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The Moderating Role of Organizational Culture on the Relationship between Corporate Governance Dimensions and Financial Performance in Saudi Manufacturing Industry: A Theoretical Framework

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Abstract
Corporate governance (CG) is critical in developing a corporate culture of awareness, transparency, and openness. Despite this, previous studies have not yet reached an agreement on the most important dimensions of CG implementation and their correlation with the financial performance of financial and non-financial companies, and there is a scarcity of studies that examined variables such as organisational culture (OC) that could improve CG implementation and their relationship with firm financial performance, particularly in developing countries. This paper provides a brief overview of the dimensions of CG implementation, which are board properties, audit committee characteristics, and transparency and disclosure as the most important dimensions of CG implementation, and their impact on financial performance in developing-country manufacturing firms. Furthermore, the purpose of this study is to look into the role of OC as a moderating variable in the relationship between the implementation of CG dimensions (board properties, audit committee characteristics, and transparency and disclosure) and the financial performance of manufacturing firms in developing countries. A conceptual model was developed for this study based on previous literature, revealing that there is a theoretical correlation between board properties, audit committee characteristics, and transparency and disclosure as main dimensions of CG implementation and financial performance in developing countries' manufacturing firms, most notably, this study also theoretically demonstrated the role of OC as a primary determinant in affecting the association between CG dimension implementation and financial success in manufacturing enterprises in developing countries. However, to explore correlations in the suggested model, these theoretical conclusions require a survey of a sample of executive directors in manufacturing enterprises in a developing country such

as Saudi Arabia. Based on the theoretical findings of this study, this study contributes to raising awareness among manufacturing business managers in developing countries about the importance of CG dimensions and OC in enhancing their companies' financial performance. Furthermore, the current study is regarded as a foundation for future research and studies, particularly in the context of CG, OC, and financial performance in manufacturing enterprises in developing nations.
Keywords: Corporate Governance, Organizational Culture, Financial Performance, Board of Directors' Characteristics, Audit Committee, Transparency and Disclosure

Introduction

The international market today is considered a global village in its scale and scope. This is because of the spread of globalization as well as advancements that take place in the environment in which businesses operate. In addition to advancements in technology and regulatory frameworks, fluctuating tastes of customers, and fierce rivalry, the corporate economy faces obstacles (Ali et al., 2020; Anton & Nucu, 2020). As a result of the expansion of the economy, manufacturing businesses of all kinds (whether large or small) are confronted with a multitude of issues that not only jeopardize its entity but also their capacity to accomplish their objectives (Berry-Stolzle et al., 2018; Al-Nimer et al., 2021). Therefore, businesses need to work on refining their plans and policies to make the most of the resources at their disposal and achieve sustainable growth over the long term. One of these measures is corporate governance, which contributes to the maintenance of a consistent level of performance among businesses (Naciti et al., 2022) It is a system that enables companies to achieve a secure environment for investors over the long term, and it enables companies to monitor and supervise the performance of their companies. In addition, it enables companies to gain a highly competitive advantage and achieve high performance through the practice of corporate governance.

Therefore, a corporation's operations can be directed and controlled through a process known as corporate governance (Cadbury Report, 1992). It "delivers rights and obligations among the many actors in the firm, including as the board, management, shareholders, and stakeholders, and lays down the rules and procedures for making decisions," as the Harvard Business Review puts it (OECD, 2004). Discussions about corporate governance are becoming commonplace in many parts of the world. Several factors, such as company failures, hostile takeovers, and bad corporate behavior, have contributed to this. For that, more and more individuals around the world are paying attention to corporate governance because they believe it has the power to impact a company's success and safeguard its interests. Furthermore, good corporate governance standards benefit businesses by attracting investors, lowering their risk, and enhancing their performance (Rezaee, 2009). In addition to being crucial for organizations' financial health and performance, corporate governance is also significant because of the financial crisis and the highly competitive business climate. While Measuring the quality of the Corporate Governance systems in place and how they affect the market value and performance of the company is essential for determining whether or not investing in an effective corporate governance system is worthwhile.

