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Good corporate governance: an empirical study on college staff's attitudes in Malaysia and Hong Kong

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Abstract : The purpose of this study was to examine college staff's attitudes with respect to good corporate governance in Malaysia and Hong Kong since research on this topic is lacking in relation to institutions of higher learning. Most of the available research focused on the corporate governance of business organisations, highlighting the importance of governance structure, business management, transparency and accountability. The sample consisted of 50 staff members from two private colleges in Malaysia and Hong Kong. They included both administrative and teaching staff, randomly selected to participate in the study, who had diploma certificates, or bachelor's, master's ordoctorate degrees, ranging from 25 to 40 years old. Seven research questions and a 30-item Likert questionnaire were formulated in relation to overall perceptions, as well as issues related to management, shareholders, personal aspects, society, customers and board of directors. Findings revealed that 50% to 70% of the staff held positive attitudes toward the seven areas of corporate governance. In general, it is recommended that college staff develop more positive attitudes toward corporate governance; they need to be more knowledgeable about the corporate governance codes in their country and develop greater understanding on the principles and attributes of good corporate governance. Finally, staff can undergo basic training in corporate governance to enhance their attitudes and develop greater insight into the importance of implementing good corporate governance practices.

Keywords: 1.college staff's attitudes 2.Good corporate governance 3. Malaysia 4. Hong Kong

Introduction

Background

Globalisation of higher education has put pressure on private colleges to adopt good corporate governance that is essential for tapping the international market and increase their student enrolment. According to Rathod (2020), institutions of higher education need to practise good corporate governance because they are complex organisations that provide frameworks for variegated groups of stakeholders. Good corporate governance helps drive performance in the pursuit of knowledge and manages the risks involved. It enables colleges to manage relations among stakeholders and to ensure that sustainability is achieved. College sustainability starts and finishes with good governance, and a college cannot flourish without adherence to its principles. Good governance informs and facilitates decision-making which, in turn, enables a college to grow and prosper. Combined with accountability and transparency, good corporate governance also allows a college to attain long-term sustainability.

Abdullah (2020) stated that corporate governance in tertiary institutions refers to the way in which the institutions are organised and managed to shoulder their responsibility toward external stakeholders. Tertiary institutions include colleges and universities, while stakeholders are mainly the staff and students of the institutions. Corporate governance ensures that the management and staff conduct affairs in a transparent manner. All their activities are in compliance with relevant codes of practice related to the institutions, that demonstrate, among others, proper conduct in strategic planning, daily operations, human resources management, equality and diversity, student welfare, as well as health and safety issues. Besides conducting affairs in a transparent manner, corporate governance in tertiary institutions involves the formation of committeesto ensure smooth and orderly operations. Colleges and universities can have student affairs, audit, remuneration and nomination committees, to name a few.

Review of literature

Although corporate governance is important in institutions of higher learning, a review of literature on the corporate governance in Malaysia and Hong Kong from 2000 to 2021 suggests that most of the research concentrated on business organisations, highlighting the importance of governance structure, business management, transparency and accountability, as elaborated in the following sections.

Corporate governance in Malaysia

Zabri, Ahmad and Wah (2016) examined the corporate governance practices of top 100 public listed companies in Malaysia. Findings showed that the average number of directors in board and the average ratio of board independence were nine persons and 46%, respectively. There was no significant relationship between board independence with the firms' return on assets.

Ibrahim and Zulkafli (2016) examined the corporate governance, human resource practices (HRM) and organisational performance of 34 public listed manufacturing firms in Malaysia. They found that a positive correlation existed between corporate governance practices in the companies and the type of HRM practices. Further, the stakeholder approach was viable in examining corporate governance in Malaysia, and Malaysian stakeholders had awareness of the role corporate governance in raising and maintaining company standards.

