

Impact of Audit Committee Determinants on Financial Performance: Case of Tunisian Listed Banks

Wissal BEN LETAIFA¹, Rayen BEN ALI²

Abstract

Purpose - The objective of this research is to study the relationship between audit committee determinants and corporate performance. To do this, we focus on the Tunisian context. Design/ methodology/ approach – Our research sample is made up of 16 banks operating in Tunisia observed over a period of five years (2017-2021) the paper uses a linear regression to investigate the association between the performance of the company and the determinants of audit committee. Findings - The results obtained show that the variable relating to the size of the audit committee has a positive influence on financial performance measured by Tobin's Q. On the other hand, the variable relating to the number of meetings held by the audit committee has a negative impact on the financial performance of listed Tunisian companies.

Keywords: *Audit committee, audit, performance, listed banks, emerging context.*

Introduction

In recent years, several financial scandals have broken out around the world, such as Worldkom and Enron in the United States... and the Batam company in Tunisia. It is for this reason that Tunisia imposed the appointment of an audit committee within companies listed on the Tunisian Stock Exchange by law n°2005-96 to anticipate and avoid the occurrence of financial problems or to find themselves in financial difficulties which could lead to the bankruptcy of companies. Our problem is: what is the impact of the audit committee on the financial performance of listed Tunisian companies? Through this study, we seek to examine the relationship that exists between the determinants of the audit committee and the financial performance of Tunisian companies listed on the Tunisian Stock Exchange.

According to SOX act (2002) and the Blue Ribbon Committee (1999), the permanent audit committee represents a body implemented at the level of the board of directors to promote the governance of firms and to guarantee that financial reports are honest and transparent, as well as maintaining the confidence of savers, Compernelle (2010) argues that the audit committee emerged in the United States in 1940, and 1970 we notice, in order to address the lack of confidence in financial markets regarding the quality of financial statements and auditing. Boumaza and Guendouzi (2014) state that: “this corporate governance body was created in the United States and then developed in Anglo-Saxon countries (Great Britain, Canada, Australia, New Zealand, etc)”. In Europe its creation is recent (De Ménonville, 2009)”.

In Tunisia, following the BATAM company scandal, the establishment of such a committee has, according to Bouaziz and Triki (2012), become obligatory for companies listed on the BVMT following the promulgation of law n°2005-96 relating to security financial relationships.

The audit committee also serves as a corporate governance mechanism. Indeed, Mallin (2007) argues that the audit committee represents the most important subcommittee of the board of directors given its role in protecting the interests of shareholders in terms of financial control.

In the audit committee – internal audit relationship, Moussamir and Aouina (2020) consider the audit committee to be the main interlocutor of internal audit due to the reciprocity of the needs they express.

¹ University of Tunis, Ecole Supérieure des Sciences Economiques et Commerciales de Tunis 22 PEJC- D2P2 4, Av Abou Zakaria El Hafsi – Montfleury 1098 – Tunis – Tunisia LIGUE. E-mail: abenletaiifa@yahoo.fr

² Institut supérieur de Comptabilité et d'administration des Entreprises – Tunisie. E-mail: rbenali716@gmail.com

Dezzort (1997) suggests that vis-à-vis the internal auditor, the role of the audit committee is to evaluate the internal audit plan as well as to examine the reliability of the internal control process. On this subject, Schneider (2010) mentions that the audit committee plays an important role in controlling and evaluating the work of internal audit. Furthermore, according to Oussii and Taktak (2017), the mission of the audit committee consists of controlling the work of the internal auditor. Indeed, according to these two authors, the audit committee must evaluate and validate the program and work plan, the allocated budget, as well as the results obtained by the internal audit.

In the audit committee-internal control relationship and in a classic approach, internal control is identified as the set of processes and mechanisms which make it possible to ensure the protection and conservation of heritage, to obtain quality information as well as ensuring that management recommendations are implemented. (Bernard et al, 2008; Grand et al, 2002; Ouashil et al, 2017; Pigé, 2002; Ouashil, 2017)

To ensure that a system of internal control is established within a company, the treadway report (1987), the Smith report (2003) as well as the Blue Ribbon committee report (1999) argue that the monitoring role of the audit committee would consist of ensuring that the company has designed an effective internal control system (Imaraghni, Nekhili, Chtioui; 2006).

Moreover, at the level of banks, the Basel committee on banking supervision (2001) suggests that the creation of an audit committee within credit establishments constitutes a solution which addresses the difficulties that a board may encounter to guarantee the existence and maintenance of an adequate internal control system. Indeed, according to Chtourou and Ben Hassin (2006), the effectiveness of internal control can be improved by the presence of the audit committee which supervises the audit work (internal-external).

In the audit committee – external audit relationship, the Sarbanes Oxley law (SOX, 2002), stipulates that the prerogatives available to the audit committee are summarized as:

- Arbitrate any conflict of audit opinion with management.
- Ensure that the fee budget allocated to the external auditor is appropriate.
- Manage the process of appointment and dismissal of the external auditor.

a) Arbitration of conflicts between external auditor – management

Boumaza and Gandouzi (2014) argue that the external auditor-manager conflict is due to pressure exerted by the latter in order to validate some reservations mentioned by the external auditor in his report. According to the authors, audit committees must arbitrate the disagreement between managers and the external auditor while preserving the independence of the latter.

b) Actions regarding the diligence and fees of the external auditor:

Boumaza and Gandouzi (2014) argue that in order to strengthen internal control procedures and consolidate the reliability of the accounts, the committee can: “require in-depth diligence from external auditors to better cover certain risk areas; and set their fees as well as their working hours budget.”

