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THE EFFECT OF AUDIT QUALITY AND BOARD QUALITY ON BANKS' PERFORMANCE IN BAHRAIN

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Abstract:

In order to increase the willingness of performance in banks sector and to decrease errors or mistakes in performing process, this research study some aspects that affect banks' performance in Bahrain which are audit quality and board quality. The study uses four banks as samples which are BBK, NBB, Ithmaar and BISB with ten years investigation from 2012 to 2021. Different variables were used to express audit quality, board quality and firm performance. ROA and ROE were used as dependent variables to measure firm performance while audit report lag, board independency, women members and board meetings used as independent variables that express audit quality and board quality respectively. The study uses qualitative data which based on firm's annual report that have been collected manually through sample's websites and analysing data was accomplish through Excel by using different types of analysis which are descriptive statistics, correlation analysis and regression analysis. The study measured different variables and come up with the following results: Days of audit report lag is influencing firm performance, shorter period is better and will help banks to perform well. Moreover, women members in board are also insignificantly influencing return on assets and significantly affecting return on equity, lower number of women in board could increase the degree of financial performance. Both board independency and board meetings are positively influencing firm performance, the data shows that higher number of independence members in board is better which will lead to greater performance, as well as the number of board meetings, the higher number of meetings will reflect positively on banks' performance.

***Keywords**: Audit Quality, Board Quality, Bank performance*

1. INTRODUCTION

In previous decades, accounting has been facing many scandals especially in auditing, such as Enron, WorldCom Accounting scandals and many others. This study will focus on audit quality and board quality to enhance the image of auditing and measure the relationship between audit quality and board quality on banks' performance in Bahrain. I am interested in my topic because as I mentioned earlier the number of scandals in auditing is high and I want to change people mind against it. Moreover, I am interested in the performance of banks in Bahrain and how audit quality and board quality affect their financial performance, curious about whether it is affected in positive or negative way according to the variables that will be used. There are some problems I am facing in my area, such as difficulty in finding resources and research papers since there is not enough studies focus on the effect of audit quality and board quality on banks performance. However, the aim of this study is to examine the impact of audit quality and board quality on banks' performance in Bahrain, where audit

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Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

quality is expressed as audit report lag, the board quality is measured by board independency, board meetings and women members, while return on assets and return on equity will be used as measurement of banks performance. The study uses control variables which are (Fsize) firm size and firm age. In addition, this study will be answering the following questions and achieving these objectives: What is the effect of audit report lag on firm performance? What is the effect of board independency on firm performance? What is the effect of the number of women members in board on firm performance? What is the effect of number of board meetings on firm performance?. Furthermore, the study will help banks sector to reconsider their performance to reduce the number of scandals in general through auditing, especially when the organisation is audited by the big 4 auditors and other factors. Banks performance can be measured by many variables and the more variables will lead to better results, but in this study there is limitations in variables and will be focus on two variables which are return on assets and return on equity. Also audit quality and board quality are deep subjects and time is insufficient to go through all aspects regarding them. In addition, the study has another limitation, where it is focusing on specific sector which is banks sector and in a certain country which is Bahrain. This research will benefit banks sector and help them to improve their performance while considering the used variables, and the coming relative studies can rely on this research in order to reach their objectives and conclusion. In order to complete this study on timely basis and after completing research proposal, the following schedule should be followed: Firstly, working on literature review for three weeks, starting from the second week of March to the first week April. Secondly, the completion of data collection and analysis during the following three weeks. Thirdly, writing conclusion and recommendations during the first week in May. Fourthly, formation and review of drafts during the second week of May. Fifthly, approve the latest version until $15^{th}$of May. Finally, prepare for presentation until 21^{st} of May.