Kallamu (2016) examined the impact of the revised Malaysian corporate governance code on the audit committee attributes and firm performance of 37 finance companies. Findings indicated that audit committee attributes had significantly improved after the code was revised. The interlock of directors on audit and risk committee was found to negatively influence market valuation of firms. Therefore, the government should constantly review its corporate governance to make it in line with global market needs.

Ramli and Ramli (2016) examined the corporate governance and corporate performance of 50 large companies in Malaysia from an Islamic perspective. Findings showed that directors with professional accounting qualifications were statistically associated with lower total revenues. However, directors' attributes were not significantly linked with corporate performance. Board attributes, therefore, did not have a significant impact on the profit moderation and profit maximisation of companies.

Hiyari (2017)critically reviewed the corporate governance reforms in Malaysia. Findings indicated that the Malaysian government used the British approach, which was unsuitable to the Malaysian business environment. The Malaysian government seemed to have ignored the uniqueness of the Malaysian capital market, regulation environment and ownership structure. It was concluded that the Malaysian corporate governance was merely cosmetic alterations and nothing more than box-ticking to satisfy legal requirements, which were not in line with international standards.

Mohammed, Sanusi and Alsudairi (2017)examined the theoretical framework of corporate governance in relation to Malaysian politics and accounting quality. Findings implied that the quality of reporting and auditing in Malaysia was questionable. The Malaysian corporate governance system was seen as inherited from the West and its effectiveness was doubtful in Malaysia since Malaysia had different shareholding structures and many companies were influenced by politics. Instead of merely having politicallyappointed directors, it was suggested that quality financial statements were put in place to ensure proper allocation of resources and better form of performance.

Bhatt and Bhatt (2017)examined the corporate governance and firm performance of 113 listed companies in Malaysia to determine the impact of the Malaysian code of corporate governance. Findings indicated that firm performance was positively related to corporate governance practices. Firms experienced marked improvements after the implementation of the 2012 code of corporate governance, thus, supporting agency and resource dependency theories. While Bhatt and Bhatt explored corporate governance, Teen (2018) examined the impact of political governance on Malaysian companies. Findings indicated that the previous prime minister was also the finance minister. Political appointments to boards of government-linked companies and government-linked investments firms was a concern. Appointments of members of parliament and senior civil servants to boards of non-government linked companies was another issue raised. Lack of clear separation had caused conflicted interest and inability of the government to set appropriate rules for business, while regulatory agencies were unable to take action against politically connected companies.

Yusoff and Omer (2018) examined the impact of the code of corporate governance on the firm performance of 369 listed companies in Malaysia. Findings indicated that board size and Chief Executive Officer(CEO) duality had influenced the return of asset of the companies in 2008, while in 2013, none of the corporate governance elements had influenced the return of asset of the companies. Findings also implied that the amendment of the Malaysian code of corporate governance did not influence the financial performance of Malaysia companies.

Zalina, Danture and Mahbub (2018) examined the corporate governance, critical junctures and ethnic politics of ownership and boards of Malaysia. Findings revealed that quotas and affirmative policies were often implicated on corporate governance; affirmative policy had shaped equity ownership and the composition of boards of directors was through historical institutionalism. Ethnic politics had resulted in significant increase of Malay share of equity ownership and almost half of the boards of directors of listed companies consisted of Malays. Corporate governance in Malaysia in relation to ownership and board structures had been institutionally reproduced, rather than as a response to global pressures.

Abdlazes, Lasyoud and Boshanna (2019)examined the relationship between the corporate governance of 273 public listed firms and their capital structure. Findings indicated that corporate governance practices had a positive impact on the debt-equity ratio, as well as on the long-term and short-term debt of capital structure. However, corporate governance practices did not show a significant impact on the debt ratio of firms. Firm size moderated the relationship between corporate governance and capital structure, implying that corporate governance practices had significantly affected the efficient utilisation of resources of the firms.