Cohen *et al.* (2002) reveal that $\frac{3}{4}$ of the external auditors surveyed announce that their discussions with the board of directors or the audit committee have a great effect on the planning stage as well as on the estimation of audit risk.

c) Appointment and dismissal of the external auditor:

According to Boumaza and Gandouzi (2014), among the fundamental prerogatives of the audit committee towards the external auditor, is to protect the latter from managerial pressures and this by warding off opportunistic changes. Indeed, according to the authors, managers more easily replace an auditor who

communicates a qualified report in favor of an auditor who will communicate a report in their favor (without reservation).

On this subject, the Bouton report (2002) provides that the selection procedures must be managed by the audit committee. Through the 8th directive, it recommends to the board of directors the formation of an audit firm (article 41-3).

Regarding the audit committee-quality of financial reporting relationship, Belarej and Oukassi (2020) argue that, according to the literature, the reliability of financial information is measured by the absence:

- Intentional misstatement in the financial statements disclosed.
- The existence of manipulation of the income and expense accounts for the financial year.

Therefore, according to them, the supervision of the work of preparing financial statements is one of the main responsibilities allocated to the committee responsible for the audit.

The importance of this role is undisputed and proven by a significant number of professionals as well as regulatory bodies such as the Blue Ribbon Committee (BRC, 1999), the Treadway (1987), the Smith Report (2003), advanced by Maraghni, Nekhili and Chtioui (2018).

To clearly summarize the role of the audit committee as an internal governance mechanism within the company, we propose the table below:

Table 1. The role of the audit committee as an internal governance mechanism

Audit committee functions		
Plan	Control	Communicate
Strengthening the internal and external audit program	Monitoring the audit plan	Report of the board of directors
Recommend external auditor	Verification of information system, internal control and risk analysis	Assessment of the internal and external report syntheses
Guarantee better quality of service	Arbitrage of managers-auditors conflicts	Report for questions of legal compliance

Adaped from: Moussamir and Aouina (2020), “The contribution of the audit committee to the quality of the financial audit process: A literature review”

In what follows, we will present our theoretical framework before stating our hypotheses.

Theoretical framework and hypotheses

Consistent with Shaker *et al.* (2018), the Audit Committee, represents the Board's interface with internal and external auditors. Therefore, to better understand our subject, we will highlight the agency theory of Jensen and Meckling (1976) by giving a general overview of it and then link it to the audit committee.

The audit committee as a mechanism for mitigating agency conflicts

Begne. J.M (2012) argues that the company is presented according to agency theory as being a node of contracts established between the various actors (managers, shareholders, donors, customers, suppliers) whose actions are determined by economic rationality.

According to Gomez (1996), the existence of an agency relationship is due to the fact that the agent is considered by the principal to be best placed to manage his own property. According to the same author, the principal recognizes in the agent special abilities and knowledge. According to Jensen and Meckling (1976), the manager tends to monopolize a fraction of the resources for his own consumption (discretionary consumption). As a result, in accordance with Boujenoui., Bozec and Zeghal (2004), as soon as a delegation of power takes place between the principal and the agent, this can give rise to agency conflicts.

In order to limit the risk of such an attitude coming from managers, control systems would then be essential (Fama, 1980). On this subject, Pincus *et al.* (1989) recommend that the use of permanent audit committees is essential in conditions where agency costs are significant in order to optimize the quality of information flows emanating from the principal (agent) for the benefit of the principal (main).

In the same vein, the literature on agency theory supports that the effectiveness of the audit committee depends on the characteristics available to the latter such as external members, appropriate resources, expertise and activities (Ika *et al.* 2012; Ghafran *et al.* 2018).

Similarly, Sarens *et al.* (2013) highlighted that diligence, expertise and independence represent fundamental factors that have an effect on the effectiveness of audit committees.

Hypotheses Development

After having illustrated the theoretical aspect that we consider most applicable to our research, we present the different appropriate hypotheses which will allow us to obtain a better answer to our problem.

The first hypothesis: Size of the audit committee

The number of directors constitutes a decisive factor which determines the effectiveness of the audit committee. [Pincus *et al.* (2004)]

Likewise, according to the authors Questa and Oudat (2021), the audit committee should be administered by more than three since the size of this body constitutes a crucial indicator of the quality of supervision.

Rahman *et al.* (2019) argue that when an audit committee is made up of a limited number of people, the possibility of conducting fraudulent activities is high. Indeed, the latter can agree to plot and execute fraudulent transactions.

For his part, Person (2009) states that there is a relationship between size and ethics disclosure and that firms with large audit committees generally communicate more information about intellectual capital in their reports.

