

BADAR MOHAMMAD ALMEAJEL ALANAZI

Shaqra University, Saudi Arabia

**EFFECTIVE IMPLEMENTATION OF CORPORATE GOVERNANCE: A
COMPARATIVE LEGAL ANALYSIS ON SAUDI ARABIA AND
AUSTRALIA REGULATIONS**

Abstract:

This paper aims to develop a practical framework for effective corporate governance in emerging economies. Using qualitative data, we explain the need for the effective implementation of corporate governance through a comparative legal analysis of two countries: Australia and Saudi Arabia. Our analysis indicates that emerging countries in Asia and the Middle East, such as Saudi Arabia, lack proper accountability, management, and understanding of the contractual legal agreement that defines business relationships in corporate organizations. These observations are consistent with the agency theory of corporate governance, which theorizes that effective implementation of corporate governance requires effective management of organizational resources and avoidance of conflict of interest between and among managers and shareholders. Our study enhances our understanding of the ways countries could achieve the proper implementation of corporate governance in practical terms.

Keywords:

Corporate Governance, Effective Implementation, Law, Legal Analysis, Australia, Saudi Arabia