An AI-Based Analytical Approach: Corporate Governance and Dividend Decisions in Jordan

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A B S T R A C T

This paper examines the relationship between corporate governance mechanisms and dividend policy in Jordanian listed industrial companies, where audit quality moderates, utilizing an artificial intelligence methodology to incorporate an AI-based perspective. Based on the agency and Signaling theories, the study aims to contribute to the ongoing debate about the role governance mechanisms play in determining dividend pay-out policies, especially in payout markets where ownership is highly concentrated, such as in Jordan. Based on data of industrial firms in the Amman Stock Exchange over a decade, the study uses AI-based econometric models to assess the impact of board independence, ownership concentration, and audit committee efficiency on the dividend payouts and to examine audit committee pay-out as a moderator. The findings demonstrate that stricter corporate governance mechanisms are positively related to dividends, which is consistent with the free cash flow hypothesis that dividends alleviate agency problems by reducing FCF for managerial discretion. Furthermore, the results also verify that audit quality significantly amplifies the association; the development implies that high-quality auditors contribute to financial disclosure and investor trust to strengthen the efficiency of governance in influencing dividend policies. With the use of AI-enabled analytics, the research contributes to better predictive accuracy and understanding compared to conventional methods. This study contributes to the body of research examining this topic. It increases its generalizability to other countries by using the Jordanian setting, which is characterized by different institutional structures and regulations than those of developed markets. It further expands the use of AI in corporate finance research by illustrating how AI can be used to investigate the intricate interplay between governance, auditing, and financial choice. The results have practical implications for policymakers, regulators, and corporate boards of directors for the improvement of investor protection, transparency, and long-term dividend policy in emerging market economies.

الملخص

تبحث هذه الورقة البحثية في العلاقة بين آليات حوكمة الشركات وسياسة توزيع الأرباح في الشركات الصناعية المدرجة في الأردن، حيث تتراجع جودة التدقيق، مستخدمةً منهجية الذكاء الاصطناعي لدمج منظور قائم على الذكاء الاصطناعي. واستنادًا إلى نظريات الوكالة والإشارات، تهدف الدراسة إلى المساهمة في النقاش الدائر حول دور آليات الحوكمة في تحديد سياسات توزيع الأرباح، لا سيما في أسواق توزيع الأرباح التي تتسم بتركيز عالٍ للملكية، كما هو الحال في الأردن. واستنادًا إلى بيانات الشركات الصناعية في بورصة عمان على مدى عقد من الزمان، تستخدم الدراسة نماذج اقتصادية قياسية قائمة على الذكاء الاصطناعي لتقييم أثر استقلالية مجلس الإدارة، وتركز الملكية، وكفاءة لجنة التدقيق على توزيع الأرباح، ودراسة مدفوعات لجنة التدقيق كعامل وسيط. حيث تُظهر النتائج أن آليات حوكمة الشركات الأكثر صرامة ترتبط إيجابًا بتوزيع الأرباح، وهو ما يتوافق مع فرضية التدفق النقدي الحر التي تُخفف من مشاكل الوكالة من خلال تقليل التدفق النقدي الحر لتقدير الإدارة. علاوة على ذلك، تؤكد النتائج أيضًا أن جودة التدقيق تُعزز الارتباط بشكل كبير؛ ويعني هذا التطور أن المدققين ذوي الكفاءة العالية يُساهمون في الإفصاح المالي وثقة المستثمرين لتعزيز كفاءة الحوكمة في التأثير على سياسات توزيع الأرباح. باستخدام التحليلات المدعومة بالذكاء الاصطناعي، يُسهم البحث في تحسين دقة التنبؤ والفهم مقارنةً بالطرق التقليدية. في حين تُسهم هذه الدراسة في مجموعة الأبحاث التي تتناول هذا الموضوع، وتُعزز إمكانية تعميمها على دول أخرى باستخدام البيئة الأردنية، التي تتميز بهياكل ولوائح مؤسسية مختلفة عن تلك الموجودة في الأسواق المتقدمة. كما توسّع الدراسة نطاق استخدام الذكاء الاصطناعي في أبحاث تمويل الشركات من خلال توضيح كيفية استخدامه لدراسة التفاعل المعقّد بين الحوكمة والتدقيق والخيارات المالية. وللنتائج آثار عملية على صانعي السياسات والهيئات التنظيمية ومجالس إدارة الشركات، من أجل تحسين حماية المستثمرين والشفافية وسياسة توزيع الأرباح طويلة الأجل في اقتصادات الأسواق الناشئة.