Knowing that our study focuses on the financial performance of Tunisian companies listed on the BVMT, we therefore propose the following hypothesis:

H1: the size of the audit committee has a positive impact on the financial performance of Tunisian companies listed on the BVMT.

The second hypothesis: Independence of the audit committee

Fama *et al.* (1983) argue that independence constitutes an essential condition for the establishment of effective control.

Mangena *et al.* (2005) as well as Carlo *et al.* (2003) stated that the independence of this body is able to guarantee the credibility and quality of the data reported.

Muttakin *et al.* (2015) revealed that the creation of an independent committee amplifies the scope of control and acts as a main “lever” to consolidate the autonomy of auditors. Also, these researchers have highlighted that when a committee is made up of a majority of independent members, it is more likely that the latter behave in an impartial manner in the estimation of reporting techniques, internal control and accounting.

In addition, the studies proposed by Mc Mullen *et al.* (1996) and Mangena *et al.* (2007) demonstrated a positive association between the quality of information and the independence of members of the standing audit committee. However, other research such as that conducted by Yang *et al.* (2005) as well as Agrawal *et al.* (2005) were unable to show a particular association between the two variables cited above.

Given that our study focuses on the financial performance of Tunisian companies listed on the BVMT, we suggest the following hypothesis:

H2: the presence of independent directors within the audit committee has a positive impact on the financial performance of Tunisian companies listed on the BVMT.

The third hypothesis: Number of audit committee meetings

According to Xie *et al.* (2003), constant scheduling and holding of recurring meetings are considered indicators that make it possible to measure the commitment to the activity and work of the members of the audit committee. Therefore, the number of meetings throughout the year provides information on their concerns and concerns with the prospect that audit committees that meet on a regular basis are considered to be the most competent in carrying out their mission.

Al-Mamun (2014) supported the idea that regular meetings of the audit committee can help to reduce the lack of information and agency problem by providing investors with information correct and timely. Indeed, Beasley *et al.* (2002) showed that at the level of companies which perpetrated fraud, the audit committees met less frequently compared to those of other companies belonging to the same field of activity where no fraud was detected. Their research concluded that the committees belonging to the companies that committed fraud met only once during the year compared to three or even four meetings for the others.

Given that the purpose of our work is to study the financial performance of Tunisian companies listed on the BVMT, we present in the following the following hypothesis:

H3: the number of audit committee meetings has a negative impact on the performance of Tunisian companies listed on the BVMT.

Research Methodology

Study sample and period

Our research sample is made up of 16 banks operating in Tunisia observed over a period of five years (2017-2021).

In order to analyze the relationship between the two variables financial performance and the audit committee of these financial institutions, we collected data through the accounting statements and reports published on the MACSA and CMF websites as well as referring to circular n°2011-06 of May 20, 2011 of the BCT.

Description of variables

In what follows, we present the measures considered for the various variables that constitute the two models of our research.

The two variables to explain ROA and ROE were retained as a measure of financial performance and the variables of interest are linked to the permanent audit committee.

Dependent variable: financial performance

The assessment and monitoring of performance at a company level represent two essential elements for a company to be effective and efficient. The performance of the firm affects all societal, economic, social, organizational and financial levels. In our research, we will focus mainly on the financial performance of banks operating in Tunisia and study the correlation between the latter and the characteristics of the permanent audit committee. Financial performance is a guide measuring the financial performance of an organization. For an investor, the latter constitutes a criterion on which he bases himself in order to estimate the profitability of an investment. A range of indicators have been used in various researches to measure financial performance such as EVA, Market to book, ROE, Tobin's Q, ROA etc. In our study, we will mainly be interested in studying financial performance through the two indicators ROA and ROE as in the research of Zulkafli *et al.* (2007); Sufian *et al.* (2010); Ong *et al.* (2013); Kim *et al.* (2010); Al-Saidi *et al.* (2013).

Independent variables

Audit committee size

For an audit committee, size is a fundamental factor that supports its success, Al-Jalahma (2022). Indeed, according to Bedard *et al.* (2010), audit committees which are characterized by a significant number of directors are qualified to have a wealth in terms of opinion, examination, professionalism, and acquired knowledge to guarantee higher supervision.

Similarly, MCGG (2012) suggests that the number of directors on an audit committee must be at least 3 people.

Therefore, we will take into consideration the size variable in our study to examine its effect on the financial performance of banks operating in Tunisia. The data relating to this variable were measured through annual reports and Circular N° 2011-06 of May 20, 2011 of the BCT.

Independence of the audit committee

In the context of corporate governance, the audit committee considers itself to be a crucial factor, and this is because the independence of these members allows it, through various control mechanisms, to monitor the deficient conduct of managers according to Bansal *et al.* (2016).

Along the same lines, Hamdan *et al.* (2013) argue that the independence of this body is likely to enable it to effectively monitor the accounting statements.

Likewise, Person (2005) argues that the probability of committing fraud becomes minimal when this committee is autonomous.

Therefore, we will take into consideration the independence variable in our study to examine its effect on the financial performance of banks operating in Tunisia. The data relating to this variable were measured through annual reports and Circular N° 2011-06 of May 20, 2011 of the BCT.

