

## Editors' Note

It is our pleasure to present the first issue of Volume 9 of the Asian Journal of Business and Accounting (AJBA).

In this issue of AJBA, we have selected six papers for publication; all but one were the results of funded research. Four of the papers were authored by international scholars from emerging countries in Asia namely Thailand, Indonesia and Bangladesh, and two papers were authored by researchers from Malaysia.

The first paper by Thanatawee examines the impact of open market share repurchases on stock liquidity of listed companies in Thailand over a period of 13 years, from 2002 to 2014. His research reveals that repurchasing shares can help increase stock liquidity but aggressive repurchasing over a short period of time has the contrary effect. This is consistent with the information asymmetry hypothesis which posits that managers are better informed thus, could use inside information to trade against outsiders, a governance issue.

In the second paper, Wong and Hooy investigate the impact of elections in Indonesia, Malaysia and Thailand on stock market returns of government-owned banks from 2000 to 2013. Using event study methodology to capture the effect of short-horizon, the findings indicate that after elections, stock return rises more for government-owned banks as compared to non-government owned banks. This suggests that government-owned banks are reliant on their owners. Interestingly, this paper finds that the significance of government ownership on stock return, immediately after election, is highest in Malaysia followed by Thailand and Indonesia. The findings contribute to the extant literature on the political connections of financial firms where undertaken research is limited.

The theme of governance is continued by papers written by Ahmed and Naima; Togok, Isa, and Zainuddin; and Utami and Nahartyo. One of the aims of good governance is to mitigate fraudulent financial reporting and opportunistic earnings management. In Ahmed and Naima, the Beneish Model (1999) was employed to identify the signs of earnings manipulation among firms in Bangladesh. Their findings suggest that the dominating indicative ratios relate to inflated revenues, capitalising expenses and overstating intangibles.

In Malaysia, the *Bursa Malaysia* has issued guidelines with the aim of improving governance practices and enhancing transparency among firms listed on the stock exchange. In looking at the guidelines pertaining to risk management and internal control of listed firms, Togok et al. investigate firms' disclosure of their risk management before and after the implementation of the guidelines. They find that the overall level of disclosure had increased. They also find that more than half of the respondents in the online survey confirmed that enterprise risk management is an integral part of their organisations.

In finance, auditors play a role in mitigating the risk of fraudulent financial reporting. Utami and Nahartyo conduct an experimental research on the audit decision making process during the planning stage. They find that group support system based on interactive review increases the accuracy of audit decisions, thereby supporting the notion that information technology can be adopted as a control mechanism for the auditing process.

The last paper by Buaprommee and Polyorat, highlights the function of information technology in our daily life. They note that a 'traceability system' can be implemented within meat supply chain for more effective handling of meat safety and quality issues. Using data analysed with structural equation modeling, Buaprommee and Polyorat developed a causal model for intention to purchase traceable meat. They find that the significant determinants of this intention include perceived information asymmetry, perceived informativeness, subjective norm and perceived usefulness. As discerning customers clamour for safe meat, suppliers may need to disclose full information to ensure sustainability of their business.

Sustainability is an issue close to our hearts. Since the publication of AJBA in 2008, we have witnessed a substantial increase in the number of submissions. Submissions in Q1 2016 almost doubled that of Q4 2015. Nevertheless, our associate editors, members of our international advisory board and reviewers have relentlessly provided support. We would not have made it thus far without their continuous support, and we wish to record our deepest gratitude. Herewith, we also extend our formal thanks to Azlina Abdul Jalil and Norhayah Zulkifli for their assistance in the management of the journal these past months. Their intellectual contribution is greatly appreciated.

We also wish to thank the Malaysian Accountancy Research and Education Foundation (MAREF) for their financial support. To authors and researchers, it is our sincere hope that the papers published in this journal will spawn research and publication ideas.

Thank you and Happy reading!

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# Asian Journal of Business and Accounting

Vol. 9 No. 1

2016

ISSN 1985-4064

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