

Corporate Governance Mechanism on the Practice of International Financial Reporting Standards (IFRS) among Muslim Entrepreneurs in Textile Industry - The Case of Malaysia.

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Abstract

The objective of this research is to determine if there is any significant relationship between corporate governance mechanism (accountant's experience, accountant's qualification, board size and presence of remuneration committee) and practice of International Financial Reporting Standards (IFRS) among Muslim entrepreneurs in textile industry in Malaysia. Quantitative analysis is employed and data are collected from 30 randomly selected companies. Descriptive statistics is reported and model estimation is performed using logistic regression. The finding reveals a significant positive relationship between the setting of remuneration committee and the practice of IFRS. This finding emphasizes the importance of establishing a risk management committee in sustaining business viability (Istihomah') of an enterprise.