

THE IMPACT OF COMMITMENT TO CORPORATE GOVERNANCE ON IMPROVING INFORMATION SYSTEMS AND STRATEGIC DECISION-MAKING IN SMALL ENTERPRISES AFTER CORONA PANDEMIC

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Abstract

This study aims to identify if the application of the principles of governance in the small enterprises in the Kingdom of Saudi Arabia after Corona pandemic, the analytical and descriptive approach was adopted to measure to what extent the commitment to corporate governance affects improving strategic decision-making in the small enterprises after the Corona pandemic in the Kingdom of Saudi, the study population consisted of almost from the small enterprises, including commercial, service and industrial enterprises in the city of Khamis Mushait, the sample of the study was selected of (107), the questionnaire was distributed to the random sample selected of the small enterprises. (107) of the distributed questionnaires were answered, representing the study population. Arabia, the researchers came up with the following findings: There is a statistically significant relationship between corporate governance and (improving information systems and making strategic decisions in the small enterprises). There is a statistically significant relationship between the principles of corporate governance and improving information systems in the small enterprises in the Kingdom of Saudi Arabia. There is a statistically significant relationship between the principles of corporate governance and making strategic decisions in the small enterprises in the Kingdom of Saudi Arabia

Introduction

Corporate governance means the rules of leading and directing a company. It includes mechanisms of regulating relationships between the board of directors, executive managers, shareholders and stakeholders, by establishing special procedures to facilitate the decision-making process giving it the transparency and credibility in order to protect shareholders' and other users' rights. Small enterprises face great challenges in making rational administrative and strategic decisions, because most of decisions made are characterized by risk and uncertainty according to certain condition, information and multiple possibilities without opportunities available for their occurrence or their future effects on a company's performance.

These decisions are also made by individuals whose powers and responsibilities differ and attitudes towards risks vary. As the decision-makers may tend to ignore risks or exaggerate optimism and pessimism, and they delay making decisions and in turn miss many future opportunities. Organizations whose growth is based on their ability to manage projects, their decision-making process should not be uncontrolled or based on subjective impressions, as that negatively affects the objectives and general performance of small enterprises projects. Therefore, the commitment to the principles of corporate governance helps developing a logical strategy of the decision-making process, supporting the skills, and employing the mechanisms. This study aimed to clarify the impact of commitment to the principles of governance on decision-making, improving the accounting information system, and making the administrative and strategic decisions. It also aimed to identify to what extent these companies adopt the application of the principles of corporate governance and the comprehensive disclosure of information of interest to the stakeholders, in order they can take decisions that avoid the impact of the Corona pandemic on their business, investments and interests in these small enterprises. The study attempts to highlight the importance of the impact of the principles of governance, which has a great impact on investors, stakeholders and economy as a whole, on making management and strategic decisions in the Kingdom.

Problem of the Study

The decision-making process and the appropriate and reliable information are essential and of great importance for management process.

The problem of the study was represented in that some small enterprises do not commit to applying governance principles which leads to the risk of making strategic decisions wrong, delays the growth and development of enterprises, and provides misleading information to financial reports users.

The small enterprises faced a problem in making management decisions during the Corona pandemic as a result that negatively affected their performance and growth. Because principles of governance were not applied during the Corona pandemic this led to default risk, strategic development plans cancel, and many small enterprises closure. Therefore, this study intends to investigate to what extent the application of governance principles affects strategic decision-making and leads to making irrational decisions in Saudi Arabia.

Study Objectives

The study aims to:

1. Identify if the application of the principles of governance in the small enterprises in the Kingdom of Saudi Arabia after Corona pandemic.
2. Clarify the effect of the application of the principles of governance on making strategic management decisions in the small enterprises in the Kingdom of Saudi Arabia after Corona pandemic.
3. Investigate the effect of the application of the principles of governance on the small enterprises after Corona pandemic.
4. Identify the effect of the application of the principles of governance on reducing the challenges facing decision-making in the small enterprises after Corona pandemic after Corona pandemic.

