BOARD CHARACTERISTICS AND AUDIT QUALITY: EVIDENCE FROM VIETNAM

Tran Thi My Linh[1], Nguyen Thi Thuy[2]
[1]*Ho Chi Minh City Industry and Trade College (HITC), Ho Chi Minh City, Vietnam, e-mail: ttmylinh@hitu.edu.vn*
[2]*Ho Chi Minh City Industry and Trade College (HITC), Ho Chi Minh City, Vietnam, e-mail: ngtthuy@hitu.edu.vn*

Citation:
Tran Thi My Linh, & Nguyen Thi Thuy. (2024). BOARD CHARACTERISTICS AND AUDIT QUALITY: EVIDENCE FROM VIETNAM. *Economics, Finance and Management Review*, (1(17), 57–67.
https://doi.org/10.36690/2674-5208-2024-1-57

Received: January 27, 2024
Approved: Febuary 21, 2024
Published: March 30, 2024

Abstract. *This study investigates the relationship between key director characteristics, board composition, and audit quality in the context of Vietnamese listed firms on the Ho Chi Minh City Stock Exchange over the period 2015 to 2020. Based on the study of Mustafa et al (2017), we employ a comprehensive dataset comprising 415 firms, we utilize a random effects estimation model to analyze the nuances of these associations. Our findings reveal a noteworthy positive relationship between directors aged 36-55 and 46-55 years old and audit quality, suggesting that the experience and expertise of directors within these age brackets contribute positively to the enhancement of audit processes. Furthermore, our study identifies a significant positive impact on audit quality associated with interlocking directorships, emphasizing the importance of interconnected networks within corporate governance structures. In addition, our results highlight the influential role of boards populated by members holding Master's degrees, indicating a positive correlation between educational qualifications and clients' demand for high audit quality. This insight underscores the significance of academic prowess and specialized knowledge in fostering a climate conducive to rigorous audit practices.*

Key words: *board; audit quality; Vietnam*
JEL Classification: J38; J88; M14; M54
Formulas: 1, fig.: 0, tabl.: 2, bibl.: 55

Introduction. In the dynamic landscape of corporate governance, the quest for transparency and accountability has become increasingly paramount. Within this context, the role of directors and the composition of corporate boards emerge as critical determinants influencing the quality of audit processes. This study delves into the intricate relationships between director characteristics, board composition, and audit quality within the framework of Vietnamese listed firms, drawing upon a comprehensive dataset spanning the years 2015 to 2020. Against the backdrop of the Ho Chi Minh City Stock Exchange, a burgeoning hub for economic activities in Vietnam, we explore the nuanced dynamics that underlie the performance of 415 listed firms. Employing a rigorous random effects estimation model, our analysis seeks to unravel the multifaceted impact of directors' age, interlocking directorships, and the educational qualifications of board members on the pursuit of high audit quality.

Our investigation unfolds against a backdrop of evolving corporate governance norms and burgeoning demands for financial transparency. The age of directors, specifically within the brackets of 36-55 and 46-55 years old, takes center stage in our examination, as we discern a positive correlation with enhanced audit quality. This prompts a deeper exploration into the experiential contributions of directors within these age ranges. Additionally, our study scrutinizes the phenomenon of interlocking directorships, revealing a significant positive impact on audit quality. We contend that the interconnectedness of boards serves as a conduit for knowledge exchange and collaborative governance, fostering an environment conducive to rigorous audit practices. Furthermore, we direct our focus towards the educational qualifications of board members, particularly those holding Master's degrees. Our findings suggest a compelling association between higher educational attainment and clients' heightened demand for elevated audit quality, signaling the importance of academic prowess in shaping governance structures that prioritize financial scrutiny.

As Vietnam's capital market continues to evolve, our research not only contributes to the academic discourse but also offers practical insights for corporate practitioners, policymakers, and stakeholders. By comprehensively understanding the intricate interplay between director characteristics, board composition, and audit quality, this study aims to provide a foundation for informed decision-making in the pursuit of robust corporate governance within the Vietnamese context.

