, including the Malaysian perspective. Further, by adopting the Malaysian dataset, this study bridges the cultural differences of world markets regarding board characteristics and FP nexus, in contrast to data from ethnically homogeneous economies. Moreover, empirical evidence on gender-diverse boards and FP association for firms in emerging economies is scarce (e.g., Li & Chen, 2018).

This study concentrates solely on Malaysian firm-level data. A valuable avenue for further research is conducting comparative empirical studies in neighboring countries such as Singapore, China, Thailand, and Indonesia. These countries exhibit distinct corporate governance structures and regulatory frameworks, and examining them will provide critical insight. Such empirical works will effectively reveal the similarities and differences in how these countries mold the corporate board to enhance FP.

References

Shaik. (2021). COVID-19 Pandemic and the reaction of Asian stock markets: Empirical evidence from Saudi Arabia. *Journal of Asian Finance, Economics and Business*, *8*(12), 0001–0007.

Abou-El-Sood, H. (2021). Board gender diversity, power, and bank risk taking. *International Review of Financial Analysis*, *75*, 101733. https://doi.org/10.1016/j.irfa.2021.101733

Aldrich, A. S., & Lotito, N. J. (2020). Pandemic performance: Women leaders in the COVID-19 crisis. *Politics & Gender*, *16*(4), 960–967. https://doi.org/10.1017/S1743923X20000549

Alhendi, O., Tóth, J., Lengyel, P., & Balogh, P. (2021). Tolerance, cultural diversity and economic growth: Evidence from dynamic panel data analysis. *Economies*, *9*(1), 20. https://doi.org/10.3390/economies9010020

Ararat, M., & Yurtoglu, B. B. (2021). Female directors, board committees, and firm performance: Time-series evidence from Turkey. *Emerging Markets Review*, *48*, 100768. https://doi.org/10.1016/j.ememar.2020.100768

Belaounia, S., Tao, R., & Zhao, H. (2020). Gender equality's impact on female directors' efficacy: A multi-country study. *International Business Review*, *29*(5), 101737. https://doi.org/10.1016/j.ibusrev.2020.101737

Bennouri, M., Chtioui, T., Nagati, H., & Nekhili, M. (2018). Female board directorship and firm performance: What really matters? *Journal of Banking & Finance*, *88*, 267–291. https://doi.org/10.1016/j.jbankfin.2017.12.010

Brahma, S., Nwafor, C., & Boateng, A. (2021). Board gender diversity and firm performance: The UK evidence. *International Journal of Finance & Economics*, *26*(4), 5704–5719. https://doi.org/10.1002/ijfe.2089

Conyon, M. J., Haß, L. H., Vergauwe, S., & Zhang, Z. (2019). Foreign experience and CEO compensation. *Journal of Corporate Finance*, *57*, 102–121. https://doi.org/10.1016/j.jcorpfin.2017.12.016

Dawson, C. (2023). Gender differences in optimism, loss aversion and attitudes towards risk. *British Journal of Psychology*, *114*(4), 928–944. https://doi.org/10.1111/bjop.12668

Deloitte. (2019). *Women in the boardroom: A global perspective (6th edn).*

Dodd, O., & Zheng, B. (2022). Does board cultural diversity contributed by foreign directors improve firm performance? Evidence from Australia. *Journal of Risk and Financial Management*, *15*(8), 332. https://doi.org/10.3390/jrfm15080332

Ellul, A., Erel, I., & Rajan, U. (2020). The COVID-19 pandemic crisis and corporate finance. *The Review of Corporate Finance Studies*, *9*(3), 421–429. https://doi.org/10.1093/rcfs/cfaa016

Fu, M., & Shen, H. (2020). COVID-19 and corporate performance in the energy industry. *Energy RESEARCH LETTERS*, *1*(1). https://doi.org/10.46557/001c.12967

García Martín, C. J., & Herrero, B. (2018). Boards of directors: composition and effects on the performance of the firm. *Economic Research-Ekonomska Istraživanja*, *31*(1), 1015–1041. https://doi.org/10.1080/1331677X.2018.1436454

Gelter, M., & Puaschunder, J. M. (2021). COVID-19 and comparative corporate governance. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.3772965

Goh, Y. S., & Teh, P. Y. (2022). Festivals and the theory of inclusive development in Malaysia: Perspectives from a festival organizer. *Advances in Southeast Asian Studies*, *15*(2), 295–307.