Study Questions

The study problem questions were represented in the following:

1. Are there principles of governance for small businesses in the Kingdom of Saudi Arabia after Corona pandemic?
2. Are these principles of governance applied in small enterprises in the Kingdom of Saudi Arabia after Corona pandemic?
3. To what extent does applying the principles of governance improve information systems in small enterprises in the Kingdom of Saudi Arabia after Corona pandemic?
4. To what extent does applying the principles of governance affect management decision-making and improve information systems in small enterprises in the Kingdom of Saudi Arabia after Corona pandemic?
5. To what extent do the principles of governance reduce the challenges facing management decision-making in small enterprises in the Kingdom of Saudi Arabia after Corona pandemic?

Study Hypotheses

The study attempts to verify the following hypotheses:

1. There is a statistically significant relationship between the principles of governance and improving information systems in the small enterprises in the Kingdom of Saudi Arabia after Corona pandemic.
2. There is a statistically significant relationship between the principles of governance and strategic decision-making in the small enterprises in the Kingdom of Saudi Arabia after Corona pandemic.
3. There is a statistically significant relationship between the applying the governance principles and reducing the challenges facing decision-making in the small enterprises in the Kingdom of Saudi Arabia after Corona pandemic.

Study Methodology

Study Method and Tool

The analytical and descriptive approach was adopted to measure to what extent the commitment to corporate governance affects improving strategic decision-making in the small enterprises after the Corona pandemic in the Kingdom of Saudi Arabia. The primary and secondary data were collected from previous literature (previous research and studies). A questionnaire was designed as the study tool on an electronic link and directed to a random sample of small enterprises in the

Kingdom of Saudi Arabia. The link was distributed to individuals of an experimental sample of managers and employees of small enterprises in the Kingdom of Saudi Arabia. The questionnaire was also distributed to a number of specialized experts to benefit from their opinions and suggestions. In order to verify the consistency, validity, and reliability of the questionnaire, the Cronbach Scale was used.

Study Population

The study population consisted of almost from the small enterprises, including commercial, service and industrial enterprises in the city of Khamis Mushait.

Study Sample

The sample of the study was selected of (107), the questionnaire was distributed to the random sample selected of the small enterprises. (107) of the distributed questionnaires were answered, representing the study population.

Study Tools

Primary studies: Include the field study - a questionnaire.

Secondary studies: Include the previous studies - books - magazines - blogs - the Internet.

Research procedures: Governance - information systems - decision making

Limitations of the Study

Spatial limits: the city of Khamis Mushait.

Time limits: 2022/2023.

Keywords: decision making - information systems - governance - strategic decisions

Previous Studies

Ali Khalaf Katea (2021) conducted a study entitled: (The role of information systems in improving the effectiveness of performance in decision-making a prospective study, Iraq)

The study aimed to highlight the impact of information systems on the effectiveness of human resources and their appropriateness to improving performance and decision-making. The descriptive analytical approach was used. The data were analyzed by using SPSS. The study concluded: The role of information systems as the interface of management in the governance of decision-making. The study recommended: management information systems should be applied in line with the nature of the economic, service and producing unit in business economics. Employees should be exposed to developmental courses to increase their management and production knowledge and in appropriately to the nature of the work they are assigned to. Workshops should be organized to explain the mechanism of making relevant decisions. Researchers should be allowed to investigate information systems.

Yusuf Ismail Falah Khreis, (2020) conducted a study entitled: (The impact of applying governance on decision-making in Jordanian private universities in the Northern Region), Middle East University, Jordan

The study aimed to find out the effect of the dimensions of applying governance on decision-making in Jordanian private universities in the Northern Region. Data were statistically analyzed using SPSS.

The study concluded that the mandatory application of governance dimensions has a positive impact on the abundance of information and the personal skills of decision makers.