Despite the growing importance of applying corporate governance in many organizations, there is still no agreement among researchers regarding its dimensions (Alsahafi, 2017; Hamdan et al., 2017; Al-sulaihim, 2020; Rao, 2018). Thus, there are still many opportunities for the research community to expand the conceptual and experimental corpus on the dimensions of corporate governance and their direct relationship to the financial performance of organizations. Moreover, a group of researchers affirm that the success of corporate governance is influenced by several criteria pertaining to the board of directors, audit committees, and the level of transparency (Rao, 2018; Shaji & Shajahan, 2020; Khan et al., 2021; He, 2021; Al-Faryan, 2021). However, prior research has demonstrated the significance of corporate organizational culture (OC) in promoting the effective implementation of a company's strategy and performance, even though the level of organizational culture appears to be the most important factor (Ali et al., 2017; Chen et al., 2019). Several studies indicate that organizational culture is one of the most pressing issues facing corporate governance executives. Despite the importance of organizational culture (OC) in the successful implementation of corporate governance and the improvement of the company's financial performance, there are very few studies that have examined the relationship between the dimensions of OC and corporate governance with financial performance, particularly in developing countries (Sari and Lubis,2018; Yuliastuti and Tandio, 2020). As a result, the purpose of this article is to provide the research community with a better understanding of the relationship between the dimensions of CG, OC, and the Financial performance of developing nations Based on the objective of the study, the second section of this paper is a literature review of the dimensions of corporate governance, organizational culture, and the financial performance of manufacturing companies. The following section of the article presents the study's theoretical foundations. This means the model will illustrate the moderating effect of OC on the relationship between corporate governance dimensions and manufacturing firms' financial performance. The final section contains the study's conclusion and recommendations for future research.

Literature Review and Hypothesis

Corporate Governance (CG)

Corporate governance is distinct from regular company operations; instead, it regulates executive behavior and interactions with both internal and external beneficiaries. According to Cadbury (1992), corporate governance refers to the organizational framework that corporations utilize to manage and oversee their businesses. These strategies promote a supportive work environment that helps the company accomplish its goals. The board of directors and committees, such as the audit committee, act as a middleman between managers, business owners, shareholders, and stakeholders to apply the principle of transparency and disclosure. When it comes to putting the principle of openness and disclosure into practice, the board of directors and committees, such as the audit committee, act as representatives, serve as a mediator, and act as a link between managers, business owners, shareholders, and stakeholders.

Because corporate governance regimes vary from nation to nation, it can be challenging to define what constitutes "excellent" corporate governance. Although many nations have developed laws establishing acceptable behaviors, how those laws are applied differs from nation to nation. This is partially explained by regional cultural variances. As a result, prior studies on corporate governance have typically concentrated on a range of elements that represent CG implementation. While the researchers disagreed with one another in terms of their disparate findings, including how they used the aspects of corporate governance in various nations and business sectors. This study is regarded as one of the most recent investigations of the elements of corporate governance related to the audit committee, the board of directors, and the requirements for disclosure and transparency for businesses operating in the manufacturing sector in one of a developing nation .

Regarding the effect of CG dimensions on Financial Performance, as well. The relationship between corporate governance (CG) and financial performance has been the subject of numerous studies, although prior work has not been able to reach a consensus on the CG dimensions and their effects on financial performance. Additionally, past studies on the effect of CG on firm financial performance had conflicting findings. Some research (e.g., Mahrani & Soewarno, 2018; Rao, 2018; Shaji & Shajahan, 2020; Khan et al., 2021; He, 2021; Al-Faryan, 2021) discovered that CG had a considerable beneficial influence on financial performance, while others discovered that it had a negative impact (e.g., Latif et al., 2014; Ahmed & Hamdan, 2015; Zabri et al., 2016; Al-ahdal et al., 2020; He, 2021). Additionally, research has shown that CG has little impact on a company's performance financially, either directly or indirectly (Buallay et al., 2017; Jamali et al. 2017; Al-ahdal et al., 2020). While the definitions of the dimensions of CG implementations were not agreed upon in the earlier studies. The proposed model in the current study, which contains three fundamental dimensions to quantify CG implementation based on the prior studies as shown in Table.1 in the appendices, is the researchers' response to this challenge. These dimensions are Board of Director characteristics, Audit committee, Transparency, and disclosure.

Corporate Governance Dimensions and Financial Performance
Table A1 in Appendix A shows that the CG components suggested in the current study as dimensions to measure CG implementation have support from prior studies. There is also increased consensus on the Board of directors' characteristics, Audit Committee, and lastly Transparency and Disclosure as fundamental indicators to gauge CG implementation. Furthermore, the prior research, as shown in Table 1, produced conflicting findings, which the researchers attribute to the fact that the majority of researchers measured CG implementation as a group. Accordingly, the researchers think that CG implementation should be examined separately across the three dimensions. They are the Board of directors' characteristics, the Audit Committee, and transparency and disclosure.