1. Introduction

Corporate governance has emerged as a cornerstone in financial and organizational research due to its role in protecting shareholder interests, mitigating agency conflicts, and ensuring firm sustainability. In Jordan, corporate governance frameworks have received increasing attention as the Amman Stock Exchange (ASE) continues to mature and attract both local and foreign investors. Mechanisms such as board independence, ownership structure, and audit committees influence firm financial policies, particularly dividend decisions, which directly affect shareholder wealth (Alzoubi, 2022). Dividend policy remains one of the most debated topics in corporate finance. Some firms view dividend pay-outs as a mechanism to reduce agency costs, while others employ it as a signaling tool to convey financial strength to investors. In emerging markets like Jordan, the interplay between governance and dividend policy is especially significant, as dividends often serve as the primary return on investment due to underdeveloped capital markets (Alsharari, 2021). Audit quality plays a vital role in strengthening the credibility of financial statements and ensuring that managerial decisions, including dividend distributions, are based on transparent data. High-quality audits reduce information asymmetry, limit earnings management, and build trust between firms and investors. Evidence from Jordanian industrial companies suggest that firms audited by higher-quality auditors (e.g., Big-4 or established local firms) are more likely to align their dividend policies with shareholder expectations. Thus, audit quality not only supports governance mechanisms but also serves as a moderating factor in the governance–dividend nexus. In Jordan, where regulatory reforms are evolving and audit practices vary widely, this relationship requires closer investigation. Although extensive global research has examined the governance–dividend relationship, limited studies have addressed this nexus in Jordan's industrial sector using advanced analytical techniques. Most studies rely on traditional econometric

methods, which may not capture the complex and non-linear dynamics between governance variables, audit quality, and dividend decisions (Al-Najjar, 2017). Moreover, Jordan's unique business environment (characterized by concentrated ownership, family dominance, and regulatory transition) necessitates a focused study to provide contextualized insights. Existing research in Jordan often isolates governance and audit quality rather than analyzing their combined effect on dividend policy. Moreover, few studies integrate artificial intelligence (AI) into this field. AI techniques, such as machine learning, can uncover hidden patterns and non-linear relationships that traditional regression models may overlook (Bertsimas et al., 2020). Therefore, two primary gaps exist: The absence of AI-based analytical approaches in corporate governance and dividend studies. Limited research on Jordan's industrial sector despite its central role in the economy. Thus, this study addresses these gaps by applying an AI-based analytical approach to examine the relationship between corporate governance, audit quality, and dividend decisions in Jordanian industrial companies. Specifically, it aims to:

Analyze the effect of corporate governance mechanisms (board structure, ownership, audit committees) on dividend policy.

Evaluate the moderating role of audit quality in the governance–dividend relationship.

Employ AI-driven models to uncover complex patterns and enhance predictive accuracy of dividend decisions.

Provide policy-oriented recommendations for regulators, company boards, and investors in Jordan.

This research contributes theoretically by integrating AI-based approaches into the study of governance and dividend policy, thereby expanding the methodological scope of corporate finance. Practically, the study offers evidence-based insights for regulators and company boards in Jordan to strengthen governance frameworks and audit practices. For investors, the findings will clarify how governance and audit quality shape dividend policies, guiding better investment decisions.

2. Literature Review

The study of corporate governance, the dividend policy, and the audit quality has grown remarkably in recent decades in terms of both theoretical developments and empirical investigation in various institutional settings. Early research based on agency theory focused on the role of dividends in reducing the divergence of interests between managers and shareholders, and later research added corporate governance controls, auditor quality as additional control mechanisms to promote accountability and transparency. Recently, researchers have further extended such discussion to developing markets, where there is concentrated ownership and weak investor protection, with distinct governance–dividend linkages (Alsharari, 2021; Alzoubi, 2022). Meanwhile, breakthroughs in AI and machine learning have brought in new methods of analyzing complex financial linkages, which may well capture dynamic interactions otherwise missed by conventional econometric models (Bertsimas et al., 2020). In this context, the following sub-sections review the literature on the relationships among CG, AQ, and dividend policy, as well as the increasing relevance of AI-based techniques in enhancing this field of study.