2. LITERATURE REVIEW

The importance of audit quality to any firm especially banks is to assess the effectiveness and efficiency of their performance and help managers to provide better performance to generate shareholders in short or long terms. A strong board can play a significant role toward firm performance. Board can encourage the relationship between firm and its environment, secure critical resources (Williamson, 1996; Hillman et al., 2000). Moreover, having a board is a must nowadays and this study will measure the effect of board quality and audit quality on bank's performance in Bahrain, the experts in the board have positive effect on the outcome of the firm. By performing these roles, an effective board is likely to help the firm achieve superior performance (Hawkins, 1997; Gompers, Ishii, & Metrick, 2003) Both audit quality and board quality have deep and noticeable impact on the operating in general and performance in particular. However, the below research study the performance of firms and how it is affected by audit and board quality with different variables.

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Atul Bansal et al,. (2022)

No.	Title article	Author	Year	Variables used	Conclusion
1	Higher market valuation of companies with a small board of directors	**David Yermack**	1996	The study examines whether small board of directors will increase the value of firm performance. Using return on assets and Tobin Q as measurement of firm performance	As a result, after measuring the profitability of the firms, it shows a negative relationship between board size and financial ratios related to profitability which affect the performance of the firm. The study conclude that smaller boards is better because lager boards will have limitations, poor communication and inefficient decision making
2	Women on boards and firm performance	**Mijntje Lu¨ckerath-Rovers**	2011	The aim of the research is to study the difference between with and without women in board and firm performance. Using ROE as dependent variable to measure firm performance, diversity of board used as independent variable. In addition, firm size and board size are control variables	The research concludes that more diversity of board will lead to better decision makings. Moreover, the higher return on equity is always significant for firm that has women board compared to firm without women members
3	Corporate governance and firm performance	**Lawrence D. Brown, Marcus L. Caylor**	2004	This research study the relationship between corporate governance and firm performance, using ROE, profit margin, sales growth and Tobin Q as measurement of performance considering governance categories: audit and board of directors	The outcome of the study has good indicator. ROE, profit margin, sales growth and Tobin Q have positive relationship with Gov-score. In addition, good performance is relative with board meetings where it has 75%, board was controlled by 50% of independence members

DOI 10.17605/OSF.IO/AR9D6
Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

4	Larger board size and decreasing firm value in small firms	**Theodore Eisenberg, Stefan Sundgren, Martin T. Wells**	1998	The aim of this research is to study the relationship between board size and firm profitability with different size of firms. Uses return on assets and solvency to express firm performance	The results show there is a negative relationship between board size and small firms that has small boards because of lack of communication and coordination which leads to lower profitability
5	Board of directors' effectiveness and firm performance: evidence from Jordan	**Mohammed Hassan Makhlouf, Nur Hidayah Laili, Mohamad Yazis Ali Basah, Nur Ainna Ramli**	2017	The research study the relationship between firm performance and board of director's effectiveness. Using return on assets and Tobin Q to measure firm performance as dependent variable. Board size and board meeting are used as independent variables	The study found out that board directors' effectiveness is influencing the measurement of firm performance. Board size has no significant effect on Tobin Q and there is a positive relationship between Tobin Q and board meetings, but it is not significant
6	An examination of board and firm performance: evidence from Taiwan	**Chang-Jui Lin**	2011	The study stated that board of directors plays a significant role which affects corporate governance, the study analyses the effect of board size on firm performance	The result of the study was there is a negative relationship between board size and firm performance when there are many members because it is hard to coordinate, while it is easier to communicate if it's small board of directors. Moreover, independence directors have a positive impact on return on assets but no impact on return of equity
7	Board of directors, audit quality and firm performance: Evidence from Malaysia	**Masood Fooladi and Zaleha Abdul Shukor**	2013	The research study the relationship between corporate governance and firm performance, board performance, board independency and board size included as board characteristics and uses audit quality as	The study found out that audit quality and board size have a positive impact on firm performance as measured using return on assets and Tobin Q. In addition, board independency and Tobin Q are highly related and there is no relationship between board of