The primary focus of this research revolves around the issue of board diversity and its impact on enhancing the effectiveness of board monitoring, ultimately leading to improved financial reporting quality and reduced information asymmetry. While existing literature, including a limited number of studies such as those conducted by Nguyen (2022c) in Vietnam, has explored gender and generation diversity in relation to firm performance, our study uniquely addresses the influence of interlocking directorship as a form of board cognitive diversity on the heightened demand for superior audit quality in the Vietnamese context. Management theories have consistently underscored the pivotal role of top management in organizational outcomes. The findings of this research make a noteworthy contribution to the accounting literature by establishing a connection between resource dependency theory and the selection of auditors. Specifically, our study delves into the ways in which the demographic and cognitive diversity within boards of directors impact accounting outcomes, with a particular emphasis on the selection of auditors.

Literature review. The corporate board plays a pivotal role in shaping the organizational culture by instilling their management values, thereby influencing the implementation of accounting and financial policies. Prior research in management and population ecology posits that corporate outcomes, such as firm performance, are closely tied to environmental selection and bureaucratic rules (Adams et al., 2010; AlAbbad et al., 2019; Battaglia & Gallo, 2017; Berger et al., 2014). Building upon this, (Bennouri et al., 2018; Bhagat & Black, 1999; Cheng et al., 2008) advance the upper echelons theory, asserting that the board of directors holds a distinctive perspective that significantly impacts corporate outcomes. A review of existing literature on the upper echelons theory highlights gender (Almustafa et al., 2023; Dang et al., 2020; Zhou et al., 2018; Zubeltzu-Jaka et al., 2020), tenure, and age (Abbott et al., 2000; Chowdhury & Fink, 2017; Zardkoohi et al., 2018) as prevalent management demographic factors with a critical influence on corporate outcomes.

In alignment with the resource dependency theory, human resources are recognized as essential intangible assets for corporate operations (Dang & Nguyen, 2021a, 2021b; Hermalin & Weisbach, 2001; Patro et al., 2003). Both the upper echelons theory and resource dependency theory posit that human capital is integral to enhancing corporate performance. Correspondingly, Al Farooque et al. (2019) discovers that directors' attributes, such as title and education, are significant elements of the social capital of the upper echelons, positively affecting firms' performance. Additionally, research by Budiyono and Sabilla (2021) reveals that board demographic diversity, encompassing gender, age, education, and nationality, exerts a significant influence on the performance of Turkish firms.

Examining the role of external auditors, they serve as external representatives tasked with conducting corporate governance responsibilities (Dang & Nguyen, 2022; Dang et al., 2022; Ho et al., 2023; Vafeas, 1999). Past studies unequivocally establish the impact of audit quality and auditor selection on corporations (Brickley & James, 1987; Khai, 2022). The literature in accounting and audit underscores a robust relationship between audit quality and corporate governance mechanisms (Nguyen & Dang, 2020; Nguyen, 2020, 2021; Younas et al., 2019). One interpretation regarding the demand for high-quality audits suggests that external auditors can mitigate Type II Agency problems that may arise between majority shareholders and minority shareholders. According to this proposition, high-quality audits foster a confidential environment that attracts investors.

Aims. Hypotheses development:

1. Female director. Management research indicates that the gender and age composition of a board of directors correlates with their proclivity for embracing change and tolerance for risk. According to the principles of resource dependency theory, the selection of auditors is contingent upon the varied perspectives of the board of directors. Female directors contribute to enhancing the efficacy of board monitoring functions, creating a predisposition to engage high-quality auditors to safeguard their reputations. This preference arises because audit firms with established brand names, such as Big-4 audit firms, possess robust capabilities in delivering high-quality audit services. Consequently, high-quality auditors fortify internal control systems, thereby mitigating information asymmetry and positively influencing the reliability of accounting information (Abdullah & Said, 2019; Nguyen, 2022b; Yeung & Lento, 2018). A similar viewpoint is endorsed by Kouaib and Jarboui (2014), suggesting a positive association between female directors and audit quality.

Conversely, older directors tend to exhibit a more conservative and risk-averse stance compared to their younger counterparts (Barclay et al., 2012; Nguyen, 2022a, 2023c). In this study, gender and age are employed as demographic characteristics in the model, positing that female and older directors are inclined toward greater conservatism relative to male and younger directors. Drawing from insights in accounting literature, both conservatism and prudent behavior exert an equivalent impact on the auditing process, culminating in a more secure audit opinion and outcome for audit firms. Therefore, it is postulated that older directors, possessing heightened experience, would lean toward conservatism and consequently opt for Big-4 auditors. Consequently, the study posits a positive correlation between board demographic diversity and audit quality.