Board of Directors (BOD)and Financial Performance
Corporate governance relies on the board of directors (Coleman & Wu, 2020; Noja et al., 2021; Sani, 2022). A seasoned board with the right number of qualified, independent, and tenacious members should oversee management and maximize shareholder value (Merendino & Melville, 2019; Sani, 2022; Purbawangsa & Rahyuda, 2022). The board of directors represents shareholders and makes corporate decisions (Merendino & Melville, 2019). Thus, board size significantly affects company profitability (Assenga et al., 2018; Merendino & Melville, 2019; Ahmed et al., 2020; Noja et al., 2021).
Both large and small boards of director affect organizations' financial performance, according to contradicting theoretical reasons. Knowledge exchange may improve decision-making on larger boards (Merendino & Melville, 2019; Abang'a et al., 2021; Purbawangsa & Rahyuda, 2022). A larger board can benefit from increased diversity, with directors hired from varied professional disciplines with unique skills and abilities (Dewri, 2021; Abang'a et al., 2021; Sani, 2022). In contrast, some studies (e.g., Assenga et al., 2018; Pratiwi & Chariri, 2021) argue that a larger board is less effective at en-hancing corporate performance because new ideas and opinions are less likely to be expressed in a large pool of directors and the monitoring process is less effective, which negatively impacts financial performance (Assenga et al., 2018; Pratiwi & Chariri, 2021). Thus, Saudi Arabia's Corporate Governance Regulations (CGR) mandate a board size of 3–11. (CMA 2017; Alsulayhim, 2020; Almaqtari et al., 2021).

Although all director's executive or non-executive should be treated equally in terms of board responsibilities, the latter must ensure that all shareholders' interests are protected (Assenga et al., 2018; Dewri, 2021). Non-executive and independent directors supervise corporate board management decisions and hold CEOs accountable. Coleman & Wu, 2020; Dewri, 2021; Abang'a et al., 2021). Independent directors help organisations monitor management while remaining unbiased to the firm and its CEO (Assenga et al., 2018; Pratiwi & Chariri, 2021; Purbawangsa & Rahyuda, 2022). Since its start, corporate governance guidelines and guidance have emphasised the role and responsi-bilities of independent board members (Pratiwi & Chariri, 2021; Purbawangsa & Rahyuda, 2022).

Only a little amount of empirical agency theory research shows a negative relationship between independent directors and financial success (He, 2021) or no significant relationship (Almaqtari et al., 2021). However, most empirical agency theory-focused research (Dewri, 2021; Abang'a et al., 2021; AlFaryan, 2021; Pratiwi & Chariri, 2021; Purbawangsa & Rahyuda, 2022) suggests that independent directors improve enterprises' financial performance. In non-financial corporations, more independent directors on boards should improve oversight and reduce managerial opportunism for shareholder benefits and financial performance (Assenga et al., 2018; Pratiwi & Chariri, 2021; Purbawangsa & Rahyuda, 2022).

For example,Saudi Arabian Corporate Governance Regulations (CGR) require one-third of the board of directors to be independent, including the director, and one-third to have accounting and financial qualifications and knowledge of the company's work. The ideal board size is 3-11 members (CMA 2017; Alsulayhim, 2020; Almaqtari et al., 2021). Finally, the CGR advises board chairs to hold frequent meetings without a minimum number (CMA 2017; Alsulayhim, 2020; Almaqtari et al., 2021).

Based on agency theory, CG is a key strategic practise for minimising agency is-sues like agent opportunism, information asymmetry, and divergent stakeholder atti-tudes toward risks and agency costs (Salem, 2019; Shaji & Shajahan, 2020; He, 2021), so board properties will improve firms' financial performance. The optimal board size with members who are independent, skilled, perseverant, and efficient can pressure management to reduce debt costs and enhance financial performance (Coleman & Wu, 2020; Dewri, 2021; Abang'a et al., 2021; Purbawangsa & Rahyuda, 2022; Sani, 2022). According to the Resource Dependence Theory (RDT), an organization's performance is influenced by its internal resources, such as board of directors (Al Farooque et al., 2019; Ahmed et al., 2020; Sani, 2022). Since there is some debate about whether or not BOD has an impact on financial performance, this research proposes the following hypothesis.

Hypothesis 1 (H1). Board directors' characteristics as a dimension of CG have a positive effect on manufacturing firms' financial performance.