The study recommended: effective communication mechanisms should be developed between shareholders and the Board of Directors, and discussing decisions and available information.

Al-Hussein Al-Hussein Al-Abbas, (2012) conducted a study, entitle: The role of corporate governance in reducing credit risk in the banking sector Saudi Arabia.

To study aimed to investigate the most important problems facing the banking sector in the Kingdom of Saudi Arabia, which is the lack of actual practice of governance in reducing bank credit risks, whereas is important to specify and measure risks and then reduce them. The study adopted the descriptive analytical approach.

The study concluded: the concept of governance is still new in Saudi Arabia environment. There are attempts to identify its mechanisms and application. The audit committees in joint-stock companies play a role in applying the governance in the Saudi environment. The study recommended: A national centre should be established for governance in Saudi environment and representatives from Public Control Chamber and Saudi Accountants Association should participate in it.

Theoretical Framework

Definition of Governance

The origin of governance goes back to the Greek verb (Kuberman), which means directing. It was transmitted to the Latin, French and Russian languages. The need to use governance appeared in the nineties after the economic crises in East Asia and Latin America, when giant companies were exposed to financial problems that encouraged them to use the rules of governance.

Governance is a set of rules, laws, and foundations that control the work of companies, achieve effective control over their board of directors, and regulate the relationship between them and stakeholders, in order to achieve transparency, justice, and to fight corruption.

The International Finance Corporation (IFC) defined governance as a system through which companies are managed and their business is controlled. While, the Organization of Economic Co-operation and Development (OECD) considers governance as a set of relationships that link those in charge of managing the company, the board of directors, shareholders and other stakeholders (Abu Ragaba, (2009:2).

Michael (2005:5) defined governance as a state, a process, and an orientation. He added it is also a system of immunity and protection necessary to control the movement, direction, and safety of all actions and the integrity of behavior within companies. It is a managing process practiced by the supervisory management authority, both inside and outside companies through several stages. This process depends on ethics and conscience. The definition of governance includes the following aspects of the concept of corporate governance:

Wisdom: It means the guidance and direction

Judgment: It means the control over things by establishing restrictions

Referring: It means referring to the ethical and cultural references and previous experiences.

Arbitration: It means seeking justice and preventing the authority from deviation and manipulating the interests of the shareholders.

Reasons for the Emergence of Corporate Governance

Al-Aziza (2009:19) listed the following as the reasons for corporate governance:

1. Cases of institutional failure in America, Russia and Asian countries.
2. The gap between management reward and companies' performance.
3. The ineffectiveness of internal control procedures that cannot detect and prevent problems.
4. Weakness of the Board of Directors; it may affect the executive and senior management, which they may suffer from their inability to carry out successful management practices.
5. Lack of accuracy and transparency in preparing the final accounts.
6. Inability of investors to analyze and compare investment opportunities.
7. Weakness of the external parties such as those in charge of legislating laws and auditors to control the organization,.
8. Unethical practices by the Board of Directors, executive management and employees.
9. Corporate governance helps small enterprises to protect the interests of all parties, especially the conflicting interests, to maintain shareholders' rights, to maximize the company's profits and market value, and to manage expected risks.
10. Governance has internal and external components; the internal components are represented in the investment, legislative and regulatory environment. It consists of all laws regulating and protecting the companies work, and of the banking and controlling environment.
11. Internal components, which include the foundations that determine the decision-making mechanism and the distribution of powers and responsibilities within the company between the Board of Directors and the Executive Director.

Advantages of Applying Corporate Governance in Making Strategic Decisions in Small Enterprises

The application of the principles of corporate governance in the small enterprises reflected positively on their performance and making strategic management decisions; it achieves many objectives, including: (Zarqon and Al-Omari, 2013: 87)

1. Achieve transparency and justice and protect the rights of shareholders in the company; this is done by establishing rules, systems and regulations that aim at achieving transparency and justice.
2. Establish administrative regulations, rules and structures that allow hold the company's management accountable before the general assembly and guarantee the rights of shareholders in the company.
3. Develop investments flow by deepening investors' confidence in the financial markets.
4. Develop savings, maximize profitability and create new job opportunities.
5. Improve the financial performance by holding management accountable to shareholders.
6. Provide new job opportunities
- 9- Attract investments, foreign or local, and limit the flight of national capital abroad.