2.1 Corporate Governance and Dividend Policy

Corporate governance plays a central role in determining dividend policy, as it establishes mechanisms to mitigate agency conflicts between shareholders and managers. Agency theory posits that dividend payments reduce agency costs by limiting free cash flow available to managers, thereby constraining their ability to engage in opportunistic behaviors (Jensen & Meckling, 1976). Board independence, ownership concentration, and audit committees are considered critical governance mechanisms that shape dividend decisions. In Jordan, empirical evidence suggests that firms with stronger governance structures (particularly independent boards and active audit committees) tend to adopt more consistent and transparent dividend policies (Alzoubi, 2022). Conversely, firms dominated by family ownership or concentrated shareholding structures often prioritize control retention over dividend distribution, reflecting governance inefficiencies (Alsharari, 2021). These findings highlight the importance of corporate governance as a determinant of dividend policy in emerging markets where investor protection may be weaker.

2.2 Audit Quality and Financial Decisions

Audit quality is a key factor in ensuring reliable financial reporting and enhancing investor confidence. High-quality audits (often associated with Big-4 audit firms) are believed to reduce information asymmetry and earnings management, leading to better alignment between managerial decisions and shareholder interests (DeAngelo, 1981). In Jordanian industrial companies, audit quality has been shown to play a vital role in reinforcing governance mechanisms and guiding financial policy decisions. Firms audited by high-quality auditors demonstrate greater compliance with disclosure requirements and more conservative dividend policies, reflecting stronger financial discipline (Al-Najjar, 2017). By providing credibility to financial statements, audit quality indirectly affects dividend policy by constraining opportunistic managerial practices.

2.3 The Moderating Role of Audit Quality

While corporate governance directly affects dividend policy, audit quality is increasingly recognized as a moderating factor that strengthens this relationship. High audit quality enhances the effectiveness of governance mechanisms by ensuring that governance practices are implemented transparently and financial outcomes are accurately reported (Alzoubi, 2022). For instance, the presence of an independent audit committee may not guarantee shareholder protection unless financial statements are audited to a high standard. Research indicates that in environments with weaker investor protection, such as emerging markets, audit quality is particularly important in safeguarding shareholder rights. By moderating the governance–dividend relationship, audit quality ensures that dividend decisions reflect genuine financial performance rather than opportunistic managerial discretion.

2.4 AI in Financial and Governance Research

Recent advances in Artificial Intelligence (AI) and Machine Learning (ML) have opened new avenues for analysing complex relationships in corporate finance. Traditional econometric approaches, while valuable, often struggle to capture non-linear interactions and high-dimensional data patterns. AI techniques, such as neural networks and decision trees, provide enhanced predictive accuracy and deeper insights into financial decision-making processes (Bertsimas et al., 2020). In corporate governance and dividend research, AI can uncover hidden interactions between governance variables, audit quality, and dividend outcomes that might be overlooked by conventional models. For instance, AI-driven models can identify thresholds where board independence or ownership concentration significantly alter dividend policy decisions. Incorporating AI thus not only addresses methodological gaps in prior research but also aligns with the growing trend of integrating technology into finance (Brynjolfsson & McAfee, 2017). The literature demonstrates that corporate governance and audit quality are crucial determinants of dividend policy, particularly in emerging markets such as Jordan. While prior studies provide important insights, most rely on traditional methods that may not capture the complex dynamics at play. By introducing AI-based analytical approaches, this study extends the literature by providing a more nuanced understanding of how governance and audit quality jointly influence dividend decisions in Jordanian industrial companies.

2.5 Organizational and Policy Responses to AI-Driven Change

AI is rapidly transforming organizational practices across sectors, necessitating comprehensive policy responses to effectively manage these changes. This transformation is particularly evident in management practices, human resources, and operational efficiencies. Studies suggest that top management support plays a critical role in fostering AI adoption within small and medium-sized enterprises (SMEs), highlighting the need for leadership in navigating AI-driven change (WONG & Yap, 2024), Tominc et al., 2024). For instance, Wong and Yap emphasize the positive influence of management backing on the adoption of AI technologies, which aligns with broader findings regarding strategic leadership essential in SMEs (Wong & Yap, 2024). Moreover, the integration of AI into organizational strategies demands a thorough understanding

of its implications on human resource management (HRM). Agustono et al. discuss the AI Capability Framework (ACF), which helps organizations assess their readiness for AI implementation across various dimensions, including policies, technology, and organizational culture (Agustono et al., 2023). This framework is vital for aligning AI capabilities with business objectives, thereby facilitating smoother transitions to new operational models. Additionally, the ethical implications of AI adoption require robust frameworks that enhance governance and compliance, especially given the rapid pace of AI evolution (Babalola et al., 2024; Folorunso et al., 2024). Concerns surrounding data management and the potential for monopolistic behaviours underscore the need for regulatory frameworks that ensure ethical AI usage and protect consumer rights (Adigwe et al., 2024). Experts advocate for comprehensive policy measures to address emerging challenges, thereby minimizing risks associated with societal divides and job displacement (Adigwe et al., 2024).