Audit committee and Financial Performance

The audit committee (AC) is a delegate body of the board of directors that monitors the company's financial reporting process and reduces information asymmetry between insiders (managers) and shareholders (Al-ahdal et al., 2020; Mustapha et al., 2020; Badawy, 2020; Almaqtari et al., 2021; Sani, 2022). According to studies, the AC should have numerous qualities (e.g., the optimal size for its members, independence, diligence, and professionalism) to improve enterprises' financial performance and market value (Alahdal et al., 2020; Badawy, 2020; Almaqtari et al., 2021; Sani, 2022).

AC's independence improves the board's auditing, nomination, and compensation tasks (Al Farooque et al., 2019; Sani, 2022). The audit committee's oversight of financial reporting and executive operations affects the board's performance (Bataineh & Soumadi, 2020; Sani, 2022). An independent audit committee can oversee executive conduct on the board's behalf (Alahdal et al., 2020; Mustapha et al., 2020; Badawy, 2020; Almaqtari et al., 2021). The audit committee's independence improves the board's supervision, which boosts firm performance and shareholder wealth (Alahdal et al., 2020; Almaqtari et al., 2021). Al Farooque et al (2019) found that fraud-free firms have more independent audit committee members. Since it can properly analyse financial data and oversee management, the audit committee's independence helps the company's financial performance.
Audit committees also meet with external and internal auditors to evaluate financial reports and apply policies to executive behaviour (Rao, 2018; Al Farooque et al., 2019; Al-ahdal et al., 2020; Mustapha et al., 2020). Thus, more audit committee meetings improve business performance (Al Farooque et al., 2019; Bataineh & Soumadi, 2020; Sani, 2022). Al Farooque et al (2019); Ahmed et al (2020) found that audit committee meetings increase financial performance. Experimentally, Al Farooque et al (2019) in Thailand, Ahmed et al. (2020) in Oman, Bataineh and Soumadi (2020) in Jordan, and Sani (2022) in Indonesian manufacturing firms found that AC's ideal size, independence, diligence, and professionalism positively and significantly affect firms' financial performance.

According to agency theory, the audit committee is a delegate body of the board of directors that protects and advances shareholder interests (Rao, 2018; Al-ahdal et al., 2020; Mustapha, 2020; Badawy, 2020; Almaqtari, 2021). Thus, AC characteristics will improve enterprises' financial performance. The ideal AC size with members who are independent, skilled, perseverant, and efficient can pressure management by monitoring the company's financial reporting process, minimising information asymmetry between insiders (managers) and stockholders, and improving financial performance (Alahdal et al., 2020; Mustapha et al., 2020; Badawy, 2020; Almaqtari et al., 2021; Sani, 2022). According to the Resource Dependence Theory (RDT), an organization's performance is influenced by its internal resources, such as audit committee properties, and it performs better when it uses its resources more efficiently than its competitors (Al Farooque et al., 2019; Ahmed et al., 2020; Bataineh & Soumadi, 2020; Sani, 2022). As the conflict result about the effect of the Audit Committee on Financial performance, the following hypothesis is suggested in this study:

Hypothesis 2 (H2). Audit committees has a positively effect on manufacturing firms' fi-nancial performance.

Transparency and Disclosure and Financial Performance
Information disclosure and transparency are regarded as critical components of corporate governance. A corporation must practise transparency by using accurate accounting techniques, disclosing all pertinent information promptly and completely, and disclosing any potential conflicts of interest that its directors or controlling shareholders may have. While the disclosure has many different components, one of them is the sharing of information about ownership structures, board and management structures, and financial operations and performance. Access to critical information protects share-holder rights by allowing shareholders to evaluate the firm's status and respond to relevant changes of concern. Companies that provide more information send a positive message to the market that they

are open with information and do not strive to keep some details secret in order to reduce information asymmetry between the corporation and its owners. It can increase the firm's value and make it easier to raise funds by increasing market participants' trust in the business. This circumstance broadens the company's opportunities to improve operations while increasing financial performance. In this regard, Oino (2019) discovered that disclosure and transparency significantly improved the financial performance of financial companies.

According to Oino (2019), companies that voluntarily disclose more governance-related information have a lower cost of equity capital. Coleman and Wu (2020) discovered that corporate governance disclosures frequently reduce the cost of financing. According to Saygili et al (2021); Rawal et al (2022), Furthermore, Zaman et al (2018) identified voluntary disclosure as one of the corporate governance strategies that can improve operating performance. Temiz (2021) found no link between transparency and financial performance; however, Ararat et al (2017); Wanjau et al (2018); Oino (2019); Coleman and Wu (2020); Bawaneh (2020); Gani et al (2021); Saygili et al (2021); Rawal et al (2022) discovered a link between transparency and financial success.