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Vol:59 | Issue:08 | 2022
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				an external CG characteristic. Firm performance expressed as ROA and TQ	director's characteristics and return on assets
8	Board meeting and firm performance: evidence from the Amman stock exchange	**Khaleel Ibrahim Al-Daoud, Siti Zabedah Saidin, Shamharir abidin**	2016	This research aims to study the effect of board meeting frequency and firm performance. Return on assets and Tobin Q used to help measuring firm performance in different aspects, using audit firm as a control variable to examine the audit quality by indicate the big 4 auditors	The results shows that the effect of number of board meeting is positively related with return on assets and Tobin Q while board size is negatively correlate with performance, when board size increase, the performance will decrease. In addition, Big 4 is positively related with performance which is enhances firm performance
9	Board meeting frequency and firm performance: examining the nexus in Nigerian deposit money banks	**Damilola Felix Eluyela, Olamide Oluwabusola Akintimehin, Wisdom Okere Emmanuel Ozordi, Godswill Osagie Osuma, Simon Osiregbemhe Ilogho and Olufemi Adebayo Oladipo**	2018	The main purpose of the research is to study the impact of board meeting frequency on firm performance of deposit money bank. Using board meeting frequency as independent variable and firm performance as dependant variable expressed as Tobin Q. Firm size and board size are control variables.	The conclusion of the study was as follows: Tobin Q and board meeting frequency have positive relationship which means change 1% in Tobin Q will change board meeting frequency by 1%. On the other hand, there is a negative relationship between Tobin Q & board size and firm size
10	Board characteristics and firm	**Atirenjit Kaur Johl, Shireenjit**	2015	The aim of this study is to examine the impact of board	The study determines that there is a relationship between board characteristics and firm

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Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

	performance: evidence from Malaysian public listed firms	**Kaur, and Barry J. Cooper**		characteristics such as board meeting, board independence and board size on firm performance measured using return on assets and return on equity	performance. More frequent board meetings will affect performance negatively, larger board size affect performance positively and independent directors have no effect on performance. The study suggests having larger board size, lower board meeting frequency and more percentage of board members which will lead to good firm performance
11	Board characteristics and firm performance: evidence from New Zealand	**Hanoku Bathula**	2008	The research aims to study the relationship between board characteristics and firm performance in listed firms in New Zealand. Using director ownership, CEO duality, gender diversity and director's education expressing board characteristics, firm performance measured as return on assets, and firm size & firm age are used as control variables	The outcomes of the study were as follows: board size and firm performance were positively associated; board size is also associated positively with both control variable which are firm size and firm age. On the other hand, director ownership and firm performance have negative relationship. Small board's benefits CEO duality but large boards do not. Large number of women members in a board has negative impact on firm performance. Finally, all variables are relative to each other with different effects
12	Kuwaiti women and firm performance	**Bader Al-Shammari and Mejbel Al-Saidi1**	2014	The study investigated the link between Kuwaiti women members as board director and firm's performance in Kuwait. The study represents Tobin Q and return on assets as dependent variables, proportion of women used as	The study determines that proportion of women in board does not have to be more valuable than male. Tobin Q and ownership concentration have negative relationship while return on assets affect all independent and control variables. It is also determined that board size has a negative effect on women proportion

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Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

				independent variable and board size, debt ratio, ownership concentration, firm age, industry type and firm size used as control variable	
13	Board gender diversity and firm performance: The UK evidence	**Sanjukta Brahma, Chioma Nwafor and Agyenim Boateng**	2020	The research examines the relationship between gender diversity and UK firms' performance by using Tobin Q and return on assets to measure the performance while female executive director to express gender diversity, using control variables which are firm size and debt ratio	Depending on data analysis and previous literature review, the results shows that gender diversity is significantly related to financial performance of firms especially when the board contains of three or more females. As well as debt ratio and firm size are positively influence the performance of firms which are associated with past studies
14	The influence of audit committee, audit delay and company growth on firm value	**Mupi Juliani, Shinta Ningtiyas Nazar**	2022	The aim of the study is to examine the effect of audit committee, audit delay and firm growth on firm value	According to analysed data, the research has reached that audit committee has a significant negative influence on firm value, which means any increase in audit committee will lead to decrease in the value of the firm. In addition, audit delay has no significant influence firm value while stated that assets growth is not guarantee that the firm will have better performance. Eventually, all variables influence firm value but in different levels
15	Board independence and firm performance:	**Afzalur Rashid**	2018	The research study the relationship between board independence and firm economic	According to the data analysis, the research found out that board independence and firm performance in Bangladesh are relating and affecting each