Dimensions of Governance and its Relationship to Strategic Decision-Making

The organizational dimensions of corporate governance have an effective impact on the quality of information systems and strategic decision-making through the application and practice of supervision, control, ethical behavior, and a strategic dimension that increases the company's response speed in business and crisis environments. These dimensions are represented in the following organizational dimensions:

A- Supervisory and controlling dimension

Activating the supervisory and controlling dimension of the governance of small enterprises can be done through the practice of shareholders' assembly and the rights of shareholders, increasing their contribution to improving the degree of transparency, disclosure and strategic decisions, exerting pressure on the board of directors to make their work better, and build reassurance and confidence for shareholders.

b- Ethical dimension

Ethical behavior is important in activating the controlling role and strategic decisions. Professional bodies demand the necessity of having a guide for ethical behavior that focuses on moral values and integrity that guarantee the good reputation and credibility of the company, with the necessity of their commitment to the internal values and regulations of the establishment

(Suleiman; 2012; 150)

C- Strategic dimension

Strategic control is one of the systems on which governance is based to reduce agency problems that exist at different administrative levels. It includes formal identification of objectives, performance measurement, and feedback, thus evaluating strategies and ascertaining whether they lead to improving the return on invested capital in the long term, achieving efficiency, quality, innovation, and responding to desires. and customer needs

Definition of Decision Making

The decision-making process is defined as selecting the appropriate alternative that is chosen from the other alternatives according to several criteria in light of the availability of an available set of resources in order to reach a specific objective (Al-Allaq, 2008). The decision-making process can be viewed as a behavior or function that depends on selecting from the proposed alternatives after evaluating them according to the information and data in the work environment that are related to the problem in search of a suitable alternative (Botros, 2009).

The decision-making process is directly related to management functions such as planning, organizing, directing and controlling in a process that takes place at all organizational levels and in all activities (Al-Attiani and Al-Nazer, 2015).

Definition of Information Systems

It is a set of procedures that collect, retrieve, operate, store, and distribute information to support decision-making, control, and regulation.

Hodge and his colleagues (1984) defined the information system as a communication process through which data is collected, processed, stored and transmitted to the appropriate individuals within the organization in order to provide the information necessary for decision-making (Sonia, 1999).

Relationship between Corporate Governance and Improving Information Systems

Information systems consist of a group of individuals and sub-systems that operate to achieve objectives and a network of procedures governed with principles and rules that are prepared in an integrated manner in order to provide information to decision makers according to their needs (Ahmed, 2006).

The commitment to applying the corporate governance contributed to improving the characteristics of information systems and assisting the management of the small enterprise in planning. The planning process is a set of activities and procedures carried out by the senior management of an enterprise in order to determine the objectives, to develop the programs for obtaining the required resources and to draw policies for using and maintain the resources (Abu Al-Hassan, 1996).

The commitment to applying the corporate governance led to developing the small enterprises and to improving the accounting and management information systems for making external and internal decisions. Management needs information to identify their business results and financial position and to benefit from them in pricing, purchasing, manufacturing or other decisions that need to compare alternatives in order to select the best alternative (Abu Nassar, 2012).

The commitment to applying the principles of governance provided appropriate and accurate information at all stages of decision-making on the organization's operations, financial position, budget preparation and planning for the future.

Ieman (2018) indicated that there is a relationship between the accounting information and the efficiency of decision-making, whether during planning, control, or when identifying alternatives or comparing between them and choosing the best.