Based on the agency theory, CG is a significant strategic practise in minimising agency difficulties such as agent opportunism, information asymmetry, and divergent attitudes of agents and other stakeholders toward risks and agency costs to improve financial performance (Salem, 2019; Shaji & Shajahan, 2020; He, 2021), as well as depending on the Resource Dependence Theory (RDT), which indicates that an organization's performance is influenced by its resources. In light of the contradictory findings about the impact of Transparency and disclosure on financial performance, the following hypothesis is proposed in this paper:

Hypothesis 3 (H3). Transparency and disclosure have a positive effect on manufacturing firms' financial performance.

Organizational Culture (OC) and Financial Performance

Organizational culture affects the company's performance (Alalawi, 2020; Alofan et al., 2020; Taha & Espino-Rodriguez, 2020; Hardcopf, 2021). While, efficiency, effectiveness, and success depend on organisational culture (Hardcopf et al., 2021). Gonzalez-Rodriguez et al (2019) found that companies with strong organisational cultures and the ability to develop management and organisational competencies are more likely to succeed in organisational transformation .

Internal organisational factors like an organisational culture that supports Corporate Governance (CG) in Village Credit Institution's mechanism and work management sys-tem also affect CG implementation(Yuliastuti & Tandio, 2020). Organizational culture guides daily behaviour to achieve goals (Sari & Lubis, 2018; Yuliastuti & Tan-dio, 2020). A positive corporate culture can influence human resources' attitudes and behaviours, increasing productivity despite future challenges (González-Rodríguez et al., 2019; Tarba et al., 2019; Mahfouz & Mu-humed, 2020). Business culture is proportion-al to CG (Sari & Lubis, 2018; Yuliastuti & Tandio, 2020). whereas without a strong company culture and consistent execution, CG implementation will be difficult, if not impossible.

The study of Widuri and Paramita's (2008) found that stronger OC application increases CG application. In addition, Yuliastuti and Tandio (2020) found that organizational culture affects public accountability. while Yuliastuti and Tandio (2020) examined the mediating effect of organizational culture variables on leadership style and Good Corporate Governance (GCG) in

73 Village Credit Institutions (VCI) in Gianyar Regency using questionnaire data. They found that organizational culture partially mediates the relationship between charismatic and GCG, but fully mediates the relationship between transformational and GCG.
Humphries and Whelan (2017) also examined the relationship between national culture and country-level corporate governance code best practices. They measured national culture using "Hofstede's cultural dimensions power distance, individualism vs collectivism, masculinity vs femininity, and uncertainty avoidance," and CG using "board independence, gender composition, board leadership, and meeting frequency" from corporate governance codes for 55 countries. Average cultural scores were compared for groups of countries based on corporate governance variables. Hofstede's cultural dimensions are strongly linked to this study's four corporate governance traits. They suggested more research on how organisational culture affects corporate governance implementation.
While, Sari (2017) also surveyed 105 Indonesian state-owned enterprise managers to measure four variables: exogenous variables like organisational culture and internal control, and endogenous variables like corporate governance and performance. The findings show that organisational culture affects corporate governance, internal corporate governance control, and corporate performance. Sari and Lubis support these findings.
Based on financial knowledge history, many researchers have examined the relationship between OC and financial performance (Tarba et al., 2019; Mahfouz & Muhumed, 2020; Taha & Espino-Rodriguez, 2020; Hardcopf, 2021). Organizational culture affects the company's staff, structure, functioning, and strategy because it governs all links between individuals and the organisation as a system (Chen et al., 2019; Alofan, 2020; Gebril Taha & Espino-Rodríguez, 2020; Saeidi, 2021; Adam, 2021). Thus, OC has become a key factor in financial and non-financial industries worldwide. OC improved financial performance, according to the literature review (Jacobs et al., 2013; Gonzalez-Rodriguez et al., 2019; Tarba et al., 2019; Mahfouz & Muhumed, 2020; Hardcopf et al., 2021).
While little research has been done on the correlation between OC and CG, no studies have examined how OC affects the link between Board of director characteristics, Audit Committee, and Transparency & Disclosure, and the bottom line of manufacturing firms. Additionally, there is no consensus across the existing literature on how OC dimensions relate to CG dimensions (Graham et al., 2017). In addition, previous studies on the effects of OC on CG yielded contradictory findings. Researchers have observed that OC can have both direct and indirect effects on CG. For example, Sari and Lubis (2018) and Yuliastuti and Tandio (2020) found that OC had a considerable favourable impact on CG implementation (2020).As a result, the current study address-es these research gaps by predicting that the dimensions of OC (Hierarchical culture, group culture, rational culture, developmental culture) will have a moderating impact on the relationship between CG dimensions (Board of director characteristics, Audit Committee, and Transparency & Disclosure,) and financial performance of manufacturing companies in developing countries.
Based on the resource-dependence theory (RDT) notes that OC has become an important source of success or failure in all financial and non-financial industries throughout the globe (Abedelrahim, 2018; Alofan et al., 2020; Gebril Taha & Espino-Rodríguez, 2020; Hardcopf et al., 2021). According to Hardcopf et al (2021), OC is crucial in determining an organization's efficiency, effectiveness, and success. According to Gonzalez-Rodriguez et al (2019), a company with a strong organizational culture and the ability to develop management and organizational competencies is more likely to achieve organizational transformation success. Thus, if CG is backed by the internal-ization of a healthy organizational culture, it can be