Bakri, Abd Jalil and Hassan (2021) compared the determinants of dividend policy of 631 non-financial firms before and after the 2012 Malaysian Code on Corporate Governance (2012 MCCG) by testing theirprofitability, lagged dividend, free cash flow, debt, firm size, investment opportunities and market risk. Results showed that factors that significantly determined dividend policy before 2021 MCCG were profitability, lagged dividend, debtand firm size, while those that significantly determined dividend policy after 2021 MCCG were profitability, lagged of dividend and firm size, investment opportunity and market risk.

Finally, Khatib and Nour (2021) examined the effect of Covid-19 on corporate governance attributes and performance of 188 non-financial firms in Malaysia. Results showed that the pandemic had not significantly affectedfirm performance, governance structure, dividend, liquidity, and leverage level. However, board size tended to have a significant positive impact on firm performance. Additionally, board diversity tended to significantly enhance firm performance during the pandemic, while board meetings and audit committee meetings seemed to have a significantly negative impact on firm performance before and during the pandemic.

Corporate governance in Hong Kong

Although there is a lack of research on corporate governance in Hong Kong, Cheung, Stouraitis and Tan (2010) examined if the quality of corporate governance would affect firm valuation and risks by constructing an index of corporate governance using data from Hong Kong firms, from 2002 to 2005.The index assessed corporate governance practices of listed companies from the public shareholders' perspectives. It was based on theOrganization for Economic Corporation and Development Principles of Corporate Governance. Findings showed that family firms and firms with concentrated ownership structures were associated with poor corporate governance. Such firms were slower in improving their corporate governance practices. Overall, the quality of corporate governance was significant in explaining future company stock returns and risks. Findings implied that good corporate governance was associated with higher stock returns and lower risks. Improvements in corporate governance are associated with significantly higher stock returns and lower company risks.

Leung and Horwitz (2010) evaluated the effects of management ownership and other corporate governance variables on Hong Kong firms' stock performance, following the onset of the Asian financial crisis from 1997 to 1998.Results showed that Hong Kong firms with a more concentrated management (executive board) ownership tended to display better capital market performance during the 13-month period of the financial crisis. Firms with more equity ownership by non-executive directors and in which the CEO and board chairperson were the same person, experienced a smaller stock price decline. Findings implied that there was a greater alignment of insiders with outside owners for firms with higher levels of management ownership during an unexpected capital market crisis.

Finally, Law (2011) examined the organizational factors that were associated with the absence of fraud by conducting a regression analysis on the survey responses of 253 chief financial officers (CFOs) in Hong Kong. Twenty semi-structured interviews were also carried out with the CFOs. Results indicated that audit committee effectiveness, internal audit effectiveness, tone at the top management, and ethical guidelines and policies were positively associated with a lack of fraud. Auditors' prior success in fraud detection and type of auditors employed were not an influential factor.

Gap in research and the significance of the current study

As seen from the literature review, there seems to be a huge research gap that exists between the corporate governance of business organisations and higher institutions of learning. It is suggested that there is a lack of studies on the corporate governance of higher institutions of learning in both Malaysia and Hong Kong. In particular, very little research had been conducted on the attitudes toward, and impact of corporate governance in the field of higher education in Malaysia and Hong Kong. The purpose of this study is to contribute to new knowledge to fill this gap by examining college staff's attitudes with respect to good corporate governance in Malaysia and Hong Kong. Moreover, Findings of this study would increase staff's knowledge on corporate governance and help them to become better contributors to higher education in Malaysia and Hong Kong.

Research objectives and methodology

Research objectives

In order to contribute to the gap in research, this study had two research objectives.

First, this study would help generate practical information on the relationship between corporate governance and college performance and yield greater insight concerning the extent of corporate governance practices implemented by two higher institutions of learning in two different countries. Second, this study would generate new information on how to improve the corporate governance of higher institutions of learning. Findings would provide implications on how colleges could adhere to their purpose, dedicate themselves to the interests of stakeholders, staff and students, become better informed in decision-making and reflect better transparency, accountability as well as gender and ethnic diversity.