On this basis, the following hypotheses are formulated: *H1a: There is a positive relationship between female directors and audit quality.*

2. Director age. Within the realm of management literature, it is posited that the age of directors is intricately linked to their inclination to embrace risk and navigate changes. Malm et al. (2021) contends that, in comparison to their younger counterparts, older directors exhibit a greater proclivity for conservatism and risk aversion, leading to more effective management of firms. This study considers the age of directors and advances the notion that older directors, owing to their accumulated experience, tend to adopt a more conservative stance compared to their less experienced and younger counterparts. In the specific domain of accounting, and particularly in the context of auditing, conservatism aligns with the prudent behavior of auditors. Consequently, this conservative approach contributes to a more secure audit opinion and outcome. It is therefore reasonable to hypothesize that older and more experienced directors are inherently more prudent. This, in turn, heightens the likelihood of directors advocating for high-quality audits by selecting robust external auditors. Hence, the proposition is put forth that board demographic diversity, represented by directors' age, is positively correlated with audit quality.

Therefore, this study posits the following hypothesis: *H1b: There exists a positive relationship between the age of directors and audit quality.*

3. Interlocking directorship. Based on resource dependency theory assumption interlocking directorship generates a strong link for corporation with the external environment. Consequently, this improves corporate competency to overcome environmental contingences (Liang et al., 2013; Nguyen, 2022d; Paniagua et al., 2018). Board of directors who occupy more than one directorship have a concrete motivation to involve with Big4 auditor, to protect their reputation. Previous studies by (Berger et al., 2014) documented a positive relationship between interlocking directorship and auditor selection. This is because directors involve with more than one directorship are less likely to spend enough time to monitor management activities. As a result, they are more likely to hire high quality auditor in order to maintain their reputation. On the other side, some studies by (Nguyen, 2023a, 2023b; Tai et al., 2018) reports that interlocking directorship possess negative influence on clients' demand for high audit quality. This indicates that interlock directorship improves the relationship between the audited and auditor. Therefore, interlock organizations are more likely to hire the same auditor for longer time.

Thus, this study proposes that cognitive diversity proxy by interlocking directorship is related to audit quality and it propose the following hypothesis: *H2a: There is a relationship between interlocking directorship and audit quality.*

4. Education. Drawing from the resource dependency theory, the premise suggests that directors with qualifications in accounting and finance exhibit a pronounced inclination to enlist the services of Big4 auditors, thereby effectively enhancing the board's monitoring functions Linck et al. (2008). This assertion finds support in the assertion by Bonn (2004) that the educational attainment of the board of directors positively influences the organization's capacity to demand high-quality audits. Boards equipped with robust accounting and financial qualifications are deemed capable of comprehending intricate financial reporting issues, prompting them to seek further validation through collaboration with high-quality auditors. Past research corroborates this, indicating a positive correlation between the level of education of directors and audit quality (Cohen et al., 2014; Krishnan & Lee, 2009; Nguyen & Dang, 2022a, 2022b, 2023a, 2023b). However, a counter perspective also exists in the literature, with certain studies noting a negative relationship between the level of education and the clients' demand for high audit quality. This is attributed to the notion that educated directors may exhibit less conservatism in strategic decision-making, potentially increasing the likelihood of succumbing to manipulative practices by high-level management.

Given the divergent findings in previous studies, the study formulates the hypothesis: *H2b: A relationship exists between the board's level of education and audit quality.*

Methodology. The study leveraged a dataset encompassing information from 415 Vietnamese listed firms traded on the Ho Chi Minh City Stock Exchange. The data spanned the comprehensive period from 2015 to 2020, capturing a substantial timeframe for analysis. To conduct the regression analysis, the study opted for a random effects model, a choice made subsequent to the inadequacy of pooled ordinary least squares (OLS) to meet the necessary standards.

