The authors of this monograph analyzed the effect of 20 different governance provisions and report that companies with the fewest restrictive provisions in their industries have the best industry-adjusted performance. About the Author(s). Jonathan Karpoff. Corporate boards are in the relatively unusual position of assessing their own performance and setting their own rewards. Relying heavily on the firm’s top managers to hold the board accountable is, as Kennedy points out, fraught with problems, because it compromises the independence the board needs to establish. Our research suggests boards should consider several steps to ensure that they will respond to the firm’s multiple stakeholders. Use the results of the evaluation and benchmarking of other firms to review corporate governance procedures on a regular basis. Require directors to resign when they change their primary job or take on additional board memberships. Good corporate governance moderates the effect of investment decisions and going concern audit opinion. A capital structure is an essential element in determining the company's success by combining debt and equity (Abor, 2005). Any mistaken decision to optimize the financial structure would cause corporate financial distress and bankruptcy (Eriotis et. al., 2007). \[ \text{CAP/BVA: Capital Addition to Assets Book Value Ratio} \]
\[ \text{DAR: Debt to Asset Ratio} \]
\[ \text{DER: Debt to Equity Ratio} \]

In Table 2, indicators that enhance the moderating effect of good corporate governance on investment decisions are \( \text{CAP/BVA} \times \text{IO} \) and \( \text{CAP/BVA} \times \text{PAC} \). Investment opportunity set, corporate governance practices and firm performance. Journal of corporate. The practice of corporate governance is strongly influenced by the parties involved in the management system of a company such as shareholders, investors, creditors, employees, and government. Good corporate governance is expected to increase firm performance. The main objective of the implementation of good corporate governance is to optimize value for shareholders and stakeholders in the long run. This research tries to prove that corporate governance that is performed well can improve firm performance. Generally, this study is aimed to examine whether corporate governance mechanisms and pri