Research questions

In order to contribute to the research objectives, seven research questions were formulated:

1. How did staff perceive the management issues with respect to good corporate Governance?
2. How did staff perceive the shareholder issues with respect to good corporate Governance?
3. How did staff perceive the personal issues with respect to good corporate Gove nance?
4. How did staff perceive the society issues with respect to good corporate Governance?
5. How did staff perceive the customer issues with respect to good corporate Governance?
6. How did staff perceive the issues related the board of directors with respect to good corporate Governance?
7. What were staff's overall perceptions concerning the importance of good

corporate Governance?

Instrument

In order to answer the research questions, a questionnaire with 30 Likert questions was used to measure the strength of staff's attitudes toward corporate governance using the following scale: strongly agree, agree, neutral, disagree and strongly disagree. A similar questionnaire was used by Anis and Hamid (2017) in their study on employees' perceptions of the implementation of corporate governance principles in Egypt.The first part of the questionnaire was used to obtain demographic information, while the next 24 items were used to assess the attitudes of college staff with regard to good corporate governance.The questionnaire consisted of seven categories that reflected the different issues regarding staff's attitudes toward corporate governance, including (1) management issues, (2) shareholders issues, (3) personal issues, (4) society issues, (5) customer issues, (6) issues related to the board of directors and (7) overall staff's attitudes toward corporate governance.

The questionnaire was chosen for the following reasons: First, it was economical since it could provide large amounts of research data at a relatively low cost. A large sample size that was representative of the population couldalso be obtained. Second, respondents could provide information that could be easily converted into quantitative data, thus allowing statistical analysis of the responses. Third, the questions were standardised and respondents were asked exactly the same questions in the same order. Fifth, the questionnaire could be replicated easily to check for reliability, allowing others to use the questionnaire to check if the results would be consistent.

Questions were direct and technical jargon was avoided; they progressed logically from general to more specific, and from the least sensitive to the most sensitive. The difficulty level of the questionnaire was appropriate to the vocabulary usage of the sample and the statements matched the social backgrounds of respondents' age, educational level, social class and ethnicity. Ethical issues related to the questionnaire were also considered. Information provided by the respondents was kept confidential and anonymous. It was effective for researching corporate governance because anonymous respondents would be more honest. The questionnaire was kept confidential to reduce the likelihood of any psychological harm, such as embarrassment. Participants were required to provide informed consent prior to completing the questionnaire and were aware that they had the right to withdraw their information at any time during the survey.

Data collection and analysis

Data were collected by asking 50 staff members from two private colleges in Malaysia and Hong Kong to complete the Like rt questionnaire. The sample consisted of 53.8% males and 46.2% females. 51.9% were Malaysians, while 48.1% were from Hong Kong. They included both administrative (marketing officers, front-liners, and human resources) and teaching staff randomly selected to participate in the study. Their ages ranged from 25 to 40 years (59.6% were 25 to 30 years old, 25.0% were 31 to 36 years old, 9.7% were 37 to 41 years old and 5.7% were above 42 years old). They included Diploma, Bachelor's, Master's, and PhD holders (Diploma holders comprised 25%, Bachelor's degree holders comprised 44.2%, Master's degree holders comprised 28.8% and PhD holders comprised 2.0%). The data collected were then recorded and analysed using EXCEL to address the seven research questions mentioned earlier. Everything was doubled-checked to ensure accuracy.

Findings

The following are some of the findings of the study. *Management issues*
When asked if their college ensured the independency of internal and external auditors to strengthen its checks and balances, 25% of the participants strongly agreed and another 38.4% agreed, showing that a total of 63.4% had positive attitudes toward the auditing process of their college. Further, 19.2% of the participants strongly agreed and another 51% agreed that their college discouraged malpractice or unprofessional conduct, showing that a total of 70.2% of the participants believed that staff adhered to the professional code of conduct and strived to demonstrate positive work ethics at the workplace

About 23.1% strongly agreed and another 36.5% agreed that their college strived to ensure justice and equality as well as non-discriminatory treatment among employees, showing that 59.6% of the staff perceived their college had a fair and just working environment. Moreover, 17.3% strongly agreed and 36.5% agreed that their college discouraged staff to participate in the micro politics of its higher management, indicating that 53.8% of the staff preferred to avoid office politics but focused on their work.