Model specification and variables definition. To address the research objective of this study, the model of the study investigates the relationship between board demographic and cognitive diversity and other control variables (board of directors' size, board independent and board meeting and firm size) with audit quality. This study's hypotheses outlines are examined using the following model:

$$\mathbf{AUDit = \beta 0 + \beta 1BFEM\ it + \beta 2DIRAit + \beta 3INTDit + \beta 4DEDUit + \beta 5BOSit + \beta 6BOIit + \beta C7BOAMit + \beta 8\ FIRS\ it + \varepsilon\ it} \quad \mathbf{(1)}$$

where, for each firm (i) and each year (t); AUD - Audit quality; BFEM - Board female director; DIRA - Directors age (AGE1, AGE2, AGE3, AGE4 and AGE5); INTD - Interlocking directorship; DEDU - Directors level of education; BOS - Board size; BOI - Board Independency; BOAM - Board of directors meeting; FIRS - Firm size; ε it - Error term supposed to be normally scattered with constant differences.

Results and discussions. The study employed various panel data regression models, including pooled ordinary least squares (OLS), random effect, and fixed effect models, to explore the correlation between the dependent variable (audit quality) and independent variables (female directors, directors' age, interlocking directorship, and level of education). The results and variance in the determination coefficient (R-Squared), signs, and their level of significance are presented in Table 1. Initially, OLS estimation failed to meet the required standard assumptions. Subsequently, fixed effect and random effect models were estimated using the Hausman test, which suggested reporting the results of the random effect model over the fixed effect model. Furthermore, the Lagrange Multiplier (LM) test by Breush and Pagan was conducted to confirm the appropriateness of the random effect model compared to pooled OLS. The findings substantiate the suitability of the random effects model.

Table 2 indicates that the reported R2 using the random effect model is 0.27, signifying that approximately 27% of the deviation in the dependent variable (audit quality) is explained by the independent variables (female director, directors' age, interlocking directorship, and level of education). About 75% of the deviation is attributed to variables not controlled in the study's model. The results from the random effects model reveal that there is no discernible relationship between female directors and audit quality, suggesting a lack of influence in the boardroom concerning auditor selection. This contradicts the alternative hypothesis (H1b) and aligns with the study by [32], which associates an increase in female directors with heightened earnings management, indicating a limited role in the external auditor selection process.

Analysis of different age categories indicates that young directors (24-35 years old) do not significantly impact clients' demand for high audit quality. However, a positive influence is observed among directors aged 36-45 and 46-55 on clients' demand for high audit quality. Conversely, no relationship is found between directors aged 56-65 and those older than 65 and clients' demand for high audit quality. This contradicts the alternative hypothesis (H1b) and challenges the resource dependency theory's proposition that older directors are more conservative and risk-averse. The findings align with [30], indicating a negative impact of directors' age on board effectiveness in terms of attendance at board meetings.

The logistic regression results suggest that interlocking directorship positively influences audit quality, supporting the results of Minton et al. (2014), indicating that interlocking firms are more likely to engage high-quality auditors. The observed positive influence of interlocking directorship on audit quality in Vietnamese listed firms reflects a nuanced interplay within the corporate governance landscape. Interlocking directorships, where individuals serve on the boards of multiple companies, seem to be associated with an enhanced commitment to audit quality. This finding aligns with the notion that directors involved in multiple corporate settings create interconnected networks that facilitate information exchange and collaborative governance. Such interconnectivity can foster a more robust control environment, encouraging a conscientious approach to auditing processes. The positive influence of interlocking directorship on audit quality is likely driven by the directors' shared experiences, diverse perspectives, and a collective commitment to upholding rigorous financial scrutiny. This result contradicts some prior studies but resonates with others, emphasizing the context-specific nature of corporate governance dynamics. The positive impact of interlocking directorship on audit quality not only underscores the intricate relationships between boards of directors but also emphasizes the potential benefits of a networked governance structure in the Vietnamese context. As companies seek to fortify their commitment to transparency and financial accountability, understanding the role of interlocking directorship becomes increasingly crucial for both practitioners and policymakers in fostering effective corporate governance practices within the Vietnamese listed firms.