Number of audit committee meetings

For Fakhfakh (2018), the frequency of meetings for an audit committee can be indicative of its effectiveness in the practice of its control functions.

Indeed, Abbott *et al.* (2003; 2004) noted that holding meetings at least four times per year makes it less likely to rework its accounting statements.

Similarly, Aljaaidi *et al.* (2015) noted that the delay in audit reports can be mitigated by meetings held by the latter on a frequent basis.

Therefore, we will take into consideration the meeting variable in our study to examine its effect on the financial performance of banks operating in Tunisia. The data relating to this variable were measured through annual reports and Circular N^o. 2011-06 of May 20, 2011 of the BCT.

Control variables

The two variables size and leverage of banks used in this study represent two control variables that will help us better understand the effect of the audit committee through these characteristics on financial performance.

Size of the company

To measure this variable, we will apply the “natural logarithm of total assets” as it was practiced in the research of Bronson *et al.* 2009; Pearce *et al.* 1989; Sharma *et al.* 2009; Godard 2002.

Debt level

To measure this variable, we will use the following formula “debts / total assets” as in the studies of MC Daniel, (1989); Bouaziz *et al.* (2012) and Turner *et al.* (2001).

Regression model specification

To answer our problem which seeks to examine the relationship between the audit committee through these characteristics and financial performance, we will present our two econometric models in the following:

$$ROA = B_0 + B_1 TAI-CA_{it} + B_2 ID-CA_{it} + B_3 NBR-CA_{it} + B_4 TAI-FRM_{it} + B_5 DBT-FRM_{it} + \varepsilon T_{it}$$

And:

$$ROE = B_0 + B_1 TAI-CA_{it} + B_2 ID-CA_{it} + B_3 NBR-CA_{it} + B_4 TAI-FRM_{it} + B_5 DBT-FRM_{it} + \varepsilon T_{it}$$

With i = company, t = period and ε_t = Error term

Main Results

The main objective of our study is to examine the relationship between the dependent variables relating to audit committees (number of meetings; size, independence) and the independent variables relating to

performance (ROA and ROE). The purpose of this section is to first illustrate the descriptive statistics for the two independent variables and the audit committee variables of interest. Second, we will carry out the linear regression after running the preliminary tests. Finally, we will interpret the results obtained by linear regression.

Descriptive analyses

Table 2. Descriptive statistics relating to the variables used in the two models.

Variables	Observations	Mean	Sd dev.	Minimum	Maximum
ROA	75	0.0047904	0.018467	-0.0816722	0.034
ROE	75	-0.0156564	0.6172945	-4.518481	0.461
Taica	75	3.586667	0.6386924	3	5
Idca	75	1.24	0.4299591	1	2
Nbrca	75	6.2	0.6367145	5	9
Taifrm	75	15.66984	1.596753	13.32366	20.57602
Dbtfrm	75	0.9111459	0.0245411	0.8430289	0.9819249

According to the table above, the results highlight that the level of performance of Tunisian banks measured by Tobin's ROA is on average 0.0047904. Its values range between a minimum of -0.0816722 and a maximum of 0.034 and with a standard deviation equal to 0.018467.

Likewise, the results highlight that the level of Performance of Tunisian banks measured by ROE is on average -0.0156564. Its values extend between a minimum of -4.518481 and a maximum of 0.461 and with a standard deviation equal to 0.6172945.

As for the independent variables, the table above shows that the average audit committee size is 3 with a standard deviation of 3.586667. The size of the audit committee varies between 3 and 5 members.

Furthermore, the table shows that the average independence of board members is 1.24 with a standard deviation of 0.4299591. As for the number of meetings of the audit committee, the latter is on average 6.2 or (7) per year with a minimum of five meetings per year and a maximum of nine meetings per year. Descriptive statistics reveal that the size of Tunisian banks measured through the natural logarithm of their assets does not exceed an average of 15.66984 with a minimum of 13.32366 and a maximum of 20.57602. Finally, the results in Table 1 reveal that the average level of debt of the banks forming our sample is 91%. A debt ratio < 100% means that companies have little debt and are therefore able to resort to long-term borrowing.

Correlation analyses and checking the existence of multi-collinearity

In order to guarantee the absence of a co linearity problem between the independent variables introduced into our model, we will use the Pearson correlation matrix followed by the execution of the VIF test to affirm the absence or presence of this problem.

Pearson Correlation Matrix

According to Kennedy (1985), a Pearson correlation coefficient greater than 0.8 suggests the existence of multi-collinearity between the variables.

Table 3. Pearson correlation matrix

	taica	idca	Nbrca	taifrm	dbtfrm

taica	1				
idca	0.0217	1			
Nbrca	0.0066	0.4146	1		
taifrm	-0.0277	0.1602	0.0825	1	
dbtfrm	-0.1740	-0.0285	-0.0173	-0.0155	1

According to the table above, all of the correlation coefficients are < 0.8 and most of them do not exceed the threshold of 0.5 with a maximum value of 0.4146 between the variable Nbrca and idca. We therefore conclude that there is no problem of multi-collinearity between the variables included in our model.