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Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

	Evidence from Bangladesh			performance of listed firms in Bangladesh. Using return on assets and Tobin Q as measurement of the economic performance, and many of explanatory variables that may affect the performance such as: board size, number of board meetings, firm age, firm size, debt ratio and liquidity.	other but in negative indication. Insider directors have better influencing than outsider directors because they have better understanding of the business or the firm. Outsider directors have limited abilities and lack of information of the firm which leads to poor performance
16	Board Independence and Firm Performance	**Sharifah Faatihah Syed Fuzi, Syahrina 'Adliana Abdul Halim and Julizaerm a M.K.**	2016	The purpose of the research is to study the association between board independence and firm performance in few countries.	According to the data analysis of the study, it concludes that independence directors on board have a negative relationship with the performance of the firm, but when it measured on manufacturing companies, the results was the opposite where board independence has positive influence on firm performance
17	Board diversity and firm performance	**Else Lamers**	2016	The aim of the study is to examine the effect of board diversity on firm performance. Used return on assets as dependent variable which measures the firm performance while presence women members in board, average age of women in board, percentage of women in board and educational level of women are used as	The study aims to study the effect of board diversity on firm performance, and result concluded as there is no significant relationship between board diversity and firm performance but in general women are positively relative to firm performance. More diverse board will have better understanding

DOI 10.17605/OSF.IO/AR9D6
Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

				independent variable	
18	Financial performance, audit delay and firm values banking in Indonesia	**Stephanus Dwiarso Utomo, Maradewi Ayu Kumalasari and Zaky Machmuddah**	2017	The aim of the research is to investigate the effect of financial performance, audit delay and firm value by using return on assets as measurement of firm performance.	The study finds out that the shorter the audit delay, the performance of the firm will be better, thus the good performance will lead to better firm value
19	Board diversity and firm performance: the Indonesian evidence	**Salim Darmadi**	2011	This research aims to study the relation between diversity of board members and firm performance. Performance is expressed as ROA and Tobin Q. Moreover, gender, age and nationality are used as board diversity. Using control variables which are firm and board size	The study conclude that the young members have significant and positive relationship with market performance. Moreover, foreign nationalities member has no impact on firm performance. According to return on assets, the other diversities have an impact on firm performance, but presence of women members have negative relationship with firm performance
20	The influence of profitability, solvency, and auditor's opinion to audit report lag at coal mining companies	**Adlina Nindra Hapsari, Negina Kencono Putri, Triani Arofah**	2016	The purpose of the research is to study the impact of profitability, solvency and auditor's opinion on audit report lag. Identifying profitability, solvency and auditor's opinion as independent variables which ill influence the dependent variable which is audit report lag	After analysing data, the research founds out that profitability has an impact on audit report lag, solvency has no influence on audit report lag and auditor's opinion has an influence on audit repost lag. By minimizing the audit report lag, they have to increase the sales revenue and decreasing the operational costs

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Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