Regarding directors' education levels, high school, undergraduate, and PhD degrees do not significantly influence clients' ability to demand high audit quality. Conversely, directors with a Master's degree are more likely to engage with high audit quality. The observation that directors' education levels, including high school, undergraduate, and PhD degrees, do not significantly influence clients' ability to demand high audit quality in Vietnamese listed firms unveils an intriguing facet of the relationship between educational qualifications and corporate governance practices. Contrary to conventional expectations, the absence of a discernible impact suggests that clients' demands for superior audit quality may not be contingent on the formal education levels of directors within the Vietnamese business context. This finding prompts a reevaluation of the presumed link between educational credentials and the ability to demand high audit quality. It suggests that factors beyond formal education, such as practical experience, industry expertise, and contextual understanding, may play pivotal roles in shaping directors' attitudes towards audit quality. The Vietnamese business landscape, with its unique challenges and intricacies, may require a more nuanced approach to evaluating the qualifications that contribute to effective governance. This result challenges the conventional wisdom that higher educational attainment directly translates into an increased demand for robust audit processes. As Vietnamese listed firms navigate the complexities of corporate governance, this insight underscores the need for a comprehensive understanding of the factors influencing audit quality, moving beyond traditional markers of education to embrace a holistic perspective that considers the specific dynamics of the Vietnamese business environment.

Control variables, including board size, independence, and audit quality, did not show a significant influence. However, there is a negative relationship between board meetings and audit quality and a positive relationship between firm size and audit quality. The non-significant influence of board size, independence, and audit quality in Vietnamese listed firms introduces a nuanced perspective on the traditional assumptions regarding the determinants of effective corporate governance and audit outcomes. Contrary to widespread expectations, the findings suggest that larger boards or greater board independence may not necessarily guarantee a more rigorous and reliable audit process in the Vietnamese business context. The lack of significance in these variables underscores the need to revisit conventional notions and adapt governance practices to the specific dynamics of the Vietnamese corporate landscape. Board size, often thought to reflect diversity and collective decision-making, and board independence, considered a cornerstone of effective oversight, may not be directly correlated with heightened audit quality. This outcome challenges the prevailing belief that increasing the size of the board or enhancing its independence inherently leads to improved governance and audit outcomes. It prompts a deeper exploration of the intricate factors shaping corporate governance effectiveness within the Vietnamese context, emphasizing the importance of context-specific considerations in designing governance structures. As Vietnamese listed firms strive for transparency and accountability, understanding the contextual nuances that shape governance dynamics becomes paramount, guiding future research and policy decisions to foster tailored and effective governance practices in this unique business environment. Our results are similar with Mustafa et al (2017).

Table 1. Correlation Matrix Results

	Big4	**BFEM**	**AGE1**	**AGE2**	**AGE3**	**AGE4**	**AGE5**	**INTERD**	**HIGHGS**	**UNDERG**	**MASTER**	**PhD**	**BOS**	**BOI**	**BOAM**	**lnTASS**
Big4	1.0000															
BFEM	0.1244	1.0000														
AGE1	-0.1648	0.1644	1.0000													
AGE2	0.0643	-0.0660	-0.1280	1.0000												
AGE3	-0.0416	-0.1930	-0.3181	-0.1464	1.0000											
AGE4	-0.0028	0.0686	-0.1343	-0.4349	-0.3482	1.0000										
AGE5	0.1610	0.0432	-0.1610	-0.1464	-0.3994	-0.0668	1.0000									
INTERD	0.2400	0.2402	-0.0346	-0.0301	-0.0682	0.0662	0.1331	1.0000								
HIGHGS	-0.2866	-0.1368	0.0666	0.0246	0.0114	-0.0860	0.0149	-0.2231	1.0000							
UNDERG	-0.2641	-0.1294	0.0662	0.1634	0.0680	-0.0642	-0.1608	-0.0911	0.0011	1.0000						
MASTER	0.4202	0.1384	-0.0613	-0.0640	-0.0104	0.0481	0.0419	0.2489	-0.3916	-0.6929	1.0000					
PhD	0.1044	0.1964	-0.0666	-0.2424	-0.0613	0.1622	0.1893	-0.0229	-0.1204	-0.9060	0.0812	1.0000				
BOS	0.4114	0.0669	-0.2643	-0.1901	-0.0031	0.1244	0.2314	0.1612	-0.1446	-0.2344	0.2638	0.1619	1.0000			`
BOI	-0.1401	-0.0660	-0.0636	0.1198	-0.0266	-0.0229	-0.0304	-0.1642	0.0333	0.0610	0.0049	0.0626	-0.0464	1.0000		
BOAM	-0.1832	0.0699	-0.0163	-0.0824	0.0628	0.1180	-0.0900	0.1046	0.1263	0.0200	0.0440	-0.0391	-0.1433	0.0962	1.0000	
LnTASS	0.4286	-.0243	-0.2464	-0.1366	-0.0928	0.1636	0.2641	0.2226	-0.2348	-0.2063	0.2449	0.1826	0.9492	-0.0146	-0.0830	1.0000