VIF Test

In order to confirm the results presented at the level of the Pearson matrix, we will carry out the VIF test. According to Chatterjee, Hadi and Price (2000) and Hamadi *et al.* (2016), there is a multi-collinearity problem when the VIF value is greater than or equal to 10 with a mean VIF greater than 2.

Table 4. VIF test

Variables	VIF	1/VIF
Taifrm	1.23	0.811326
Dbtfrm	2.05	0.827769
Idca	1.03	0.968321
Nbrca	1.03	0.968803
Taica	1.03	0.972779
VIF Mean = 1.11		

According to the results presented in the table above, we can see that no variable in our model has a value > 10 and that the average VIF does not exceed 2. We can therefore conclude through the matrix of Pearson correlation as well as the VIF test means the absence of multi-collinearity between the explanatory variables of our two models.

Hausmann Test and regression results

We consider the Hausman test for our panel data in order to choose to interpret MCO or MCG regression model.

Table 5. Hausman Test

	Value	Signif.	Model to choose
Hausman Test	39,07	0,0000 < 5%	Fixed effects

From the table above, we see that the probability which is equal to 0.0000 is below the critical value chi 2 which is equal to 5%. This therefore means that the model to choose to analyze is a fixed effect.

Regression Results

Table 6. Results of the main regression analyses

Variables	coefficient	P> t
Taica	.0095726	0.001***
Idca	.0077524	0.096*
Nbrca	.0024299	0.433
Taifrm	-.0029839	0.010**
Dbfrm	-.242811	0.002**
R² = 0.3786		

*** sig a 1%, ** sig a 5%, * sig a 10%.

Table 5 shows regression with the year-fixed effect and we can confirm that our hypotheses about Taica, Idca, Taifrm, Dbfrm are confirmed.

For the explanatory and regarding the control variables, we note

First of all, there is both a positive (0.0095726) and significant ($p = 0.001 = 1\%$) association between the taica variable and Tobin's Q. This result is consistent with our first suggestion. We therefore validate our first hypothesis H1.

This shows that the financial performance of Tunisian companies is positively affected by the number of directors forming the audit committee. Indeed, Bedard *et al.* (2004) suggest that it is necessary to increase the number of directors in an audit committee in order to guarantee better effectiveness in supervising the financial and accounting process.

In addition, a positive (0.0077524) and significant ($P = 0.0964 < 10\%$) association was noted between the two variables Tobin's Q and idca. The independence of the members of the Board of Directors does affect the Performance of listed Tunisian companies. However, a negative (-0.0029839) and significant association ($P = 0.010 < 5\%$) is noted between the two variables Q of Tobin and Taifrm. Indeed, according to Vafeas (1999), the number of meetings can be advantageous for a company when the benefits derived from the meetings exceed the costs incurred. This leads us to believe that in the case of our companies, the costs incurred for organizing meetings are greater than the profits obtained from them. Finally, we note the existence of a negative association (-.242811) and also significant ($P = 0.002 < 5\%$) between the two variables Q of Tobin and dbtfrm.

From the results obtained, we can conclude the following:

- The size as well as the number of meetings of the Board of Directors constitute two determining elements of the Performance of Tunisian companies.
- The level of debt as well as the size of the company are negatively linked (-) to the Performance of Tunisian companies.

Conclusion

The object of our research consists mainly of analyzing the link between the characteristics relating to the audit committee and the financial performance of Tunisian companies measured by Tobin's Q. This study seeks to deepen and complement previous reviews by studying this link in the Tunisian context.

It is in this context that the problem of our dissertation is inserted, which aims to study the effect of the determinants of the audit committee on the financial performance of Tunisian firms.

To state the hypotheses of our work, we mobilized various theories such as: agency theory, institutional theory and signal theory.

To answer our problem, we first distributed a questionnaire to 17 Tunisian companies listed on the stock exchange (BVMT) over a period of two years (2020-2021) given the unavailability of relative data to the Audi Committee on the Bourse des Valeurs Mobilières de Tunis website. Then, we specified an econometric model relating the variables relating to the characteristics of the audit committee and financial performance measured by Tobin's Q. The estimation of this model allowed us to conclude that all our hypotheses are validated.

According to the results obtained, we note that the variable relating to the size of the audit committee has a positive influence on financial performance measured by Tobin's Q. On the other hand, the variable relating to the number of meetings held by the audit committee has a negative impact on the financial performance of listed Tunisian companies.

Despite the contributions of our research, it has limitations. Indeed, several establishments were not included in the sample such as investment companies, leasing companies as well as banks and insurance companies given the specificity of their accounting standards. This limit, however, represents a perspective towards future studies within these establishments.