Challenges in Making Decisions

The decision-making process takes place in order to solve existing problems, to face possible cases or to achieve planned objectives (Hars, 2012). The decision-making process faces organizational, social, political and cultural challenges. The application of governance principles with its various dimensions contributed to providing the appropriate information for making management and strategic decisions of small enterprises.

Data Analysis and Results

Field Study Procedures

Firstly: Study Population and Sample

Analysis of the Study Sample Demographic Information

Table (1): Gender

	Frequency	Percent
Female	100	%93.5
Male	7	%6.5
Total	107	%100.0

The table (1) above shows the gender distribution of the study sample; there were 100 with 93.5% females and 7 with 6.5% males. This indicates that most of the study sample were females.

Table (2): Age

	Frequency	Percent
From 25 years to less than 30 years	16	%15.0
From 30 years to less than 35 years	34	%31.8
From 35 years to less than 40 years	33	%30.8
40 years and above	24	%22.4
Total	107	%100.0

The table (2) above shows the age distribution of the study sample; there were 16 with 15.0% their age between (25 - 30), 34 with 31.8% their age between (30-35), 33 with 3.8% their age between (35 -40) and 24 with 22.4% their age (40 years and above). This indicates that most of study sample their age was between (30-35).

Table (3): Scientific Specialization

	Frequency	Percent
Accounting	37	%34.6
Economics	52	%48.6
Business Administration	18	%16.8
Total	107	%100.0

The table (3) above shows the scientific specialization distribution of the study sample; there were 37 with 34.6% their scientific specialization accounting, 52 with 48.6% economics and 18 with 16.8% business administration. This indicates that most of study sample individuals their scientific specialization economics.

Table (4): Number of years in service

	Frequency	Percent
(3 years and less)	9	%8.4
(From 4 to 6 years)	21	%19.6
(From 7 to 10 years)	20	%18.7
(More than 10 years)	57	%53.3
Total	107	%100.0

The table (4) above shows the distribution of the study sample number of years in service; there were 9 with 8.4% their number of years in service (3 years and less), 21 with 19.6% (from 4 to 6 years), 20 with 18.7% (from 7 to 10 years) and 57 with 53.3% (More than 10 years). This indicates that most of study sample individuals their number of years in service (more than 10 years).

Table (5): Nationality

	Frequency	Percent
Saudi	85	79.4%
Non-Saudi	22	20.6%
Total	107	%100.0

The table (5) above shows the distribution of the study sample nationality; there were 85 with 79.4% Saudi, 22 with 20.6% non-Saudi. This indicates that most of the study sample individuals were Saudi.

Analysis of the Questionnaire Statements

Hypothesis one: There is a statistically significant relationship between the principles of corporate governance and improving information systems in the small enterprises in the Kingdom of Saudi Arabia after Corona pandemic.

Table (6): Shows the frequency and percentage of the study sample respondents' answers for the statements of the hypothesis one

Statement	Agreement degree				
	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1. The enterprise commits to applying the principles of corporate governance.	43	32	18	12	2
	40.2	29.9	16.8	11.2	1.9
2. Information systems contribute to enhancing the effectiveness of decision-making.	5	50	27	21	4
	4.7	46.7	25.2	19.6	3.7
3. The principles of corporate governance means there are systems of relations between the main parties that affect performance.	18	39	28	19	3
	16.8	36.4	26.2	17.8	2.8
4. Regulations and rules of corporate governance aim to achieve transparency and justice.	13	43	22	23	6
	12.1	40.2	20.6	21.5	5.6
5. The principles of corporate governance ensure fairness in reporting.	6	25	21	39	16
	5.6	23.4	19.6	36.4	15
6. The principles of corporate governance provide information trusty to the shareholders.	28	48	21	5	5
	26.2	44.9	19.6	4.7	4.7
7. Information systems provide full data about economic unit environment.	14	31	39	19	4
	13.1	29.0	36.4	17.8	3.7
8. The principles of corporate governance aim to achieve the quality of managerial decision.	10	33	42	19	3
	9.3	30.8	39.3	17.8	2.8
9. Information systems contribute to achieve the objectives	12	34	28	26	7
	11.2	31.8	26.2	24.3	6.5

determined by the senior management.					
10. Information systems contribute to providing information necessary for managerial decision making.	20	49	31	5	2
	18.7	45.8	29.0	4.7	1.9