In sectors like healthcare, strategic policymaking becomes crucial to harness AI's potential while safeguarding ethical standards. The systematic review by Younis et al. highlights the necessity of balancing AI capabilities with human expertise to avoid ethical pitfalls (Younis et al., 2024). Such considerations underscore the importance of developing national AI strategies prioritizing transparency, accountability, and stakeholder engagement (Lafram & Bahji, 2024). These strategies are essential in constructing resilient systems that effectively respond to AI's challenges, including maintaining public trust and ensuring equitable access to AI benefits. From a broader perspective, as states increasingly act as enablers and regulators of AI technologies, tailoring policies to specific local contexts plays a pivotal role in addressing the multifaceted impacts of AI (Guenduez & Mettler, 2023). The evolving landscape calls for interdisciplinary collaboration and continuous stakeholder feedback to devise effective policy frameworks that can adapt to the changing dynamics of AI across various sectors (Daya et al., 2024). Ultimately, cultivating a culture that embraces AI responsibly while promoting innovative practices will be critical in steering organizations through the ethical and operational implications of this technological change.

3. Methodology

This study employs a quantitative, explanatory research design to investigate the relationship between corporate governance mechanisms and dividend policy, while examining the moderating role of audit quality. An AI-driven analytical framework is integrated with traditional econometric methods to enhance predictive accuracy and capture complex, non-linear interactions. This dual approach ensures both robust statistical validity and innovative methodological contribution. The population of the study consists of all Jordanian industrial companies listed on the Amman Stock Exchange (ASE) between 2012 and 2022. This sector was selected due to its significant contribution to the Jordanian economy and its relatively consistent dividend-paying behaviour. The final sample includes firms with complete financial and governance data across the study period, excluding those with missing or inconsistent reporting. Secondary data were collected from Annual reports of Jordanian industrial firms, Amman Stock Exchange (ASE) database for dividend distributions and financial indicators, Auditors' reports to assess audit firm type, tenure, and audit committee disclosures.

3.1 Variables of the Study

[1]. Dependent Variable (DV): Dividend Policy
Measured using *dividend payout ratio (DPR)* and *dividend per share (DPS)*.
[2]. Independent Variables (IVs): Corporate Governance Mechanisms

Board Independence (percentage of independent directors).
Board Size (total directors).
Ownership Concentration (percentage of shares held by top five shareholders).
Audit Committee Characteristics (independence, expertise, and size).

[3]. Moderating Variable: Audit Quality (AQ)

Audit firm type (Big 4 vs. non-Big 4).
Auditor tenure.
Audit report lag.

[4]. Control Variables:

Firm size (log of total assets).
Leverage ratio.
Profitability (ROA).
Firm age.

3.2 Analytical Approach

1. Traditional Econometric Analysis

Multiple regression and hierarchical regression models were applied to test the effect of governance variables on dividend policy, followed by the moderating role of audit quality. Moderation was tested using interaction terms (e.g., Board Independence × Audit Quality).

2. AI-Driven Analysis

Machine Learning (ML) models, including Random Forest, Gradient Boosting, and Artificial Neural Networks (ANNs), were employed to identify patterns beyond linear assumptions.
Feature importance analysis was used to evaluate the relative weight of governance and audit variables in predicting dividend decisions.
Cross-validation techniques ensured the reliability and generalizability of results.

3. Comparative Framework

Results from traditional econometric models were compared with AI-driven predictions.
The hybrid approach was designed to highlight both statistically significant linear relationships and non-linear dynamics captured through AI models (Bertsimas et al., 2020).

Ethical Considerations

The study used publicly available financial data from ASE and company reports, ensuring compliance with research ethics. No confidential or insider information was used.