21	The Impact of board characteristics on Firm Performance: Evidence from Nonfinancial Listed Companies in Kuwaiti Stock Exchange	**Ebrahim Mohammed and Al -Swidi, Abdullah Kaid and Fadzil, Faudziah Hanim and Al-Matari, Yahya Ali Al-Matari**	2012	The aim of the study is to examine the relationship between board characteristics and firm performance, Using ROA, CEO duality, CEO tenure, Audit committee size, board size, board composition firm size and leverage as variables	The study finds out that board size in negatively insignificant influencing performance, leverage has negative and significant impact on ROA while firm size has positive but insignificant impact on ROA. Regarding firm size, larger size of firm will lead to better performance
22	The Effect on the Relationship Between Board of Directors Characteristics on Firm Performance in Oman: Empirical Study	**Ebrahim Mohammed Al-Matari,, Abdullah Kaid Al-Swidi and Faudziah Hanim BtFadzil**	2014	The aim of the study is to examine to relationship between corporate governance and firm performance, Using ROA, board size, board meetings and board independency as variables	The results of the study were as follows: board size is not improving the performance and it has no relationship with ROA. Board meeting and board independence has insignificant relationship with ROA

3. RESEARCH METHODOLOGY

This research is aimed to study the effect of audit quality and board quality on bank's performance in Bahrain. By using the performance as dependent variable which is measured by two measurements tools which are return on assets (ROA) and return on equity (ROE. Moreover, the independent variables are bored quality and audit quality, measuring board quality by using (BIND) independent of board members, (BMEET) number of board meetings and (WMEM) women members, while using audit report lag as a measurement of audit quality. The study has different control variables which are firm size and firm age. The relationship between independent variables and dependent variable is hypothesized as follows:

H1: There is a negative influencing of audit report lag on firm performance

H2: There is a negative influencing of board independency on firm performance

H3: There is a positive influencing of the number of board meetings on firm performance

H4: There is a positive influencing of women members in board on firm performance

The study aims to answer the following research questions: "What is the effect of audit report lag on bank's performance in Bahrain?" , "What is the effect of independent of board members on bank's performance in Bahrain? ", "What is the effect of number of board meetings on bank's performance in Bahrain? " and "What is the effect of women members on bank's performance in Bahrain? ". The study depends on qualitative data, and it is based on secondary data which uses annual reports and financial statements. The research will examine the impact on different variables by using four banks

DOI 10.17605/OSF.IO/AR9D6
Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

in Bahrain which are (Bank of Bahrain and Kuwait, National bank of Bahrain, Ithmaar bank and Bahrain Islamic bank) with ten years investigation form 2012 until 2021. The importance of this 10 years investigation is in measuring the influence in bank's performance in Bahrain by different independent variables, it is significant to examine how these firms operating and maintain high level of both board and audit quality. The information will be gathered from firm's websites and previous studies manually, while analysing data will be performed in Excel. The following 'Figure 1' conceptual map determine the variables used and how it is interacted to each other:

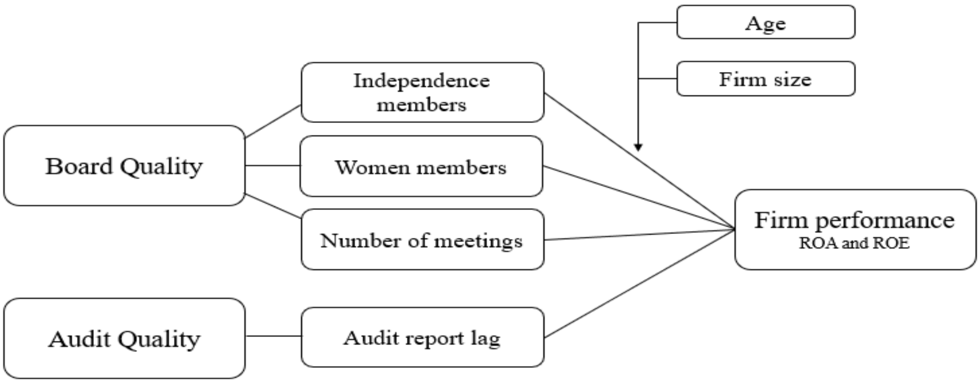

Figure 1: Conceptual map of variables

4. DATA ANALYSIS

In order to analyse data, the study uses descriptive analysis that will obtain characteristics of samples. However, to examine the relationship between independent and dependent variables the study uses regression analysis. 'Table 1' shows the variables used in the study and its description. The regression model used to clarify the relationship between different variables and firm performance is as follow:

