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**The College of Graduate Studies and the College of Business and Economics  
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**DBA Dissertation Defense**

Entitled

*CORPORATE GOVERNANCE, INSTITUTIONAL FRAMEWORK, AND FIRM PERFORMANCE:  
EVIDENCE FROM THE UAE*

by

Al Yazia Ali Saleh Ahmed Al Kuwaiti

Faculty Advisor

Dr. Chiraz Labidi, Department of Business Administration

College of Business and Economics

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Abstract

This dissertation is concerned with the state of corporate governance regulations and implementation in the UAE and the extent to which board and corporate ownership structures in UAE listed firms play a role in promoting sound corporate governance and enhancing firms' financial performance. The main objective of this dissertation is to investigate the influence of various corporate governance mechanisms on the financial performance of UAE publicly listed companies. Using ten years of panel data from 92 UAE companies (406 firm-year observations) listed on Abu Dhabi Exchange (ADX) and Dubai Financial Market (DFM), we test the role of board characteristics along with firms' ownership structure on firm performance. Ordinary Least Squares (OLS) along with fixed effect and random effects panel regressions are used. Our results indicate that board independence, women board membership, ownership concentration, lack of CEO/board chair duality and family ownership all have, albeit with varying degrees of significance, positive effects on firm performance. On the contrary, cross ownership and state ownership seem to affect negatively the financial performance of UAE firms. For reasons, most likely, unique to the UAE, the empirical tests conducted by this research do not provide evidence of an impact of board size and foreign ownership on firm performance. Our main findings are robust to different measures of ownership concentration and to two forms of state ownership. They are also robust to further firm characteristics such as the size, age, and leverage and persist for both financial and nonfinancial firms. The dissertation is unique in many respects: it is the first comprehensive work that conducts such all-encompassing test of corporate governance hypotheses on UAE firms. It utilizes a unique database that was, specifically hand-collected for our study. It tests the relevance of corporate governance theories in the specific UAE institutional and economic setting. The findings of this dissertation are of great importance to the regulators and policy makers to understand the impact of currently adopted corporate governance regulations amongst the listed firms and to develop tailored policies to the context of UAE and suitable mechanisms to enforce those policies and regulations. Our findings may also be generalized to GCC and MENA countries given that they tend to share similar economic, social and political environments.

**Keywords:** Corporate governance, firm performance, board independence, ownership structure, government ownership.