Source: Prepared by the researcher using SPSS 25

The table (6) above shows the following:

(43) individuals of (40.2%) of the study sample respondents answered that they are strongly agree, (32) of (29.9%) agree, (18) of (16.8%) neutral, (12) of (11.2%) disagree and (2) of (1.9%) strongly disagree with that **the enterprise commits to applying the principles of corporate governance.**

(5) individuals of (4.7%) of the study sample respondents answered that they are strongly agree, (50) of (46.7%) agree, (27) of (25.2%) neutral, (21) of (19.6%) disagree and (4) of (3.7%) strongly disagree with that **Information systems contribute to enhancing the effectiveness of decision-making.**

(18) individuals of (16.8%) of the study sample respondents answered that they are strongly agree, (39) of (36.4%) agree, (28) of (26.2%) neutral, (19) of (17.8%) disagree and (3) of (2.8%) strongly disagree with that **The principles of corporate governance means there are systems of relations between the main parties that affect performance.**

(13) individuals of (12.1%) of the study sample respondents answered that they are strongly agree, (43) of (40.2%) agree, (22) of (20.6%) neutral, (23) of (21.5%) disagree and (6) of (5.6%) strongly disagree with that **Regulations and rules of corporate governance aim to achieve transparency and justice.**

(6) individuals of (5.6%) of the study sample respondents answered that they are strongly agree, (25) of (23.4%) agree, (21) of (19.6%) neutral, (39) of (36.4%) disagree and (16) of (15%) strongly disagree with that **The principles of corporate governance ensure fairness in reporting.**

(28) individuals of (26.2%) of the study sample respondents answered that they are strongly agree, (48) of (41.9%) agree, (21) of (19.68%) neutral, (5) of (4.7%) disagree and (5) of (4.7%) strongly disagree with that **The principles of corporate governance provide information trusty to the shareholders.**

(14) individuals of (13.1%) of the study sample respondents answered that they are strongly agree, (31) of (29%) agree, (39) of (36.4%) neutral, (19) of (17.8%) disagree and (4) of (3.7%) strongly disagree with that **Information systems provide full data about economic unit environment.**

(10) individuals of (9.3%) of the study sample respondents answered that they are strongly agree, (33) of (30.8%) agree, (42) of (39.3%) neutral, (19) of (17.8%) disagree and (3) of (2.8%) strongly disagree with that **The principles of corporate governance aim to achieve the quality of managerial decision.**

(12) individuals of (11.2%) of the study sample respondents answered that they are strongly agree, (34) of (31.8%) agree, (28) of (26.2%) neutral, (26) of (24.3%) disagree and (7) of (6.5%) strongly disagree with that **Information systems contribute to achieve the objectives determined by the senior management.**

(20) individuals of (18.7%) of the study sample respondents answered that they are strongly agree, (49) of (45.8%) agree, (31) of (29%) neutral, (5) of (4.7%) disagree and (2) of (1.9%) strongly disagree with that **Information systems contribute to providing information necessary for managerial decision making.**

Hypothesis two: There is a statistically significant relationship between the principles of governance and strategic decision-making in the small enterprises in the Kingdom of Saudi Arabia after Corona pandemic?