Shareholder issues
When asked if their college strived to allocate resources in the interest of shareholders or owners, 21.2% strongly agreed and another 38.5% agreed, indicating that nearly 60% of the staff perceived that their college took the shareholders and owners into consideration when allocating resources. Further, 23.1% strongly agreed and 26.9% agreed that their college forbade the manipulation of figures to cheat shareholders or owners, indicating that 50% of the staff perceived that their college was honest in dealing with shareholders or owners.

Additionally, 23.1% strongly agreed and another 38.5% agreed that their college prioritised the interests of shareholders or owners in making business decisions, indicating that 61.6% of the staff perceived their college respected and valued the business decisions of shareholders and owners. Moreover, 26.9% strongly agreed and another 25% agreed that their college forbade them to help the owners in unlawful or unethical business, indicating that almost 52% perceived that their college ensured that the owners conducted business transactions in a lawful and ethical manner.

When asked if their college maintained a balance between the interests of shareholders and the rights of employees, 19.2% strongly agreed and another 40.4% agreed, indicating that 59.6% of the staff perceived that their college valued both shareholders' interests and employees' rights. Finally, 23.1% strongly agreed while 36.5% agreed that their college practised an open system and provided maximum access to information for shareholders, indicating that approximately 60% perceived that their college strived to maximise transparency and accountability for shareholders.

Personal issues
When asked if their college maintained a high level of morality, justice and honesty in business and other affairs, 21.2% strongly agreed and another 29% agreed, indicating that 50.2% of the staff perceived their college as highly moral, just and honest in dealing with business and other types of transactions. Further, 26.9% strongly agreed and another 40.4% agreed that their college encouraged the development of socially and ethically responsible citizens, indicating that about 67% perceived their college as having a professional code that promoted social and ethical responsibility in relation to the corporate world.

When asked if their college had ever overturned its policies for the sake of personal benefits or self-interests, 23.1% strongly disagreed and another 34.6% disagreed, indicating that nearly 58% believed that their college would not change its policies for selfish purposes.

Finally, 21.2% strongly agreed and another 32.7% agreed that their college ensured full transparency and fairness in staff's business transactions, indicating that approximately 54% of the staff asserted that they were treated in a transparent and fair manner in business situations.

Social issues
About 23.1% strongly agreed and another 40.4% agreed that their college discouraged staff from getting involved in the culture of kickback and corruption, indicating that around 64% of the staff perceived that their college strived to be corruption-free and highly accountable in all its business dealings. Further, 26.9% strongly agreed and another 46.2% agreed that their college followed all the local laws and regulations in all its business transactions, indicating that approximately 73% of the staff believed that their college was law-abiding to ensure that everything was done within the jurisdiction of the local laws.

When asked if their college considered the local values and culture while making business decisions, 17.3% strongly agreed and another 32.7% agreed, indicating that almost 50 % of the staff believed that the college was aware of the impact of cultural values and customary behaviours on its business endeavours and success. Additionally, 17.3% strongly agreed and another 38.5% agreed that their college considered environmental issues while making business decisions, indicating that around 56% of the staff believed that their college strived to make business decisions that are environmentally viable and ecologically safe.

Customer issues
When asked if their college avoided making impossible promises or unrealistic expectations to cheat customers, 25% strongly agreed and another 36.5% agreed, indicating that 61.5% of the staff believed that their college strived to treat customers in an honest manner by setting realistic expectations and making promises that could be fulfilled. Moreover, 21.2% strongly agreed and another 36.5% agreed that their college offered customers actual and real service features, indicating that 57.7% of the staff believed that their college offered authentic services that would be beneficial to customers.