implemented smoothly and success-fully in a company (Sari & Lubis, 2018; Yuliastuti & Tandio, 2020). According to the findings of Widuri and Paramita's (2008) study, there is a substantial association between OC and CG, with the stronger application of OC resulting in a higher application of CG. Therefore, Manufacturing firms with an organizational culture that supports the successful implementation of CG will enhance their financial performance (Sari & Lu-bis, 2018; Yuliastuti & Tandio, 2020). . As a result, the following hypotheses are proposed in this study:

Hypothesis 5 (H5). Organizational culture moderates the relationship between Board characteristics as a dimension of CG and manufacturing firms' financial performance.

Hypothesis 6 (H6). Organizational culture moderates the relationship between the Audit Committee as a dimension of CG and manufacturing firms' financial performance.

Hypothesis 7 (H7). Organizational culture moderates the relationship between Transparency and Disclosure and manufacturing firms' financial performance.

Financial Performance

Examining a company's financial performance is a way to determine the precise financial effects of its operations and policies (Yakob et al., 2020; Ali et al., 2020). It is a way of figuring out the monetary value of the results of a company's operations and policies. It can be used to determine a company's overall financial health over a certain period and to compare businesses in the same industry, as well as to compare entire industries or sectors, and it can also show the investment return and residual income (Al-Mamary et al., 2020; Ali et al., 2020). By using metrics like higher revenue growth, lower overall business costs, and higher net profit margins, the financial perspective on the success of manufacturing firms is applied (Al-Mamary et al., 2020; Ali et al., 2020). The relationship between CG and firm financial performance has been depicted in earlier empirical studies using a variety of metrics, such as Return on Asset (ROA), Return on Equity (ROE), and Tobin's Q. (Badriyah et al., 2015; Kakanda & Salim, 2017). How to measure a company's success and the variables affecting financial performance are still up for debate (Muturi & Omondi, 2013). Several factors can be integrated to provide a more accurate assessment of a firm's financial performance, according to (Ali et al.,2020). A single component cannot accurately reflect all aspects of a company's financial performance. This study proposed five financial performance metrics based on earlier research (Return on Sales, Return on Investment, Sales Growth Rate, Return on Asset, and Return on Equity). Furthermore, many studies that assessed the impact of GC on company performance used published secondary data to measure financial performance, which some academics claim is inaccurate, not entirely available, and incomplete, especially in developing countries (Semrau et al., 2016; Yang et al., 2018; Yakob et al., 2020). The relationship between CG dimensions practice and financial performance (Return on Sales, Return on Investment, Sales Growth Rate, Return on Asset, and Return on Equity) of manufacturing firms has been studied before, but this is the first study to propose measuring the moderating influence of OC on that relationship.

Conceptual Model

based on the hypotheses that resulted from the review of the literature. The relationship between the study's variables is explained by the conceptual model that is presented below.