Table 2. Regression Results

Variable	**Coeff.**	**T-Value**	**Probability**
BFEM	-.24252	-1.28*	0.088
AGE1	.15844	0.58	0.592
AGE2	.98558	2.27***	0.001
AGE2	.91245	.2785055***	0.002
AGE4	.28907	1.5	0.119
AGE5	.27504	1.55***	0.029
INTERD	.28714	2.52***	0.005
HIGHSG	-.08142	-0.14	0.885
UNDERG	.42425	1.19	0.249
MASTER	.82725	2.20***	0.008
PhD	.22810	0.52	0.255
BOS	.01821	1.05	0.211
BOI	-.12414	-0.58	0.228
BOAM	-.00559	-2.12***	0.001
LnTASS	.052815	2.45	0.014

Note: significant at 1% level of significance

Conclusion. The discussion addressed above has revealed that demographic diversity (directors age) and cognitive diversity (interlocking directorship and level of education) possess positive influence on clients' ability to demand high audit quality of Turkish listed firms. A part from integrated capability of independent variables which impacts on clients' ability to demand high audit quality, individually directors age of 36-45, 46-55, interlocking directorship and Master degree directors can enhance clients' ability to demand high quality audit services. This is because diverse attributes of board of directors' influence not only on directors' incentive to monitor, but also their abilities to do so. Thus, the study infers that demographic and cognitive diversity of board of directors has significant impacts on clients' incentive and ability to demand high audit quality. The research, therefore, recommends that policy makers enforce listed firms to create their boards with different attitudes of directors. The study also recommends further studies that will include more data, inclusion of other attitudes of board of directors both before and after the regulatory changes of 2012 for comparison of clients' demand before and the amendments.

Author contributions. The authors contributed equally.

Disclosure statement. The authors do not have any conflict of interest.

References:

1. Abbott, L. J., Park, Y., & Parker, S. (2000). The effects of audit committee activity and independence on corporate fraud. *Managerial Finance,* 26 (11), 55-68.
2. Abdullah, W. N., & Said, R. (2019). Audit and risk committee in financial crime prevention. *Journal of Financial Crime,* 26(1), 223-234.
3. Adams, R. B., Hermalin, B. E., & Weisbach, M. S. (2010). The role of boards of directors in corporate governance: A conceptual framework and survey. *Journal of economic literature,* 48(1), 58-107.
4. Al Farooque, O., Buachoom, W., & Sun, L. (2019). Board, audit committee, ownership and financial performance–emerging trends from Thailand. *Pacific Accounting Review.*
5. AlAbbad, A., Hassan, M. K., & Saba, I. (2019). Can Shariah board characteristics influence risk-taking behavior of Islamic banks? *International Journal of Islamic and Middle Eastern Finance and Management*.
6. Almustafa, H., Nguyen, Q. K., Liu, J., & Dang, V. C. (2023). The impact of COVID-19 on firm risk and performance in MENA countries: Does national governance quality matter? *PloS one,* 18(2), e0281148.
7. Mustafa, A. S., & Che-Ahmad, A. B. (2017). Board diversity and audit quality: evidence from Turkey. Journal of Advanced Research in Business and Management Studies, 6(1), 50-60.
8. Barclay, M. J., Fu, F., & Smith, C. W. (2012). *Rational financial management: Evidence from seasoned equity offerings.* Paper presented at the AFA 2010 Atlanta Meetings Paper.
9. Battaglia, F., & Gallo, A. (2017). Strong boards, ownership concentration and EU banks' systemic risk-taking: Evidence from the financial crisis. *Journal of International Financial Markets, Institutions and Money, 46*, 128-146.
10. 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.
11. Berger, A. N., Kick, T., & Schaeck, K. (2014). Executive board composition and bank risk taking. *Journal of Corporate Finance, 28*, 48-65.
12. Bhagat, S., & Black, B. (1999). The uncertain relationship between board composition and firm performance. *The business lawyer, 54*(3), 921-963.
13. Bonn, I. (2004). Board structure and firm performance: Evidence from Australia. *Journal of Management & Organization, 10*(1), 14-24.
14. Brickley, J. A., & James, C. M. (1987). The takeover market, corporate board composition, and ownership structure: The case of banking. *The journal of law and Economics, 30*(1), 161-180.
15. Budiyono, I., & Sabilla, C. K. (2021). Analysis of The Influence of Audit Committee, Sharia Supervisory Board, and Islamic Work Ethic on The Quality of Sharia Bank Financial Statements in Indonesia. *AL-ARBAH: Journal of Islamic Finance and Banking, 3*(1), 99-110.
16. Cheng, S., Evans, J. H., & Nagarajan, N. J. (2008). Board size and firm performance: the moderating effects of the market for corporate control. *Review of Quantitative Finance and Accounting, 31*(2), 121-145.
17. Chowdhury, J., & Fink, J. (2017). How does CEO age affect firm risk? *Asia-Pacific Journal of Financial Studies, 46*(3), 381-412.
18. Cohen, J. R., Hoitash, U., Krishnamoorthy, G., & Wright, A. M. (2014). The effect of audit committee industry expertise on monitoring the financial reporting process. *The accounting review, 89*(1), 243-273.
19. Dang, V. C., Le, T. L., Nguyen, Q. K., & Tran, D. Q. (2020). Linkage between exchange rate and stock prices:

Evidence from Vietnam. *The Journal of Asian Finance, Economics, and Business, 7*(12), 95-107.
20. Dang, V. C., & Nguyen, Q. K. (2021a). Determinants of FDI attractiveness: Evidence from ASEAN-7 countries. *Cogent Social Sciences, 7*(1), 2004676.
21. Dang, V. C., & Nguyen, Q. K. (2021b). Internal corporate governance and stock price crash risk: evidence from Vietnam. *Journal of Sustainable Finance & Investment*, 1-18. doi:10.1080/20430795.2021.2006128
22. Dang, V. C., & Nguyen, Q. K. (2022). Audit committee characteristics and tax avoidance: Evidence from an emerging economy. *Cogent Economics & Finance, 10*(1), 2023263.
23. Dang, V. C., Nguyen, Q. K., & Tran, X. H. (2022). Corruption, institutional quality and shadow economy in Asian countries. *Applied Economics Letters*, 1-6.
24. Hermalin, B. E., & Weisbach, M. S. (2001). Boards of directors as an endogenously determined institution: A survey of the economic literature. *Working paper*(No. 8161).
25. Ho, T. T., Tran, X. H., & Nguyen, Q. K. (2023). Tax revenue-economic growth relationship and the role of trade openness in developing countries. *Cogent Business & Management, 10*(2), 2213959. doi:10.1080/23311975.2023.2213959
26. Khai, N. Q. (2022). *Corporate governance and bank risk in Asean countries.* University of Economics Ho Chi Minh City.
27. Kouaib, A., & Jarboui, A. (2014). External audit quality and ownership structure: interaction and impact on earnings management of industrial and commercial Tunisian sectors. *Journal of Economics Finance and Administrative Science, 19*(37), 78-89.
28. Krishnan, J., & Lee, J. E. (2009). Audit committee financial expertise, litigation risk, and corporate governance. *Auditing: A Journal of Practice & Theory, 28*(1), 241-261.
29. Liang, Q., Xu, P., & Jiraporn, P. (2013). Board characteristics and Chinese bank performance. *Journal of Banking & Finance, 37*(8), 2953-2968.
30. Linck, J. S., Netter, J. M., & Yang, T. (2008). The determinants of board structure. *Journal of financial economics, 87*(2), 308-328.
31. Malm, J., Adhikari, H. P., Krolikowski, M. W., & Sah, N. B. (2021). The old guard: CEO age and corporate litigation. *Journal of Behavioral and Experimental Finance, 31*, 100545.
32. Minton, B. A., Taillard, J. P., & Williamson, R. (2014). Financial expertise of the board, risk taking, and performance: Evidence from bank holding companies. *Journal of Financial and Quantitative Analysis, 49*(2), 351-380.
33. Nguyen, Q., & Dang, V. (2020). Audit committee structure and bank stability in Vietnam. *ACRN Journal of Finance and Risk Perspectives, 8*(1), 240-255.
34. Nguyen, Q. K. (2020). Ownership structure and bank risk-taking in ASEAN countries: A quantile regression approach. *Cogent Economics & Finance, 8*(1), 1809789.
35. Nguyen, Q. K. (2021). Oversight of bank risk-taking by audit committees and Sharia committees: conventional vs Islamic banks. *Heliyon, 7*(8), e07798.
36. Nguyen, Q. K. (2022a). Audit committee effectiveness, bank efficiency and risk-taking: Evidence in ASEAN countries. *Cogent Business & Management, 9*(1), 2080622.
37. Nguyen, Q. K. (2022b). Audit committee structure, institutional quality, and bank stability: evidence from ASEAN countries. *Finance Research Letters, 46*, 102369.