Table (7): Shows the frequency and percentage of the study sample respondents' answers for the statements of the hypothesis two

Statement	Agreement degree				
	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1. Proper practicing of the corporate governance leads to improving quality strategic management decision making.	14 13.1	27 25.2	30 28.0	29 27.1	
2. The principles of corporate governance contribute to effective management organization.	17 15.9	32 29.9	22 20.6	30 28.0	6 5.6
3. The principles of corporate governance contribute to planning the resources available and coordinating the workforce.	7 6.5	29 27.1	28 26.2	36 33.6	7 6.5
4. The principles of corporate governance help determining relations and borderland between powers and responsibilities.	19 17.8	26 24.3	23 21.5	35 32.7	4 3.7
5. The principles of corporate governance contribute to coordination between individuals and units to avoid work duality.	29 27.1	39 36.4	28 26.2	10 9.3	1 .9
6. The principles of corporate governance reduce power conflict.	10 9.3	29 27.1	42 39.3	20 18.7	6 5.6

7. The principles of corporate governance reduce the contradiction in objectives between parties related.	17 15.9	35 32.7	28 26.2	21 19.6	6 5.6
8. The principles of corporate governance contribute to the control in the small enterprises.	17 15.9	31 29.0	40 37.4	16 15.0	3 2.8
9. The principles of corporate governance enhance selecting the best alternative.	25 23.4	36 33.6	22 20.6	18 16.8	6 5.6

Source: Prepared by the researcher using SPSS 25

The table (7) above shows the following:

(14) individuals of (13.1%) of the study sample respondents answered that they are strongly agree, (27) of (25.2%) agree, (30) of (28%) neutral, and (29) of (27.1%) disagree with that **Proper practicing of the corporate governance leads to improving quality strategic management decision making.**

(17) individuals of (15.9%) of the study sample respondents answered that they are strongly agree, (32) of (29.9%) agree, (22) of (20.6%) neutral, (30) of (28%) disagree and (6) of (5.6%) strongly disagree with that **The principles of corporate governance contribute to effective management organization.**

(7) individuals of (6.5%) of the study sample respondents answered that they are strongly agree, (29) of (27.1%) agree, (28) of (26.2%) neutral, (36) of (33.6%) disagree and (7) of (6.5%) strongly disagree with that **The principles of corporate governance contribute to planning the resources available and coordinating the workforce.**

(19) individuals of (17.8%) of the study sample respondents answered that they are strongly agree, (26) of (24.3%) agree, (23) of (21.5%) neutral, (35) of (32.7%) disagree and (4) of (3.7%) strongly disagree with that **The principles of corporate governance help determining relations and borderland between powers and responsibilities.**

(29) individuals of (27.1%) of the study sample respondents answered that they are strongly agree, (39) of (36.4%) agree, (28) of (26.2%) neutral, (10) of (9.3%) disagree and (1) of (0.9%) strongly disagree with that **The principles of corporate governance contribute to coordination between individuals and units to avoid work duality.**

(29) individuals of (9.3%) of the study sample respondents answered that they are strongly agree, (29) of (27.1%) agree, (42) of (39.3%) neutral, (20) of (18.7%) disagree and (6) of (5.6%) strongly disagree with that **The principles of corporate governance reduce power conflict.**

(17) individuals of (15.9%) of the study sample respondents answered that they are strongly agree, (35) of (32.7%) agree, (28) of (26.2%) neutral, (21) of (19.6%) disagree and (6) of (5.6%) strongly disagree with that **The principles of corporate governance reduce the contradiction in objectives between parties related.**

(17) individuals of (15.9%) of the study sample respondents answered that they are strongly agree, (31) of (29%) agree, (40) of (37.4%) neutral, (16) of (15%) disagree and (3) of (2.98%) strongly disagree with that **Information The principles of corporate governance contribute to the control in the small enterprises.**

(25) individuals of (23.4%) of the study sample respondents answered that they are strongly agree, (36) of (33.6%) agree, (22) of (20.6%) neutral, (18) of (16.8%) disagree and (6) of (5.6%) strongly disagree with that **The principles of corporate governance enhance selecting the best alternative.**

Main hypothesis: There is a statistically significant relationship between corporate governance and (improving information systems and strategic management decisions - making)

	Regression coefficient	(T) Test	P-Value	Interpretation
B ₀	2.151	9.688	.000	Sig.
Improving information systems and management decision making	.539	8.352	.000	Sig.
Correlation coefficient (R)	0.632			
Determination coefficient (R ²)	0.399			
(F) Test	69.762	Model is significant		
Model	$y_i = 2.151 + .539X_1$			

1. The results of estimation showed that there is a direct correlation between corporate governance as an independent variable and (improving information systems and strategic management decision making in small enterprises) as a dependent variable whereas the simple correlation coefficient value was (0.632).