References

- Abbott L., Parker S. et G.F. Peters (2002). Audit Committee Characteristics and Financial Misstatement: A Study of the Efficacy of Certain Blue Ribbon Committee Recommendations : SSRN Electronic Journal 23(26).
- Adja H., Rabah K. et C. Olivier (2021). Apport de l'audit interne à la gouvernance des entreprises : cas de l'Algérie. *Revue des reformes Economiques et intégration dans l'économie mondiale*, Vol 15(1), pp 455-472.
- Ammar S. (2013). Le rapport portant sur les éléments du contrôle interne : aller au-delà du reporting réglementaire et analyser les discours. *La Revue Gestion et Organisation*, Vol 5(1), pp. 88-95.
- Amran N. et A.C. Ahmad (2009). Family Business, Board Dynamics and Firm Value : Evidence from Malaysia. *Journal of Financial Reporting & Accounting*, Vol. 7(1), 53-74.
- Al Farooque O., Buachoom W. et L. Sun (2020). Board, audit committee, ownership and financial performance – emerging trends from Thailand. *Pacific Accounting Review*, Vol. 32(1), pp. 54-81.
- Al-Okaily J. et S. Naueihed (2019). Audit committee effectiveness and family firms: impact on performance. *Management Decision*, Vol. 58(6), pp. 1021-1034.
- Al-Jalahma A. (2022). Impact of audit committee characteristics on firm performance : Evidence from Bahrain. *Problems and Perspectives in Management*, 20(1), 247-261.
- Al-Baidhani A. (2016). The Role of Audit Committee in Corporate Governance: Descriptive Study. *International Journal of Research & Methodology in Social Science*, Vol. 2, No. 2, pp.36-45 (April – June, 2016). ISSN 2415-0371.
- Aljifri K. et M. Moustafa (2007). The Impact of Corporate Governance Mechanisms on the Performance of UAE Firms: An Empirical Analysis. *Journal of Economic & Administrative Sciences*, Vol. 23(2), pp 71-93.
- Ben Taleb D. et Jarniou C. L. (2011). Enracinement des dirigeants vers une intégration des clients dans la gouvernance des entreprises Cas des entreprises Tunisiennes Cotées. *Recherches en Sciences de Gestion -Management Sciences - Ciencias de gestión*, n° 87, pp. 117-141.
- Boujenoui A., Zozec R. D. Zeghal (2004). Analyse de l'évolution des mécanismes de gouvernance d'entreprise dans les sociétés d'État au Canada. *Finance Contrôle Stratégie*, Vol 7, N° 2, pp. 95 – 122.
- Boussayoud D. et Boumediene Y. (2018). Les apports du comité d'audit à la fonction d'audit interne. *إف تصادية دراسات*, Vol12(2), pp 438-445.
- Boumaza H. et B. Guendouzi (2014). La nécessité d'un comité d'audit au sein des sociétés cotées. *Revue d'économie et de statistique appliquée*, Vol 11(2), pp 324-350.
- Bouaziz Z. et M. Triki (2012) : L'impact de la présence des comités d'audit sur la performance financière des entreprises tunisiennes : MPRA Paper 42175, University Library of Munich, Germany.
- Bansal N. et A. K. Sharma (2016). Audit Committee, Corporate Governance and Firm Performance: Empirical Evidence from India. *International Journal of Economics and Finance*, 8(3), pp 99- 103.
- Broye G. (2009). Honoraires d'audit et comités d'audit : le cas de la France. *Comptabilité – Contrôle – Audit*, Vol 15(1), pp. 199-224.
- Broye G. et Moulin I. (2010). Rémunération des dirigeants et gouvernance des entreprises : le cas des entreprises françaises cotées. *Finance Contrôle Stratégie*, Vol. 13(1), pp. 67-98.
- Carassus D. et Gardes N. (2005). Audit légal et gouvernance d'entreprise : une lecture théorique de leurs relations : Colloque de l'IAAER, Bordeaux, France. hal-03083172f.
- Chaker S. et S. Youssef (2020). La relation entre l'audit interne et le comité d'audit : *Revue Du contrôle, De La Comptabilité Et De l'audit*, 2(3).