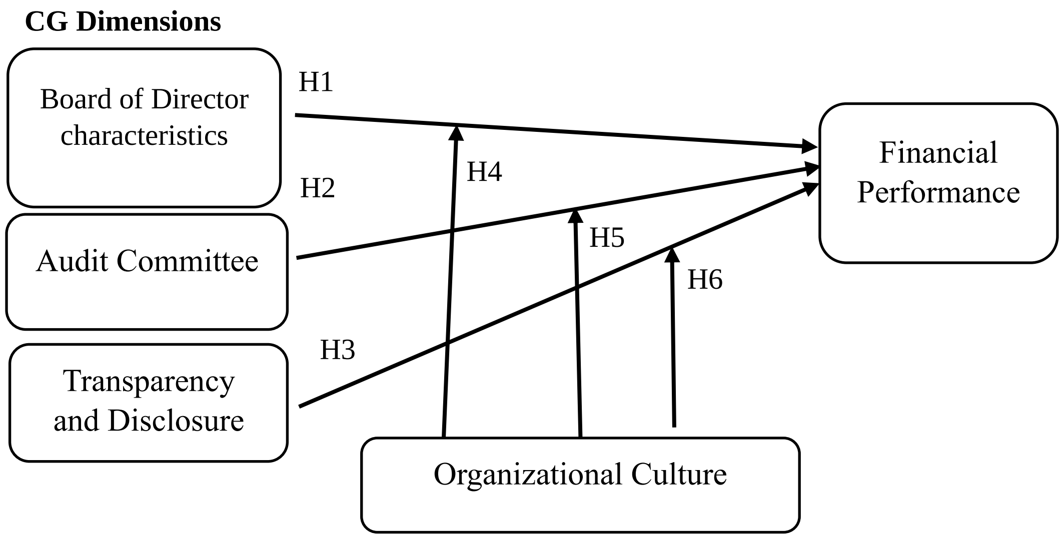

Figure 1. Conceptual Model.

the purpose of this study is to establish a model for the interrelationships between Corporate Governance (CG) aspects, Organizational Culture (OC), and Financial Performance in manufacturing organizations of developing countries. The relationships are supported by Agency Theory and Resource Dependence Theory (RDT), which demonstrate that good decision-making can affect the performance of financial institutions through the implementation of a systematic and consistent CG procedure ("Board of directors characteristics, Audit Committee, Transparency, and Disclosure ") and by dealing with stronger management oversight and better practices by the board of directors will help organizations preserving its resources and achieving higher performance. Furthermore, the RDT suggests that a company's performance is influenced by its internal resources, such as CG and OC, and that when a company makes efficient use of its resources, it outperforms its competitors (Al Farooque et al., 2019; Ahmed et al., 2020; Sani, 2022). The framework is grounded in previous studies, with "Board of directors characteristics, Audit committee and transparency and disclosure " all drawn from Alsahafi (2017), Hamdan et al. (2017) Alsulayhim (2020) as CG dimensions. In addition, OC is a moderating variable that incorporates (Hierarchical Culture, Group Culture, Rational Culture, and Developmental Culture) from Denison and Spreitzer, 1991; Zu et al., 2010; Gebril Taha and Espino-Rodrguez, 2020; Alofan et al., 2020). Kaplan and Norton (1996) and were also consulted for their insights on financial performance metrics such as Return on Sales, Return on Investment, Sales Growth Rate, Return on (Assets, and Return on Equity, 2020). In addition, the present model's relationships between variables, which are grounded in agency theory and the Resource-Dependence Theory (RDT), enable manufacturing firms to make the most of their CG and OC resources to acquire a competitive edge and boost their financial performance. The success of CG's implementation is also influenced by the level of support given to OC. Therefore, this study stands out because it is the first to present a theoretically sound model within the canon of literature that can help manufacturing organizations improve their performance in light of existing research and theory.

Research Methodology

To test the relationships in the suggested model, a survey of CEOs of manufacturing enterprises in a developing nation as Saudi Arabia should be conducted. In this regard, future study should employ a cross-sectional research methodology (questionnaire) that collects data to assess the proposed model's association (Sekaran & Bougie, 2010; Ly et al., 2016). This design is preferred because it is optimal for addressing the problem statement and achieving the objectives of the study, particularly in developing countries with a small number of manufacturing companies participating in the stock market and low reliability of published secondary data, such as Saudi Arabia (El-Kassar et al., 2014; Nalukenge et al., 2018; El Gammal et al., 2020). Therefore, the authors recommend conducting a quantitative cross-sectional survey of 370 Saudi manufacturing enterprises and analysing the data using partial least squares structural equation modeling (PLS-SEM) in order to examine the suggested model's linkages.

Conclusion

This research has developed a theoretical framework connecting Organizational Culture (OC), financial performance (FP), and corporate governance (CG) in manufacturing firms of the devolving countries (Board of director characteristics, Audit Committee, Transparency, and Disclosure). This study is significant because it lays the groundwork for future research on the effects of Board composition, Audit Committee composition, and the transparency and disclosure of CG implementation on financial performance in manufacturing firms. A further distinguishing characteristic of this study is that it explores the possibility of using the OC as a moderator in the relationship between the other CG dimensions (Board of director characteristics, Audit Committee, Transparency, and Disclosure) and financial performance. The significance of CG in the manufacturing industry of developing countries will be highlighted as one of the study's primary goals, which will hopefully help manufacturing business managers have a better grasp on the topic.

