CORPORATE OWNERSHIP & CONTROL

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CONTENTS

This paper analyses the theme of the corporate governance models of Italian utilities companies and explores how the changes of ownership structure after a merger affects financial performance. The objective of this paper is to study whether the mergers of utilities are effective for companies to be more competitive. We compare the financial performance of four Italian utility listed companies listed (A2A, IRIDE, HERA and ENIA) before and after the merger. Specifically we analyse six financial ratios (P/L for period, Profit margin, EBITDA, ROE, ROA and Gearing). Our results show that utility mergers are effective to create a more competitive firm because of the changes in the ownership of the company and consequently in the corporate governance system. Results also indicate that a listed merger company has a higher financial performance that pre-merger companies.

The management of liquidity is of prime importance to banks. This management process should be carefully planned and continuously managed to master a global and/or national financial crisis. The objective of this research paper embodies the improvement of financial decision-making by banks regarding the management of their liquidity. To achieve this objective, a literature study was initially done.

An empirical survey followed thereafter, focusing on the 10 biggest banks in South Africa. They are the leaders of the South African banking industry, and as South Africa is a developing country with an emerging market economy, the conclusions of the study may also be valuable to banking industries of similar countries. The importance of the liquidity management factors, the problem areas surrounding this topic, as well as how often the requirements are adjusted to ensure proper and effective liquidity management are addressed.

This study aims to understand the features of an effective audit committee and its role in strengthening financial reporting. A questionnaire based survey was circulated to public listed companies on the Amman Stock Exchange (Banking, insurance, and financial institutions). The study was aimed at internal audit managers and finance managers. Out of 156 questionnaires, we received 110 back which represents a 71% response rate. The study results show that the research respondents have a good level of education and experience. In addition, there is a relationship between internal controls, international standards on auditing, institute of internal audit; Jordan securities commission requirements, external audit, understanding of audit committee functions, and financial reporting. Further more, the internal control, international standard on auditing and institute of internal audit, Jordan securities commission requirements, External audit, understanding of audit committee functions can explain a significant amount of the variability in financial reporting. Finally, the research results also show that age and gender make a difference for our respondents when they evaluate financial reporting. The study like other cross sectional studies is not free of limitations. Managerial implications and new avenues of future research are supplied. Future research also can borrow the research model and apply a longitudinal study to solve the cross sectional study problems.

In this paper, we study changes in the incentive structure of the CEOs in both parent and spun-off companies, and the effect of managerial incentives on operating performance due to an improved agency relationship between shareholders and managers of both firms after the spinoff. We construct a

SECTION 2. CORPORATE OWNERSHIP

SECTION 3. NATIONAL PRACTICES IN CORPORATE GOVERNANCE: BRAZIL