

# Abstract

**Doaa M Aldeftar**

## **Institutional investors and voluntary disclosure and transparency: the case of Egypt**

**Purpose** Disclosure and transparency are major pillars of corporate governance which need to be greatly promoted in Egypt. This research aims to understand how different kinds of institutional investors affect levels of voluntary disclosure and transparency. **Design/methodology/approach** The research was conducted on the most active Egyptian companies over a period of five years. A voluntary disclosure checklist was first developed to assess levels of voluntary disclosure and transparency. **Findings** Empirical results support significant positive impacts of both bank ownership and foreign ownership on voluntary disclosure and transparency. Among the four firm characteristics controlled for in the research, firm size was the only one with a highly significant positive impact on voluntary disclosure and transparency. **Research limitations/implications** The results of this research may not be generalized to all companies, as it was only conducted on the most active firms on the Egyptian Exchange. Therefore, it is recommended that future researches integrate a more diversified sample. **Practical implications** The research provides empirical evidence that institutional investors are not a homogeneous group and that different kinds of institutional ownership impact differently on voluntary disclosure and transparency. As such, some institutional investors are more influential than others when it comes to increasing corporate voluntary disclosure and transparency and in reducing agency problems. **Originality/value** This research offers assistance to policy makers interested in enhancing corporate disclosure and transparency. It is particularly important during any adjustment to ownership policies in Egypt.