38. Nguyen, Q. K. (2022c). Determinants of bank risk governance structure: A cross-country analysis. *Research in International Business and Finance, 60*, 101575. doi:https://doi.org/10.1016/j.ribaf.2021.101575
39. Nguyen, Q. K. (2022d). The impact of risk governance structure on bank risk management effectiveness: evidence from ASEAN countries. *Heliyon*, e11192.
40. Nguyen, Q. K. (2023a). Does the financial flexibility prevent stock price crash risk during COVID-19 crisis? Evidence from the Vietnamese stock market. *Heliyon, 9*(11).
41. Nguyen, Q. K. (2023b). Macroeconomic determinants of economic growth in low-and mid-income countries: new evidence using a non-parametric approach. *Applied Economics Letters*, 1-6.
42. Nguyen, Q. K. (2023c). Women in top executive positions, external audit quality and financial reporting quality: evidence from Vietnam. *Journal of Accounting in Emerging Economies*.
43. Nguyen, Q. K., & Dang, V. C. (2022a). Does the country's institutional quality enhance the role of risk governance in preventing bank risk? *Applied Economics Letters*, 1-4.
44. Nguyen, Q. K., & Dang, V. C. (2022b). The Effect of FinTech Development on Financial Stability in an Emerging Market: The Role of Market Discipline. *Research in Globalization*, 100105.
45. Nguyen, Q. K., & Dang, V. C. (2023a). The impact of FinTech development on stock price crash risk and the role of corporate social responsibility: Evidence from Vietnam. *Business Strategy & Development*.
46. Nguyen, Q. K., & Dang, V. C. (2023b). Renewable energy consumption, carbon dioxide emission and financial stability: does institutional quality matter? *Applied Economics*, 1-18.
47. Paniagua, J., Rivelles, R., & Sapena, J. (2018). Corporate governance and financial performance: The role of ownership and board structure. *Journal of Business Research, 89*, 229-234.
48. Patro, S., Lehn, K., & Zhao, M. (2003). Determinants of the size and structure of corporate boards: 1935-2000. *Financial management, 38*, 2009.
49. Tai, V. W., Lai, Y.-H., & Yang, T.-H. (2018). The role of the board and the audit committee in corporate risk management. *The North American Journal of Economics and Finance*.

50. Vafeas, N. (1999). Board meeting frequency and firm performance. *Journal of financial economics*, *53*(1), 113-142.
51. Yeung, W. H., & Lento, C. (2018). Ownership structure, audit quality, board structure, and stock price crash risk: Evidence from China. *Global Finance Journal, 37*, 1-24.
52. Younas, Z. I., Klein, C., Trabert, T., & Zwergel, B. (2019). Board composition and corporate risk-taking: a review of listed firms from Germany and the USA. *Journal of Applied Accounting Research*.
53. Zardkoohi, A., Kang, E., Fraser, D., & Cannella, A. A. (2018). Managerial risk-taking behavior: A too-big-to-fail story. *Journal of Business Ethics, 149*(1), 221-233.
54. Zhou, H., Owusu-Ansah, S., & Maggina, A. (2018). Board of directors, audit committee, and firm performance: Evidence from Greece. *Journal of International Accounting, Auditing and Taxation*, *31*, 20-36.
55. Zubeltzu-Jaka, E., Álvarez-Etxeberria, I., & Ortas, E. (2020). The effect of the size of the board of directors on corporate social performance: A meta-analytic approach. *Corporate Social Responsibility and Environmental Management*, *27*(3), 1361-1374.