FPR = β0 + β1*AUDRL + β2*BIND + β3*BMEET +β4*WMEM + β5*Fsize + β6*Age + ε

β0 – Constant

ε – Error term

Table 1: Variables

Variables		Description	Measurement
FPR	ROA	Return on Assets	Net income / Average total assets
	ROE	Return on Equity	Net income / Average shareholder's equity
AQ	AUDRL	Audit Report Lag	Number of days after closing date of the company's book until the independent auditor sign the report
BQ	BIND	Board Independency	Number of independent members in board of directors
	BMEET	Board Meetings	Number of boards meeting
	WMEM	Women members	Number of women members in board of directors
Fsize		Firm Size	Total assets at the end of the year
Age		Age	Number of years since establishing the firm

DOI 10.17605/OSF.IO/AR9D6
Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

Based on 'Table 2' which consist of analysing data depending on descriptive statistics, the average or mean of return of assets (ROA) for all samples in the study is 0.01056 and the average of the second dependent variable which is return of equity (ROE) is 0.079468. Moreover, it is clearly shown that the mean of independence members in board is 44% which is less than what it should be in general which states 50%. In addition, the minimum number of board meetings according to the samples is 4 and it maximize up to 12 meetings. The descriptive statistics shows a range between 0 and 2 of the number of women in board. However, descriptive statistics shows that the higher number of audit report lag is 67 and the lowest is 21 with average of 43 days approximately. The samples used have average value of (Fsize) firm size equals to 3119.825 million dinars. The mean of age in this study is 44 years approximately with 64 years as maximum age.

Table 2: Descriptive statistics

Variables	Mean	Minimum	Maximum
Ratio of return on assets	0.01056	-0.0108	0.0433
Ratio of return on equity	0.07946	-0.2371	0.4231
Independence members (%)	44	25	100
Number of meetings	6.625	4	12
Number of women members	0.85	0	2
Audit report lag (days)	43.35	21	67
Firm size (million)	3119.825	833	8341
Age (years)	43.75	28	64

Another analysis has been used which is correlation analysis. It is used to measure the extent of correlation between variables as shown in 'Table 3', there is a significant correlation among some variables, but the correlation is not exceeding 0.04 but only 0.38 which happened between (BMEET) number of board meetings and age which means there is a weak positive correlation. Moreover, the lowest correlation is -0.51 which is less than zero and it means that there is a strong negative correlation between those variables which are the number of days after closing date of the company's book until the independent auditor sign the report (AUDRL) and number of years since establishing the firm (Age).

Table 3: Correlation analysis

	AUDRL	BIND	BMEET	WMEM	Fsize	Age
AUDRL	1					
BIND	0.18	1				
BMEET	-0.30	-0.20	1			
WMEM	0.30	0.04	-0.14	1		
Fsize	0.36	-0.10	-0.20	0.25	1	
Age	-0.51	-0.38	0.38	-0.26	0	1

The results of regression analysis are shown in 'Table 4', regarding audit report lag and its relationship with return on assets and return on equity, it is shown a negative and same value in both measurements of firm performance, which means that there is an inverse relationship and increasing in audit report lag by one day will cause a decrease in return on assets and return on equity by 0.0001.

ISSN：1674-2974 | CN 43-1061 / N

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Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

Regarding P-value in ROA and ROE it indicates that there is an insignificant relationship between audit report lag and firm performance in general.

According to P-values in board independency, it shows that there is a significant relationship between the number of independence members in board and measurements of firm performance. The positive value in coefficient indicates a positive relationship with board independency and return on assets and it has strong positive relationship with return on equity, increasing in the number of board independency will cause increasing in ROA and ROE by 0.0456 and 0.4458 respectively.

In addition, the relationship between number of board meetings and both measurements of firm performance are positively significant. The coefficient value determines that increasing in the number of board meetings will significantly cause an increase in return on assets and return on equity by 0.0014 and 0.0213 respectively.