- Charlier P. et G. Lamber (2009). Analyse multivariante de la performance des PME familiales. Une lecture par la théorie positive de l'agence : *Management international* vol. 13(2), pp. 67-79.
- Charreaux G. (1994). Conseil d'administration et pouvoirs dans l'entreprise. *Revue d'économie financière*, Vol 31, pp. 49-79.
- Charreaux G. (1996). Vers une théorie du gouvernement des entreprises : Working Papers CREGO 0960501, Université de Bourgogne - CREGO EA7317 Centre de recherches en gestion des organisations.
- Compernelle T. (2010). Les tribulations du comité d'audit des états-unis jusqu'à LA France : Journées d'Histoire de la Comptabilité et du Management, 2010, France. halshs00465805f
- Dionne-Proulx J. et G. Larochelle (2010). Éthique et gouvernance d'entreprise. *Management & Avenir*, Vol 2 (32), pp 36 à 53.
- Dellai H. et M.A. Omri (2018). Impact de l'interaction entre le comité d'audit et la fonction de l'audit interne sur l'efficacité de l'audit interne. *Gestion* 2000, Vol 35, pp. 121-141.
- Daryaei A.A. et Y. Fattahi (2020). The asymmetric impact of institutional ownership on firm performance: panel smooth transition regression model : *Corporate Governance International Journal of Business in Society*, 20(7).
- Escaffre L. et A. bbadi (2016). Le rapport d'audit comme un signal potentiel à la disposition des pme françaises : proposition d'un design de recherche. *Comptabilité et gouvernance*, Clermont-Ferrand, France. cd-rom. (hal-01900824).
- Hamdan A., Sarea A. et Reyad S. (2013). The Impact of Audit Committee Characteristics on the Performance : Evidence from Jordan : *SSRN Electronic Journal* 9(1) : 32-42.
- Hirigoyen G. (2009). Concilier finance et management dans les entreprises familiales. *Revue française de gestion*, Vol 8, pp. 393-411.
- Idrissi N. et A. Loulid (2020). Effet des mécanismes de gouvernance sur la performance des sociétés Marocaines cotées en bourse. *Contrôle, Comptabilité audit*, 2(1).
- Jara-Bertin M. et J.P. Sepulveda (2016). Earnings management and performance in family-controlled firms: Evidence from an emerging economy. *Academia Revista Latinoamericana de Administración*, Vol. 29(1), pp. 44-64.
- Kaabi I. et M.T. Rajhi (2018). Effet des caractéristiques du comité d'audit sur la divulgation du capital intellectuel. *La Revue Gestion et Organisation*, 10(2).
- Kallamu B. S. et Saat N. A. (2015). Audit committee attributes and firm performance : evidence from Malaysian finance companies. *Asian Review of Accounting*, Vol. 23(3), pp. 206-231.
- Klein A. (2002). Audit Committee, Board of Director Characteristics, and Earnings Management. *Journal of Accounting and Economics*, Vol 33(3), pp 375-400.
- Lin J., Li J. et J.S. Yang (2006). The effect of audit committee performance on earnings quality, *Managerial Auditing Journal*, 21(9), pp 921-933.
- Omri M. (2002). Rôle des Investisseurs Institutionnels et Performances des Entreprises Tunisiennes. *La Revue des Sciences de Gestion Direction et Gestion*.
- Oussii A. A. et Taktak Boulila N. (2017). Impact des interactions formelles et informelles entre la fonction d'audit interne et le comité d'audit sur la mise en œuvre des recommandations du rapport d'audit interne. *Accountability, Responsabilités et Comptabilités*, May 2017, Poitier, France. pp.cd-rom. (hal-01907491).
- Puni A. et Anlesinya A. (2020). Corporate governance mechanisms and firm performance in a developing country. *International Journal of Law and Management*, Vol. 62 No. 2, pp. 147-169.
- Qeshta M., Hezabr A., Basel J. et M.S. Oudat (2021). Audit Committee Characteristics and Firm Performance : Evidence from the Insurance Sector in Bahrain : *Revista Gestão Inovação e Tecnologias*, 11(2), pp. 1666 – 1680.
- Madani W. et W. Khelif (2005). Effets de la structure de propriété sur la performance comptable : étude empirique sur les entreprises tunisiennes industrielles non cotées : *Comptabilité et Connaissances*, France. CD-Rom. (halshs-00581192).
- Marrakchi Chtourou S. et S. Ben Hassine. (2006). Impact de la mise en place des comités d'audit dans les banques tunisiennes. *Comptabilité, contrôle, audit et institution(s)*, Tunisie. pp.CD-Rom. fhalshs-00548104
- Mtaniou R. et M. Paquero (2000). Structure de propriété et sous-performance des firmes : une étude empirique sur le marché au comptant, le règlement mensuel et le second marché. *Finance Contrôle Stratégie*, Vol 2(4), pp. 157 – 179.
- Marcelo S., Pagliarussi M. et Michel Leme (2020). The institutionalization of management control systems in a family firm. *Qualitative Research in Accounting & Management*, Vol. 17(4), pp. 649-673.
- Martin R. et W. Hiebl, (2014). Risk aversion in the family business : the dark side of caution. *Journal of Business Strategy*, Vol. 35(5), pp. 38 – 42.
- Mohamed Khenissi (2014) : le rôle des mécanismes de gouvernance dans la détermination de la rémunération des dirigeants : une analyse des sociétés cotées au SBF 120 : *vie & sciences de l'entreprise* 198(2).
- Maraghni I. et M. Nekhili (2014). La diligence du comité d'audit dans les entreprises françaises : question d'indépendance ou de compétence ?. *Comptabilité Contrôle Audit*, Vol 20), pp 95-124.
- Maraghni I. et M. Nekhili (2017). Caractéristiques du comité d'audit et honoraires d'audit : cas des entreprises françaises. *Accountability, Responsabilités et Comptabilités*, Poitier, France. cd-rom. hal-01907594f.
- Maraghni I., Nekhili M. et T. Chtioui (2016). Caractéristiques du comité d'audit et étendue du reporting sur le contrôle interne : cas des entreprises françaises. *Comptabilité et gouvernance*, Clermont-Ferrand, France. cd-rom. (hal-01901185).
- Moussamir A. et M. Aouina (2020). La contribution du comité d'audit dans la qualité du processus d'audit financier : Une revue de littérature. *Revue Internationale des Sciences de Gestion*. 3, 4 (Nov. 2020).
- Ouashil M. et S. Ouhadi (2020). Le contrôle interne face à l'émergence de nouvelles formes des risques : cas de la fraude : *Revue Internationale des Sciences de Gestion*. Vol 2(2).
- Othman R., Ishak I., Asman M. et N. Abdul (2014). Influence of audit committee characteristics on voluntary ethics disclosure. *Social and Behavioral Sciences*, Vol 145(25), pp. 330-342.

