

Summary

Thesis Abstract

Süleyman Gökhan Günay, "The Impact of Managers' and/or Directors' Perceptions of Corporate Governance on the Financial Performances of Industrial Firms in Turkey: Comparison of the Stockholder and the Stakeholder Governance Models"

The purpose of this thesis is to compare firms that implement stakeholder governance model with the firms that implement stockholder governance model in terms of their financial performances in Turkey. Since no comprehensive corporate governance model is found during the literature review, the universal model of corporate governance is induced by the help of twelve theories and thirty-six variables. These twelve theories and thirty-six variables are either related to stockholder governance and/or stakeholder governance models. After the process of induction, this corporate governance model is deduced with the research findings related to the stockholder and stakeholder governance models. The study has five important findings. First, it is found that business environment in Turkey shifted from the public-interest dominated culture to the self-interest dominated culture. Second, the firms which give importance to corporate social responsibility (CSR) will not carry additional financial burdens when compared to the firms which do not operationalize CSR activities for their stakeholders. Third, stakeholders (i.e. environment and society) are perceived by the corporate governors as the irrelevant stakeholders. These empirical findings suggest that corporate social performance rather than corporate social responsibility makes sense for the corporate governors in Turkey due to their ignorance of society and natural environment as a relevant stakeholder for their firms. Fourth, corporate governors have tendencies to perceive their firms as a bundle of human assets, be accountable to their stockholders, cooperate with their stakeholders, and form stable relationships with their stakeholders. Fifth, industrial firms in Turkey operate in a chaotic and paradoxical environment.