

THE RELATION BETWEEN CORPORATE GOVERNANCE AND THE PERFORMANCE IN THE BRAZILIAN PUBLIC COMPANIES

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ABSTRACT

This work aimed to study the assumed relation between the enforcement of Corporate Governance rules and guidelines internationally accepted, and the financial performance of Brazilian listed companies. The development of the capital market triggered several complex mechanisms of property structure and company management, which are related to the return to the shareholders for having their implementation justified. To answer the goal proposed, the quarterly means of the ROEs from 2008 to 2011 of two companies samplings: one containing 98 companies in the segment New Market of Corporate Governance of the Bovespa and another one containing 138 of the Traditional segment were calculated.. It was assumed that the New Market of the Bovespa stamp represents the presence of Corporate Governance, and the financial performance was measured by the ROE (Return on Equity) index. After the data analysis in the Mann-Whitney statistical test to compare the means, it was concluded that the quarterly means of the ROEs of companies of the New Market is higher than the ones of the companies of the Traditional segment. Therefore, this study concluded that the Brazilian listed companies which adopted aspects of Corporate Governance in the period studied had a better performance than the ones which did not adopt such aspects.

Keywords: *Corporate Governance, Performance, Board of Directors, Agency Problem, New Market*