Further, 19.2% strongly agreed and another 40.4% agreed that their college did not try to increase profits using unfair promotional means, indicating that 59.6% of the staff believed that their college had used appropriate and relevant advertisements to promote its offerings. Moreover, 25% strongly agreed and another 40.4% agreed that their college supported working for value maximisation instead of profit maximisation, indicating that 65.4% of the staff believed that their college put greater emphasis on quality than profit margins. Finally, 34.6% strongly agreed and another 26.9% agreed that their college emphasised that target achievement was not the only criterion for business success, indicating that 61.5% of the staff believed that their college did not depend solely on numbers to succeed, but consider other factors as well.

Issues related to board of directors
When asked if their college had a board with diverse backgrounds and experience, 28.8% strongly agreed and another 42.3% agreed, indicating that nearly 71% of the staff perceived that their college board was well represented by male and female professionals in relation to ethnicity, age and expertise. Further, 15.4% strongly agreed and another 40.4% agreed that their college board ensured that malpractices were avoided, indicating that approximately 56% of the staff believed that their college board consisted of members who were honest and just when executing their duties.

When asked if their board consisted of independent board members, 23.1% strongly agreed and another 26.9% agreed, indicating that 50% of the staff believed that board members were not influenced by family connections, personal interests, politics or religion. Additionally, 23.1% strongly agreed and another 42.3% agreed that their college communicated clearly the duties of the board, indicating that 65.4% of the staff believed that board members had effectively performed their respective tasks to promote good college governance.

Overall perceptions

When asked if staff should receive training in corporate governance, 34.6% strongly agreed and another 26.9% agreed, indicating that approximately 62 % of the staff believed that such training would be valuable and help them perform their duties better. Further, 34.6% strongly agreed and another 19.2% agreed that good corporate governance was important for organisational success, indicating that around 54% of the staff had fundamental knowledge on the impact of corporate governance on business. Finally, 34.6% strongly agreed and another 25% agreed that college staff needed good knowledge on corporate governance to become better employees, indicating that nearly 60 % of the staff believed that relevant exposure to corporate governance was crucial in job success.

Discussion and recommendations

The following sections discuss the findings in terms ofissues related to the management and stakeholders, individual and society, customers, board of directors and overall perceptions, followed by recommendations of the study.

Management and stakeholder issues

Results showed that around 50% to 63% of the staff revealed positive attitudes toward most of management issues of corporate governance. This finding was supported by Islam et al (2016)who added that transparency, responsiveness and participation were less frequently emphasised. In addition, 50% to 62% of the staff showed positive attitudes toward shareholders' issues. Anis and Hamid (2017) stated that less emphasis was placed on how organisations maintained the balance between the interests of different stakeholders and rights of employees. Nargunde (2013) maintained that corporate governance in most countries was merely confined to financial accountability, and stockholders were only interested in the disclosure of financial information. Sandler (2019) contended that good corporate governance aims at transparency in an organisation by encouraging full disclosure of transactions in the company accounts. Full disclosure includes compliance with regulations and disclosing any information important to the share holders. Sandler also pointed out that the main objective of corporate governance is to protect the long-term interests of the shareholders. Organisations with strong corporate governance structures tend to have higher valuation premiums attached to their shares, indicating that good corporate governance serves as an incentive for shareholders to invest in the company.

Personal and social issues

About 54% to 67% of the staff showed positive attitudes toward the personal issues of corporate governance, including transparency. This finding was supported by Anis and Hamid (2017) who found that the mean scores in this area was only 3.10 to 3.31 out of 5.0. Further, 50% to 73% of the staff showed positive attitudes toward the social issues of corporate governance. A majority of the staff agreed that their college adhered to the local laws and regulations in its business transactions and this finding was similar to the finding by Anis and Hamid (2017) whose subjects obtained highest mean score in this aspect.