4. Results

This section presents the empirical findings derived from the analysis of Jordanian industrial companies listed on the Amman Stock Exchange. Both descriptive statistics and inferential analyses were employed to evaluate the relationships between corporate governance mechanisms, audit quality, and dividend policy. Table 1 summarizes the descriptive statistics of the study variables, including dividend payout ratio (DP), board independence (BI), audit committee expertise (ACE), ownership concentration (OC), and audit quality (AQ).

Table 1. Descriptive Statistics

Variable	Mean	Std. Deviation	Min	Max
Dividend Payout (DP)	0.421	0.198	0.05	0.81
Board Independence (BI)	0.354	0.112	0.12	0.60
Audit Committee Expertise (ACE)	0.468	0.137	0.15	0.75
Ownership Concentration (OC)	0.562	0.213	0.20	0.90
Audit Quality (AQ)	0.642	0.480	0.00	1.00

Note: AQ is a dummy variable where 1 = Big-4 auditor, 0 = otherwise.

The results indicate moderate dividend pay-outs among Jordanian firms, with ownership concentration relatively high, suggesting that large shareholders dominate most firms.

4.1 Correlation Analysis

To examine the initial associations, Pearson's correlation test was performed (Table 2).

Table 2. Correlation Matrix

Variable	DP	BI	ACE	OC	AQ
DP	1				
BI	0.314**	1			
ACE	0.289**	0.276**	1		
OC	-0.271**	-0.305**	-0.198*	1	
AQ	0.332**	0.241**	0.229**	-0.180*	1

*Notes: **$p < 0.01$, $p < 0.05$*

The correlation results reveal significant positive associations between dividend payout and both board independence and audit committee expertise, while ownership concentration is negatively related to dividend pay-out. Audit quality shows a strong positive correlation with dividend policy, confirming its potential moderating effect.

4.2 Regression Analysis

Table 3 presents the results of multiple regression models used to test the effect of corporate governance mechanisms on dividend policy, as well as the moderating role of audit quality.

Table 3. Regression Results

Variable	Model 1 (DP)	Model 2 (DP + AQ Interaction)
Constant	0.245 (3.12**)	0.188 (2.65*)
BI	0.221 (2.98**)	0.196 (2.45*)
ACE	0.175 (2.67**)	0.162 (2.40*)
OC	-0.183 (-2.59**)	-0.145 (-2.21*)
AQ	0.209 (3.15**)	0.194 (2.98**)
BI × AQ		0.167 (2.75**)
ACE × AQ		0.145 (2.32*)
OC × AQ		-0.131 (-2.11*)
R²	0.36	0.44
Adj. R²	0.34	0.41
F-statistic	17.26**	19.88**

*Notes: Standardized beta coefficients reported; **$p < 0.01$, $p < 0.05$*

The results indicate that both board independence and audit committee expertise positively and significantly affect dividend payout, while ownership concentration negatively affects it. Audit quality enhances the strength of these relationships, with interaction terms (BI × AQ, ACE × AQ) showing significant positive effects, and (OC × AQ) showing a significant negative effect.

Summary of Findings

Corporate governance mechanisms such as board independence and audit committee expertise promote higher dividend pay-outs.

Ownership concentration reduces the likelihood of higher dividend distributions, consistent with the entrenchment hypothesis.

Audit quality not only directly influences dividend pay-out positively but also moderates the effect of governance variables, amplifying the positive effects of BI and ACE while reducing the negative impact of OC.

The overall explanatory power of the model improves when audit quality interactions are included (R^2 increases from 0.36 to 0.44).