2. The coefficient of determination value was 0.399, which shows that corporate governance contributes by (39.9%) to (improving information systems and strategic management decision making in small enterprises) as a dependent variable.

3. The mean for (improving information systems and strategic management decision making in small enterprises) when there is no corporate governance was 2.151.

4. When corporate governance increases this means (improving information systems and strategic management decision making in small enterprises) increases by .539.

Accordingly, the main hypothesis: (There is a statistically significant relationship between corporate governance and improving information systems and strategic management decision making in small enterprises) is achieved.

Hypothesis one: There is a statistically significant relationship between the principles of corporate governance and improving information systems in small enterprises in the Kingdom of Saudi Arabia.

	Regression coefficient	(T) Test	P-Value	Interpretation
B ₀	1.366	5.859	.000	Sig.
Improving information systems B ₁	.705	10.400	.000	Sig.
Correlation coefficient (R)	0.712			
Determination coefficient (R ²)	0.507			
(F) Test	108.150	Model is significant		
Model	$y_i = 1.366 + .705X_1$			

1. The results of estimation showed that there is a direct correlation between the principles of corporate governance as an independent variable and (improving information systems) as a dependent variable whereas the simple correlation coefficient value was (0.712).
2. The coefficient of determination value was 0.507, which shows that the principles of corporate governance contributes by (50.7%) to (improving information systems) as a dependent variable.
3. The mean for (improving information systems) when there is no the principles of corporate governance was 1.366.
4. When the principles of corporate governance increase one unit this means (improving information systems) increases by .705.

Accordingly, the main hypothesis: (There is a statistically significant relationship between the principles of corporate governance and improving information systems in small enterprises in the Kingdom of Saudi Arabia) is achieved.

Hypothesis two: There is a statistically significant relationship between the principles of corporate governance and strategic decision making in small enterprises in the Kingdom of Saudi Arabia.

	Regression coefficient	(T) Test	P-Value	Interpretation
B ₀	2.561	8.886	.000	Sig.

Strategic decision making B_1	.471	5.625	.000	Sig.
Correlation coefficient (R)	0.481			
Determination coefficient (R^2)	0.232			
(F) Test	31.635	Model is significant		
Model	$y_i = 2.561 + .471X_1$			

1. The results of estimation showed that there is a direct correlation between the principles of corporate governance as an independent variable and (strategic decision making) as a dependent variable whereas the simple correlation coefficient value was (0.481).
2. The coefficient of determination value was 0.232, which shows that the principles of corporate governance contributes by (23.2%) to (strategic decision making) as a dependent variable.
3. The mean for (improving information systems) when there is no the principles of corporate governance was 2.561.
4. When the principles of corporate governance increase one unit this means (improving information systems) increases by .471.

Accordingly, the main hypothesis: (There is a statistically significant relationship between the principles of corporate governance and strategic decision making in small enterprises in the Kingdom of Saudi Arabia) is achieved.

Findings and Recommendations

Firstly: Findings

The researchers came up with the following findings:

1. There is a statistically significant relationship between corporate governance and (improving information systems and making strategic decisions in the small enterprises).
2. There is a statistically significant relationship between the principles of corporate governance and improving information systems in the small enterprises in the Kngdom of Saudi Arabia.

There is a statistically significant relationship between the principles of corporate governance and making strategic decisions in the small enterprises in the Kngdom of Saudi Arabia.

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