However, the coefficient of number of women in board has negative values under both measurements of firm performance which means that there is an inverse relationship between those variables. In addition, number of women members is insignificantly affecting return on assets but significantly affecting return on equity. According to this, boards should reduce the number of women in board to have better financial performance.

According to control variables, the study finds out that there is no significant relationship between firm size and firm performance under both measurements which are return on assets and return on equity. According to the coefficient the size of firm whether if it is large or small will not affect the performance of the firm. Moreover, 'Table 4' shows that firm age has positive significant relationship with measurements of firm performance.

Eventually, data analysis is summarized as follows: the first hypothesis assumed that there is a negative influencing of audit report lag on firm performance and results was as it expected, so the first hypothesis is accepted. The second hypothesis assumed that the higher number of independence members in board will negatively affect firm performance, but results were the opposite which shows that board independency is positively significant with firm performance, and it leads to reject this hypothesis. Regarding the third hypothesis, it was hypothesized that the higher number of board meetings will positively affect firm performance, and results agreed with. Board meetings and return on assets and return on equity are positively significant related. However, the third hypothesis is accepted. According to the last hypothesis, it was hypothesized that more (WMEM) women members in board will positively affect firm performance, the outputs were the opposite, where number of women members is negatively insignificant under return on assets but significant under return on equity, so the last hypothesis was rejected. Eventually, the first and third hypothesizes are accepted. On the other hand, the second and fourth hypothesizes are rejected.

DOI 10.17605/OSF.IO/AR9D6
Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

Table 4: Regression analysis

Dependent variables				
	ROA		**ROE**	
Independent	**Coefficient**	**P-value**	**Coefficient**	**P-value**
AUDRL	-0.0001	0.2837	-0.0001	0.9675
BIND	0.0456	0.0002	0.4458	0.0012
BMEET	0.0014	0.0355	0.0213	0.0058
WMEM	-0.0031	0.0626	-0.0446	0.0257
Fsize	0.0000	0.9072	0.0000	0.4973
Age	0.0005	0.0004	0.0042	0.0099

Significant relationship when $P<0.05$

Insignificant relationship when $P>0.05$

5. CONCLUSIONS AND SUGGESTIONS

The aim of this study is to examine the impact of audit quality and board quality on banks' performance in Bahrain. In general, the result of the study shows that audit report lag is negatively affecting firm performance, which means that more days or gap between closing date of company's book and date of independence auditor signing the report will tend to reduce the efficiency and effectiveness of the performance. The study determines another variable that reduces the performance of firm, which is women members in board, the study uses the number of women in board to measure this variable, the results was unexpected as this variable significantly reducing return on equity and insignificantly reducing return on assets, less women in board could help the firm to perform effectively and in a good manner. However, the firm should consider all variables even if it has insignificant influence on their performance to enhance the image of the firm.

On the other hand, the study finds two different variables that are increasing firm performance, which are bored independency and number of board meetings. Board independency measured by counting the independence members in each firm's board, after data analysis the result was expected and as hypothesized where it shows that the higher independence members in board will significantly affect firm performance in good way. As well as the number of board meetings, results shows that the higher number of meetings will significantly affect firm performance positively.

The study will note suggestions to firms especially in banks sector to boost and enhance their performance. Firstly, firms must reduce audit report lag because it has a negative influence on the measurements of financial performance. Secondly, reduce the number of women in board because it is negatively affecting their performance as mentioned in previous chapter. Thirdly, regarding board independency, as it shown and discussed in chapter 4 that board independency will positively affect firm performance, according to this the study suggests having more independence members in board to increase the financial performance of firms. Fourthly, according to data analysis, it was shown that the number of board meetings is an effective variable that help banks to perform well, most of the samples meet four times as a minimum number, according to this the study suggest increasing the number of meetings or have at least four meetings during the fiscal year.

DOI 10.17605/OSF.IO/AR9D6
Vol:59 | Issue:08 | 2022
Atul Bansal et al,. (2022)

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