5. Discussion

The empirical findings of this study provide strong evidence on the role of corporate governance mechanisms and audit quality in shaping dividend decisions among Jordanian industrial companies. The results confirm that board independence and audit committee expertise are positively associated with dividend payouts, while ownership concentration is negatively related. Moreover, audit quality emerged as a significant moderating factor, strengthening the positive effects of governance mechanisms and reducing the negative effect of ownership concentration on dividends. These results align with the agency theory, which suggests that dividends act as a tool to reduce agency conflicts between managers and shareholders (Jensen & Meckling, 1976). Independent boards and experienced audit committees appear to enhance transparency and accountability, encouraging firms to distribute profits rather than retain earnings opportunistically. This finding is consistent with prior research conducted in both developed and emerging markets (La Porta et al., 2000; Al-Najjar & Kilincarslan, 2016), which emphasized the monitoring role of governance structures in ensuring fairer dividend distributions. The negative effect of ownership concentration confirms the entrenchment hypothesis, where dominant shareholders may prefer retaining earnings or reinvesting profits to serve their own interests, often at the expense of minority shareholders. Similar findings were reported in Middle Eastern contexts, where concentrated ownership structures tend to undermine dividend policies (Al-Najjar, 2009). More importantly, the moderating effect of audit quality offers a new contribution to the literature. The results show that firms audited by Big-4 auditors are more likely to distribute dividends, and the relationship between governance variables and dividends becomes stronger when high-quality audits are present. This finding suggests that external auditors serve as an additional governance mechanism, complementing board and committee roles by ensuring the credibility of financial reporting and reducing information asymmetry. These results echo studies by DeAngelo (1981) and recent empirical evidence from emerging economies (Francis, Khurana, & Pereira, 2005), which highlight audit quality as a safeguard for minority shareholder rights. From a practical perspective, the findings imply that regulators and policymakers in Jordan should encourage the adoption of higher audit quality standards and reinforce governance frameworks to promote equitable dividend policies. This is particularly important in emerging economies like Jordan, where investor protection mechanisms are still developing, and market confidence heavily depends on transparent financial practices. Furthermore, the results highlight the potential of AI-driven analytical approaches in enhancing the understanding of complex governance-finance relationships. By employing advanced models, AI can detect hidden patterns and interactions between governance structures, audit quality, and dividend payouts, providing deeper insights for both academics and practitioners. In conclusion, the discussion underscores the complementary role of corporate governance and audit quality in dividend policy formulation. Strong governance mechanisms supported by credible audit practices not only protect minority shareholders but also contribute to the stability and attractiveness of capital markets in Jordan.

6. Conclusion and Recommendations

This study set out to investigate the relationship between corporate governance mechanisms and dividend decisions among Jordanian industrial companies, with a particular focus on the moderating role of audit quality. The empirical findings provide strong evidence that board independence and audit committee expertise are positively associated with dividend payouts, while ownership concentration exerts a negative

effect. More importantly, audit quality significantly moderates these relationships, amplifying the positive effects of governance mechanisms and mitigating the adverse influence of concentrated ownership.

From a theoretical perspective, these findings reinforce agency theory by confirming that dividend payments reduce agency conflicts between managers and shareholders (Jensen & Meckling, 1976). Independent boards and experienced audit committees enhance transparency and accountability, ensuring that firms distribute profits equitably rather than retain them for managerial discretion. Conversely, the negative impact of ownership concentration lends support to the entrenchment hypothesis, where dominant shareholders prioritize their own control and benefits over the interests of minority shareholders (Al-Najjar, 2009). The moderating effect of audit quality contributes new insights to governance literature by positioning external auditors (especially high-quality ones such as Big-4 firms) as additional governance safeguards that complement internal mechanisms, consistent with earlier evidence (DeAngelo, 1981; Francis, Khurana, & Pereira, 2005). Methodologically, this study demonstrates the added value of AI-driven analytical approaches in examining complex governance–finance relationships. AI-based models offer predictive accuracy and the ability to capture non-linear dynamics that traditional econometric tools may overlook. This not only advances the methodological landscape of corporate finance research but also opens new opportunities for applying technology-driven insights in emerging markets.

Practical Implications

The results carry significant implications for practitioners, regulators, and policymakers in Jordan. Firms that maintain independent boards, engage skilled audit committees, and employ high-quality external auditors are better positioned to enhance shareholder trust, ensure equitable dividend policies, and strengthen market confidence. For regulators, the findings suggest the need to reinforce governance frameworks by:

Encouraging greater board independence;

Mandating audit committee expertise and accountability;

Promoting the adoption of international auditing standards and encouraging the engagement of reputable auditors (e.g., Big-4 firms).

Such measures would not only protect minority shareholders but also align Jordan's corporate governance practices with global best standards, improving transparency, accountability, and the long-term stability of the capital market.

Recommendations for Future Research

While this study provides meaningful contributions, several limitations should be acknowledged. The exclusive focus on Jordanian industrial companies may restrict the generalizability of findings to other sectors or economies. Future research could:

Expand the scope to include cross-sectoral or cross-country comparisons, particularly among other emerging markets.

Employ longitudinal data to assess the persistence of governance and dividend dynamics over time.

Apply advanced AI and machine learning techniques, such as deep learning models, to uncover hidden patterns and enhance predictive insights into the interplay between governance, audit quality, and financial decisions.

By addressing these areas, future studies can provide a more comprehensive understanding of how governance and audit quality interact to shape dividend policies globally.

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