Green, C. P., & Homroy, S. (2018). Female directors, board committees and firm performance. *European Economic Review*, *102*, 19–38. https://doi.org/10.1016/j.euroecorev.2017.12.003

Handa, R. (2021). Does presence of foreign directors make a difference? A case of Indian IPOs. *Business Perspectives and Research*, *9*(1), 111–127. https://doi.org/10.1177/2278533720923508

Heilman, M. E., Block, C. J., Martell, R. F., & Simon, M. C. (1989). Has anything changed? Current characterizations of men, women, and managers. *Journal of Applied Psychology*, *74*(6), 935–942. https://doi.org/10.1037/0021-9010.74.6.935

Hoefte, R. (2017). Indenture in the long nineteenth century. In *The Cambridge World History of Slavery* (pp. 610–632). Cambridge University Press. https://doi.org/10.1017/9781139046176.027

Hoobler, J. M., Masterson, C. R., Nkomo, S. M., & Michel, E. J. (2018). The business case for women leaders: Meta-analysis, research critique, and path forward. *Journal of Management*, *44*(6), 2473–2499. https://doi.org/10.1177/0149206316628643

Hooghiemstra, R., Hermes, N., Oxelheim, L., & Randøy, T. (2019). Strangers on the board: The impact of board internationalization on earnings management of Nordic firms. *International Business Review*, *28*(1), 119–134. https://doi.org/10.1016/j.ibusrev.2018.08.007

Hu, S., & Zhang, Y. (2021). COVID-19 pandemic and firm performance: Cross-country evidence. *International Review of Economics & Finance*, *74*, 365–372. https://doi.org/10.1016/j.iref.2021.03.016

Hwang, S., Shivdasani, A., & Simintzi, E. (2018). Mandating Women on Boards: Evidence from the United States. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.3265783

Icdm, & Wtw. (2021). *The Malaysia board diversity study & index*.

Iliev, P., & Roth, L. (2018). Learning from directors' foreign board experiences. *Journal of Corporate Finance*, *51*, 1–19. https://doi.org/10.1016/j.jcorpfin.2018.04.004

Jebran, K., & Chen, S. (2023). Can we learn lessons from the past? <scp>COVID</scp> -19 crisis and corporate governance responses. *International Journal of Finance & Economics*, *28*(1), 421–429. https://doi.org/10.1002/ijfe.2428

Joenoes, M. Z., & Rokhim, R. (2019). Does foreign board increase the companyâ€TMs performance? the evidence from Indonesia. *Journal of Economics, Business, & Accountancy Ventura*, *22*(2), 213–222. https://doi.org/10.14414/jebav.v22i2.1449

Kabir, A., Ikra, S. S., Saona, P., & Azad, Md. A. K. (2023). Board gender diversity and firm performance: new evidence from cultural diversity in the boardroom. *LBS Journal of Management & Research*, *21*(1), 1–12. https://doi.org/10.1108/LBSJMR-06-2022-0022

Kaur, A. (2012). Labour brokers in migration: Understanding historical and contemporary transnational migration regimes in Malaya/Malaysia. *International Review of Social History*, *57*(S20), 225–252. https://doi.org/10.1017/S0020859012000478

Kells, S. (2020). Impacts of COVID-19 on corporate governance and assurance, international finance and economics, and non-fiction book publishing: some personal reflections. *Journal of Accounting & Organizational Change*, *16*(4), 629–635. https://doi.org/10.1108/JAOC-08-2020-0115

Khan, H. R., Bin Khidmat, W., Hammouda, A., & Muhammad, T. (2023). Machine learning in the boardroom: Gender diversity prediction using boosting and undersampling methods. *Research in International Business and Finance*, *66*, 102053. https://doi.org/10.1016/j.ribaf.2023.102053

Levy, D. L. (2021). COVID-19 and global governance. *Journal of Management Studies*, *58*(2), 562–566. https://doi.org/10.1111/joms.12654

Li, H., & Chen, P. (2018). Board gender diversity and firm performance: The moderating role of firm size. *Business Ethics: A European Review*, *27*(4), 294–308. https://doi.org/10.1111/beer.12188

Makni, M. S. (2023). Analyzing the impact of COVID-19 on the performance of listed firms in Saudi market. *Technological Forecasting and Social Change*, *187*, 122171. https://doi.org/10.1016/j.techfore.2022.122171

Mastella, M., Vancin, D., Perlin, M., & Kirch, G. (2021). Board gender diversity: Performance and risk of Brazilian firms. *Gender in Management: An International Journal*, *36*(4), 498–518. https://doi.org/10.1108/GM-06-2019-0088

Mather, P., Ranasinghe, D., & Unda, L. A. (2021). Are gender diverse boards more cautious? The impact of board gender diversity on sentiment in earnings press releases. *Journal of Contemporary Accounting & Economics*, *17*(3), 100278. https://doi.org/10.1016/j.jcae.2021.100278

Iskandar, T., & Pourjalali, H. (2000). Cultural influences on the development of accounting practices in Malaysia. *Asian Review of Accounting*, *8*(2), 126–147. https://doi.org/10.1108/eb060732

Ngo, M. T., Pham, T. H. V. P. Van, & Luu, T. T. T. (2019). Effect of board diversity on financial performance of the Vietnamese listed firms. *Asian Economic and Financial Review*, *9*(7), 743–751. https://doi.org/10.18488/journal.aefr.2019.97.743.751

Nguyen, H. T., & Muniandy, B. (2021). Gender, ethnicity and stock liquidity: evidence from South Africa. *Accounting & Finance*, *61*(S1), 2337–2377. https://doi.org/10.1111/acfi.12668

Nguyen, T. T. (2023). Foreign directors and firm performance: A study in Vietnam. *The University of Danang - Journal of Science and Technology*, 25–31. https://doi.org/10.31130/ud-jst.2023.137E