Limitations and Future Research

Nonetheless, this study, like many other studies, has limitations. As this is a conceptual paper, additional empirical research is required to substantiate this study's assertion. Second, while this strategy focuses on manufacturing organizations, additional research is required to confirm its applicability to other, SME- and enterprise-sized businesses, as well as other industries.

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Appendix A

Table A1, for the dimensions of ERM and previous studies for ERM

Reference	Country	Dependent	Method	Dimensions					Result
				Board Properties	Audit committee	Transparency & disclosure	capital structure	Risk committees	
The dimensions of CG according to the studies of CG in Saudi Arabia and GCC									
In'airat, 2015	Saudi Arabia	level of fraud	Survey Non-financial firms listed		X				Positive impact
Alsahafi, 2017 (PHD)	Saudi Arabia	Multiple performance measures	Secondary data, Non-financial firms listed	X			X		Negative - Positive impact
Habtoor & Ahmad, 2017	Saudi Arabia	corporate risk disclosure practices,	Secondary data, Non-financial firms listed	X					Important determinants of CRD
Buallay et al., 2017	Saudi Arabia	firm performance	Secondary data, financial & non-financial firms listed	X					No significant impact
Hamdan et al., 2017	Saudi Arabia	firm performance	Secondary data, Financial & Non-financial firms listed	X					Positive impact
Hamdan, 2018	Saudi Arabia	firm performance	Secondary data, non-financial firms listed	X					Positive impact
Rao, 2018	GCC	Firm's value	Secondary data, financial firms listed	X	X			X	Positive impact
Alqahtani, 2019	Saudi Arabia	Level of disclosure	Secondary data, non-financial firms listed	X		X			Negative - Positive impact
Alsulayhim, 2020	Saudi Arabia	Stock Price	Secondary data, non-financial firms listed			X			Negative - Positive impact
Al-ahdal et al., 2020	India & GCC	financial performance	Secondary data, non-financial firms listed	X	X	X			Insignificant impact
Almaqtari et al., 2021	GCC	Compliance with IFRS and financial reporting quality	Secondary data, Non-financial firms listed	X	X				Significant impact
Al-Faryan, 2021	Saudi Arabia	firm performance	Secondary data, Non-financial firms listed	X					Positive impact
12	**Total**			**10**	**4**	**3**	**1**	**1**	
The dimensions of CG according to the studies of CG in developing countries									
Jamali et al., 2017	Indonesia	Financial Performance	Secondary data. Manufacturing firms listed	X					No direct and indirect impact
Bhatt & Bhatt, 2017	Malaysia	firm performance	Secondary data, Non-financial firms listed	X	X	X		X	Positive impact
Humphries & Whelan, 2017	55 Countries	National culture (Independent)	Secondary data	X					Significant relationships

Sari & Lubis, 2018	Indonesia	Firm's Performance	survey	X					Significant impact
Azmi et al., 2018	Indonesia	Organizational Performance	survey	X	X	X			Significant impact
Mahrani & Soewarno, 2018	Indonesia	financial performance	Secondary data, Non-financial firms listed	X	X				Significant positive direct and indirect impact
Ndemezo & Kayitana, 2018	Rwanda	firm performance	Survey Manufacturing firm	X					Negative - Positive impact
Ciftci et al., 2019	Turkey	firm performance	Secondary data, Non-financial firms listed	X					Negative - Positive impact
Aluoch et al., 2019	Kenya	firm performance	Secondary data, Commercial and Service Firms Listed	X					No significant impact
Shaji & Shajahan, 2020	India	firm performance	Secondary data, family Non-financial firms listed	X					Significant positive direct impact
Mustapha et al., 2020	Not-available	Financial Performance	A conceptual framework from the literature.	X	X				not provide empirical evidence
Badawy, 2020	Egypt	Corporate Sustainable Growth	Secondary data, Non-financial firms listed		X				Negative - Positive impact
Khan et al., 2021	Malaysia	firm performance	Secondary data, Non-financial firms listed	X					Significant positive impact
He, 2021	China	Corporate Performance	The panel data in 2007, 2008 and 2015	X					Significant positive and negative impact
26	**Total**			**23**	**9**	**5**	**1**	**1**	