Toebe (n.d.) reiterated that sustainable corporate governance is only possible when leaders of organisations possess good personal governance. Leaders with good personal governance are willing to learn from the mistakes or crises of others. Knowing that safeguards are critical in organisational success, they often demonstrate a high level of examination, scrutiny and focus in basic risk management. Coaching enhances self-governance, but it must be well received, supportive and encouraging. It should recognise effort and gain, and have an atmosphere for focus, improvement and healthy confidence. It can also reward desired behavior with recognition and opportunities.

Abdullah, Razman and Latiff (n.d.) added that convergence of corporate values and personal values tends to inspire the development of positive relationships between staff and the organisation as well as enhance productivity and employee satisfaction. Organisations can, therefore, make a deliberate effort in converging their corporate and personal values to acquire strong company culture and competitive advantage.

Customer issues

Results showed that 58% to 62% of the staff showed positive attitudes toward the customer issues of corporate governance, with a majority of them agreeing that their college offered actual and real service features, and set realistic expectations for customers. Anis and Hamid (2017) had an identical finding, with participants having a high mean score on their organisation being honest with customers and being able to fulfil promises.

Zhang, Lu and Li (2011) who investigated the relationships between board composition and customer satisfaction did not find external directors as having a significant impact on customer satisfaction. However, CEO duality was found to be negatively related to customer satisfaction, implying that a separate leadership structure tended to increase customer satisfaction. Furthermore, Al-Qudah (2012) found that the effects of corporate governance were very high on customer relationship quality in terms of customer trust and commitment. A strong positive effect of corporate governance also existed in marketing performance in terms of market share and profitability. There was also significant positive indirect effect of corporate governance on marketing performance through customer relationship quality as a moderate variable.

Issues related to board of directors

Results showed that 50% to 71% of the staff showed positive attitudes toward issues related to the board of directors, with a majority agreeing that their college board was diverse. However, only 50% agreed that it had independent board members. Similar findings can be found in the study by Anis and Hamid (2017), whose subjects' mean score in this aspect was 2.97 out of 5.0.Cossin (2020) argued that board effectiveness is not intrinsically enhanced by independence in practice. While there are many criteria that define independence for individual directors, they are also crude, misleading or incomplete. Although independence is regarded as a best practice, it lacks clear empirical grounding in an econometric context. It may also be overrated and does not always live up to its billing. It has not proven to be a panacea or silver bullet to ensure good corporate governance.

Freeh ling (2017) emphasised that the board should establish relevant objectives and represent shareholders adequately. It sets long-term goals for the organisation to govern its future direction. It must periodically review whether the objectives are being met. Further, board members are typically shareholders in the organisation. They represent both their own interests and those of fellow shareholders. Management often comprises shareholders who must ensure a reasonable return on investment for the owners; hence, the board must prevent the management from taking excessive pay or failing to fulfil the organisational objectives.

Thompson (2018) reiterated that the board must set governance standards and must implement all the equitable rules and policies throughout the business. Managers should support good corporate governance at the operational level, ensuring that the business strictly follow state or federal law and avoid reputational damage with stakeholders. It must have a clear and consistent enforcement mechanism as a check and balance against the actions of executive staff. In addition, the board must deal with accountability issues.Since it is positioned squarely between shareholders and management, authority must flow from the shareholders at the top, allowing accountability to flow back the other way. Shareholders are the most protected by corporate governance and they can withhold critical votes unless certain actions are taken.

Overall perceptions

Overall, 54% to 62% of the staff showed positive attitudes toward corporate governance, with a majority agreeing that staff should receive training in this business domain. This finding was supported by Anis and Hamid (2017) whose subjects' mean overall score was 3.5 out of 5.0. Nargunde (2013) argued that there is an urgent need to spread corporate governance awareness because corporate irregularities are threatening their own existence and stability of the global economy. Positive attitudes toward corporate governance will ensure legal, social, moral and ethical conduct of business organisations.