Nkomo, S. M., Bell, M. P., Roberts, L. M., Joshi, A., & Thatcher, S. M. B. (2019). Diversity at a critical juncture: New theories for a complex phenomenon. *Academy of Management Review*, *44*(3), 498–517. https://doi.org/10.5465/amr.2019.0103

Ozdemir, O. (2020). Board diversity and firm performance in the U.S. tourism sector: The effect of institutional ownership. *International Journal of Hospitality Management*, *91*, 102693. https://doi.org/10.1016/j.ijhm.2020.102693

Paoliello, A. (2019). Becoming Muslim or becoming Malay? Conversion to Islam in two sinophone Malaysian short stories. *Canadian Review of Comparative Literature / Revue Canadienne de Littérature Comparée*, *46*(3), 470–487. https://doi.org/10.1353/crc.2019.0031

Pidani, R. R., Mahmood, A., & Agbola, F. W. (2020). Does the board gender diversity enhance firm performance? *Asian Journal of Business Research*, *10*(1). https://doi.org/10.14707/ajbr.200074

Poletti-Hughes, J., & Briano-Turrent, G. C. (2019). Gender diversity on the board of directors and corporate risk: A behavioural agency theory perspective. *International Review of Financial Analysis*, *62*, 80–90. https://doi.org/10.1016/j.irfa.2019.02.004

Pucheta-Martínez, M. C., & Gallego-Álvarez, I. (2020). Do board characteristics drive firm performance? An international perspective. *Review of Managerial Science*, *14*(6), 1251–1297. https://doi.org/10.1007/s11846-019-00330-x

Rababah, A., Al-Haddad, L., Sial, M. S., Chunmei, Z., & Cherian, J. (2020). Analyzing the effects of <scp>COVID</scp> -19 pandemic on the financial performance of Chinese listed companies. *Journal of Public Affairs*. https://doi.org/10.1002/pa.2440

Samara, I., & Yousef, I. (2023). The impact of foreign directors and firm performance on strategic change. *Review of International Business and Strategy*, *33*(3), 466–492. https://doi.org/10.1108/RIBS-10-2021-0137

Sarhan, A. A., Ntim, C. G., & Al-Najjar, B. (2019). Board diversity, corporate governance, corporate performance, and executive pay. *International Journal of Finance & Economics*, *24*(2), 761–786. https://doi.org/10.1002/ijfe.1690

Sattar, M., Biswas, P. K., & Roberts, H. (2022). Board gender diversity and firm risk in UK private firms. *Global Finance Journal*, *54*, 100766. https://doi.org/10.1016/j.gfj.2022.100766

Shen, H., Fu, M., Pan, H., Yu, Z., & Chen, Y. (2020). The Impact of the COVID-19 pandemic on firm performance. *Emerging Markets Finance and Trade*, *56*(10), 2213–2230. https://doi.org/10.1080/1540496X.2020.1785863

Soare, T.-M., Detilleux, C., & Deschacht, N. (2022). The impact of the gender composition of company boards on firm performance. *International Journal of Productivity and Performance Management*, *71*(5), 1611–1624. https://doi.org/10.1108/IJPPM-02-2020-0073

Tleubayev, A., Bobojonov, I., Gagalyuk, T., & Glauben, T. (2020). Board gender diversity and firm performance: Evidence from the Russian agri-food industry. *International Food and Agribusiness Management Review*, *23*(1), 35–54. https://doi.org/10.22434/IFAMR2019.0011

Peteghem, M., Bruynseels, L., & Gaeremynck, A. (2018). Beyond diversity: A tale of faultlines and frictions in the board of directors. *The Accounting Review*, *93*(2), 339–367. https://doi.org/10.2308/accr-51818

Wahid, A. S. (2019). The Effects and the Mechanisms of Board Gender Diversity: Evidence from Financial Manipulation. *Journal of Business Ethics*, *159*(3), 705–725. https://doi.org/10.1007/s10551-018-3785-6

Winkler, T., Ulz, A., Knöbl, W., & Lercher, H. (2020). Frugal innovation in developed markets – Adaption of a criteria-based evaluation model. *Journal of Innovation & Knowledge*, *5*(4), 251–259. https://doi.org/10.1016/j.jik.2019.11.004

Xiang, X., & Yi, B. (2022). Directors' Foreign Experience and Firm Innovation. *Emerging Markets Finance and Trade*, *58*(11), 3248–3264. https://doi.org/10.1080/1540496X.2022.2037417

Yang, P., Riepe, J., Moser, K., Pull, K., & Terjesen, S. (2019). Women directors, firm performance, and firm risk: A causal perspective. *The Leadership Quarterly*, *30*(5), 101297. https://doi.org/10.1016/j.leaqua.2019.05.004

Zampone, G., Nicolò, G., Sannino, G., & De Iorio, S. (2024). Gender diversity and SDG disclosure: The mediating role of the sustainability committee. *Journal of Applied Accounting Research*, *25*(1), 171–193. https://doi.org/10.1108/JAAR-06-2022-0151