"Ownership Structure and Corporate Performance: A Case of Jordanian Companies"

By:
Mohammad Abdel Raouf Kharabsheh
Bachelor Degree of Marketing, Yarmouk University, 2002.

“A Thesis Submitted in Partial Fulfillment of the Requirements for the Master’s Degree of Banking and Finance in the Department of Banking and Finance, Yarmouk University, Irbid, Jordan.”

Thesis Committee:

Dr. Kamal Al-Qudah ................................ Chairman

Prof. Hisham Gharibeh .................................. Member

Dr. Mona Almwalla ........................................ Member

Dr. Nedal Al-Fayoumi .................................. Member

2004
Abstract

“Ownership Structure and Corporate Performance: A Case of Jordanian Companies”

By:
Mohammad Abdel Raouf Kharabsheh

Supervisor:
Dr. Kamal Al-Qudah

This study describes the main characteristics of ownership structure of Jordanian non-financial firms listed on the Amman Stock Exchange (ASE), and examines the impact of ownership structure on corporate performance, firm value, and risk-taking behavior of Jordanian firms. It has sampled 74 non-financial companies to be studied over the period spanning from 1998 to 2002. In addition, this study used ordinary least squares regression to analyze the data. The results indicated that the Jordanian non-financial corporations can be characterized as concentrated corporations. Ownership structure is defined along two attributes: concentration and identity of the owner. This study concludes that there is a significant impact of ownership concentration on both performance and firm’s value, while ownership mix affects the corporate performance, firm’s value, and capital market risk measurements.

Key Words: Ownership Structure, Corporate Performance, Firm Value, Risk-taking.