

The Impact of Board Meetings Frequency on Firm Performance

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ABSTRACT

Introduction: The purpose of this study is to investigate the impact of Board Meetings Frequency on Firm Performance in capital goods sector firms listed on Colombo Stock Exchange (CSE).

Design/Methodology/Approach: Data were collected from 17 capital goods sector firms from 2015 to 2020. Panel Regression has been used as analyzing technique. Board meeting frequency, audit committee meeting frequency, remuneration committee meeting frequency and related party transaction committee meeting frequency were used as independent variables and Return on Assets (ROA) and Return on Equity (ROE) were used as dependent variables. As control variables, Firm size and board size were used.

Findings: According to the data analysis, Board meeting frequency shows a marginally significant positive impact on ROA and a positive significant impact on ROE. Related party transaction committee meeting frequency is the only variable that has a significant impact on both ROA and ROE.

Conclusion: The study fulfills the existing research gap. Therefore, Board meetings impact on the firm performance after controlling for other effects. Future studies can consider qualifications and years of service of the board members and ratio of board attendance on the effectiveness of the various committee meetings.

Keywords: *Board Meeting, Corporate Governance, Firm Performance, Committee Meetings frequency*