Mahdavi and Daryaei(2016) found that auditors' attitudes toward marketing had a positive significant relationship with attitude toward corporate governance. Further, auditors' attitudes toward auditing activities had a significant negative relationship with attitude toward corporate governance. Corporate governance is not related to the company's operations management, but to its leadership, monitoring and controlling the executives and their accountability to all stakeholders. Auditors with positive attitudes toward marketing tend to maintain the interests of managers by performing marketing activities; they also make better judgments based on their expertise and agreement on the fees.

Price (2018) reiterated that good governance for colleges includes incorporating theorderly involvement of employeesin discussions about new policies, plans and practices. Feedback from staff will help trustees to identify trends and emerging opportunities and prioritise their tasks. Additionally, most colleges have an academic committee that focuses on issues such as curriculum, course offerings, grading policies, degree requirements, faculty qualifications and accreditation requirements. College board trustees should take the suggestions and recommendations of this committee and apply them to their overall strategic plan.

Recommendations

Recommendations are made in relation to the seven categories of college staff's attitudes toward corporate governance, including (1) management issues, (2) shareholders issues, (3) personal issues, (4) society issues, (5) customer issues, (6) issues related to the board of directors and (7) overall staff's attitudes toward corporate governance. In general, college staff need to develop more positive attitudes toward corporate governance.

First, it is suggestedthat college staff become more knolwedgeable of the Malaysian Code on Corporate Governance (MCCG) introduced in 2000 that has positively influenced corporate governance practices of companies (Securities Commission Malaysia, 2012).Reviewed in 2007 and 2012, it ensures that it is aligned with global best practices and standards. providing the action plan for staff to raise the standards of corporate governance by strengthening self and market discipline, and promoting greater internalisation of good governance culture. College staff can acquire knowledge on six themes: shareholders, investors, boards, gatekeepers and influencers, disclosure and transparency, and enforcement.

Second, it is recommended that college staff develop greater understanding on the principles of good corporate governance. According to Pearse Trust (2016), an independent advisor on corporate and trust structures; such knowledge enables organisations to achieve three goals. Firstly, having positive attitudes toward corporate governance helps to avert penalties by preventing reputational harm incurred by breaching regulatory requirements. Moreover, it has positive effects on employee morale since the reputation of the organisation often directly impacts upon employees' attitudes. Organisations that fulfil governance requirements also attract high quality and principled employees who in turn generate enhanced productivity and staff retention. Finally, with good compliance and governance systems, organisations are able to attract suppliers and partners, and obtain better business opportunities.

Third, college staff should be well versed with the fundamental attributes of good corporate governance to develop positive attitudes. According to Travis (2017), good corporate governance is a mixture of meeting both the letter and spirit of the law. First of all, staff should know clear methods for reporting claims, confidentiality assurance and protection against retaliation. Secondly, they can cultivate an organisational culture marked by consistency, responsibility, accountability, fairness, transparency and effectiveness. Thirdly, they need to follow a code of ethics that stipulates adherence to the ideals of trust and accountability. Finally, staff have to respect the separation of duties since splitting roles prevents conflicts of interests and ensures that board members remain vigilant and involved.

Fourth, staff can undergo basic training in corporate governance to enhance their attitudes. According to the Malaysian Institute of Management (2020), corporate governance is becoming increasingly important across all sectors, large or small, private or public. College staff can therefore join a training course to gain sound understanding of the standards of best practice in terms of corporate governance. Training can highlight the fundamentals of corporate governance, risk governance and management, as well as provide greater understanding of the core corporate governance framework. By gaining deeper insight into the importance of implementing good governance practices, staff will have the practical knowledge and skills to enhance corporate governance of their colleges.

Finally, since this study has limited genera lizability and sound genera lizability requires data on large populations and quantitative research provides a good foundation for producing broad genera lizability, future studies on corporate governance attitudes can employ larger samples from different settings. The larger the sample population, the more one can generalize the results.

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