Yammeesri, J., Herath, S.K.

Board characteristics and corporate value: Evidence from Thailand

DOI: 10.1108/14720701011051910

a School of Accountancy, University of the Thai Chamber of Commerce, Bangkok, Thailand
b Department of Accounting, School of Business Administration, Clark Atlanta University, Atlanta, GA, United States

Abstract
Purpose: This paper aims to examine the influence of corporate board structure on corporate value.
Design/methodology/approach: The data were collected on a sample of 245 Thai non-financial listed companies to examine the effect of board structure on firm performance. Findings: The results show that neither independent directors nor grey directors are the significant determinants of improving firm value. Research limitations/implications: This research was confined to 245 Thai non-financial listed companies. It would be useful to replicate it using larger samples under different country settings. Practical implications: The findings provide guidance to top managers in deciding the Board structure as corporate value is also grounded in corporate board structure. Originality/value: The paper provides far reaching implications for corporate managers about the relationship between Board characteristics and corporate value. © Emerald Group Publishing Limited.

Author Keywords
Boards of directors; Corporate governance; Organizational structures; Thailand

References
Agrawal, A., Knoeber, C.R.
Firm performance and mechanisms to control agency problems between managers and shareholders

Baysinger, B., Butler, H.
Corporate governance and the board of directors: Performance effects of changes in board composition

Berle, A., Means, G.
(1932) The Modern Corporation and Private Property,
Macmillan Publishing, New York, NY

Bhagat, S., Black, B.
The uncertain relationship between board composition and firm performance

Bonn, I., Yoshikawa, T., Phan, P.
Effects of board structure on firm performance: A comparison between Japan and Australia

Bozec, R.
Boards of directors, market discipline and firm performance

Brickley, J.A., Coles, J.L., Jarrell, G.
Leadership structure: Separating the CEO and chairman of the board

Delton, D., Daily, C., Johnson, J., Ellstrand, A.
Number of directors and financial performance: A meta-analysis

- Fama, E., Jensen, M.
  Separation of ownership and control

- Fama, E., Jensen, M.
  Agency problems and residual claims

- Finkelstein, S., D'Aveni, R.
  CEO duality as a double-edge sword: How board of directors balance entrenchment avoidance and unity of command

- Goodstein, J., Gautam, K., Boeker, W.
  The effects of board size and diversity on strategic change

- Grossman, S., Hart, O.
  Corporate financial structure and managerial incentive
  McCall, J. (Ed.), University of Chicago, Chicago, IL

- Hermalin, B.E., Weisbach, M.S.
  The effects of board composition and direct incentives in firm performance

- Hossain, M., Prevost, A., Rao, R.
  Corporate governance in New Zealand: The effect of the 1993 Companies Act on the relation between board composition and firm performance

- Jensen, M.
  Agency costs of free cash flow, corporate finance, and takeovers

- Jensen, M.C.
  The modern industrial revolution, exit, and the failure of internal control systems

- Klein, A.
  Firm performance and board committee structure

- Koontz, H.
  (1967) The Board of Directors and Effective Management,
  McGraw-Hill, New York, NY

- McConnell, J.J., Servaes, H.
  Additional evidence on equity ownership and corporate value

- Majamdar, S.K.
  The impact of size and age of firm-level performance: Some evidence from India

- Mak, Y.T., Kusnadi, Y.
  Size really matters: Further evidence on the negative relationship between board size and firm value
Mallette, P., Fowler, L.  
Effects of board composition and stock ownership on the adoption of poison pills  

Morck, R., Shleifer, A., Vishny, R.W.  
Management ownership and market valuation: An empirical analysis  

Mueller, D.C.  
A life cycle theory of the firm  

Nikomborirak, D.  
An assessment of the role of board of directors in building good governance: The case of Thailand  
(2001), paper presented at The Third Round Table on Corporate Governance: The Role of Boards and Stakeholders in Corporate Governance, Singapore, 4-5 April

Pfeffer, J., Salancik, G.  

Rosenstein, S., Wyatt, J.G.  
Outside directors, board independence, and shareholder wealth  

Shivdasani, A., Yermack, D.  
CEO involvement in the selection of new board members: An empirical analysis  

Shleifer, A., Vishny, R.W.  
A survey of corporate governance  

Short, H., Keasey, K.  
Managerial ownership and the performance of firm: Evidence from the UK  

(1999) Code of Best Practice for Directors of Listed Companies,  
(The) Stock Exchange of Thailand, The Stock Exchange of Thailand, Bangkok

Vafeas, N., Theodorou, E.  
The relationship between board structure and firm performance in the UK  

Yermack, D.  
Higher market valuation of companies with a small board of directors  