- Piot C. et Kermiche L. (2009). À quoi servent les comités d'audit ? : Un regard sur la recherche empirique : Comptabilité-contrôle-Audit, Vol 12, pp. 9-54.
- Pochet C., et Yeo H. (2004). Les comités spécialisés des entreprises françaises cotées : mécanismes de gouvernance ou simples dispositifs esthétiques ? . Comptabilité - Contrôle - Audit. Vol 2, pp. 31-54.
- Rainsbury E., M. Bradbury et Cahan S. (2009) : The impact of audit committee quality on financial reporting quality and audit fees. Journal of Contemporary Accounting & Economics, Vol 5(1), pp 20-33.
- Saleem E. et Alzoubi E. (2019). Audit committee, internal audit function and earnings management : evidence from Jordan. Meditari Accountancy Research, Vol. 27(1), pp. 72-90.
- Sellami B. (2008). Gouvernement d'entreprise et investissement en r&d : une étude sur le SBF 250. la comptabilité, le contrôle et l'audit entre changement et stabilité, May 2008, France. pp.CD Rom. {halshs-00525983}.
- Singh Kang L. et P. Nanda (2018). What determines the disclosure of managerial remuneration in India ? . Journal of Financial Reporting and Accounting, Vol. 16(1), pp. 2-23.
- Saridakis G., Lai Y., Torres R.M. et Mohammed A. (2017). Actual and intended growth in family firms and non-family-owned firms: are they different ? . Journal of Organizational Effectiveness : People and Performance, Vol. 5(1), pp. 2-21.
- Tarek Roshdy Gebba (2015). Corporate Governance Mechanisms Adopted by UAE National Commercial Banks, Journal of Applied Finance & Banking, Vol. 5(5), pp. 1-2.
- Thraya M.-F. (2009) : Impact de la concentration de l'actionnariat sur la performance des entreprises acquéreuses : CERAG - Centre d'études et de recherches appliquées à la gestion - CNRS - Centre National de la Recherche Scientifique - UPMF - Université Pierre Mendès France - Grenoble 2.
- Triki Damak S. (2013). The corporate governance mechanisms : evidence from Tunisian banks. IOSR Journal of Business and Management, Vol 9(6), pp. 61-68.
- Tournus P. (2014). Influence of Family Ownership and Management on Firm Performance: Evidence from Public Firms in Turkey. Revue de l'Entrepreneuriat 13(3).
- Yves Pigneur (2011). Une perspective institutionnelle. Systèmes d'information & management ,Vol 16, pp 3-7.
- Zarai M. et W. Bettabai (2007). Impact de l'efficacité des comités d'audit sur la qualité des bénéfices comptables divulgués. Revue Gouvernance, 4(1).
- Zéghal D., S. Chtourou et Makni Fourati Y. (2006). Impact de la structure de propriété et de l'endettement sur les caractéristiques du conseil d'administration : étude empirique dans le contexte d'un pays émergent. Comptabilité, contrôle, audit et institution(s), CD-Rom. {halshs-00558225}.
- Theses :
- Boumaza H. (2015). La contribution du comité d'audit à la qualité de l'information financière : le cas des entreprises françaises cotées. Thèse de doctorat. Université de Poitiers
- Chabbou B. (2004) : Distributions et coûts d'agence : Le cas des sociétés d'assurance de personnes à capital-actions opérant au Canada. Essai de maîtrise (MBA-Finance). Université Laval, Faculté des Sciences d'administration.
- Hadjar A. (2015). Gouvernance et Performance des PME dans les Pays en Transition. Thèse de doctorat. Faculté de Sciences Economiques, Commerciales et Sciences de Gestion.
- Tarabay C. (2016). L'impact de l'audit interne sur les performances des PME. Thèse de doctorat. Université de Lorraine.

ANNEX

xtreg ROA Taica Idca Nbrca Taifrm Dbtfrm,fe

Fixed-effects (within) regression Number of obs = 75

Group variable: Année Number of groups = 5

R-sq:	Obs per group:
within = 0.3786	min = 15
between = 0.0991	avg = 15.0
overall = 0.3630	max = 15

F(5,65) = 7.92

corr(u_i, Xb) = 0.0097 Prob > F = 0.0000

ROA | Coef. Std. Err. t P>|t| [95% Conf. Interval]

-----+-----
Taica | .0095726 .0028872 3.32 0.001 .0038064 .0153388

Idca	.0077524	.0045904	1.69	0.096	-.0014152	.0169201
Nbrca	.0024299	.0030775	0.79	0.433	-.0037164	.0085761
Taifrm	-.0029839	.0011219	-2.66	0.010	-.0052244	-.0007433
Dbtfrm	-.242811	.0751986	-3.23	0.002	-.392993	-.0926291
_cons	.2137711	.0765313	2.79	0.007	.0609277	.3666146

+-----

sigma_u | .00446201

sigma_e | .01513041

rho | .08000986 (fraction of variance due to u_i)

F test that all u_i=0: F(4, 65) = 1.19

Prob > F = 0.3217