



Sectoral Divergences in Corporate Governance: The Case of Borsa Istanbul (2018 – 2023)

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Abstract: This study examines sectoral divergences in corporate governance among firms listed on Borsa Istanbul from 2018 to 2023, using the Corporate Governance Maturity Index published by the Central Securities Depository (MKK). Focusing on four key governance pillars, shareholder rights, public disclosure, stakeholder engagement, and board structure, the research applies a descriptive comparative method across six sectors. Findings show that while the banking sector maintained the highest scores due to strong regulation, service and technology sectors faced greater volatility stemming from institutionalization difficulties and information asymmetry. Shareholder rights weakened across most sectors, especially among newly listed firms with concentrated ownership and limited investor participation. Public disclosure improved post-pandemic, but board independence and stakeholder responsiveness remained weak in dynamic sectors. Grounded in Agency, Stakeholder, and Institutional Theories, the study interprets governance gaps as sector-specific outcomes shaped by regulatory pressure and organizational maturity. It recommends tailored policy measures such as IPO transition plans and board independence indices to accelerate institutionalization. The study contributes to the literature by offering sector-based insights into governance evolution in emerging markets and provides practical guidance for regulators and corporate leaders seeking to improve governance resilience in Borsa Istanbul.

Keywords: Corporate Governance, Sectoral Differences, Borsa Istanbul, Emerging Markets

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1. Introduction

Corporate governance has emerged as a foundational element in contemporary management, offering essential structural guidance that enables firms to pursue sustainable development, enhance investor trust, and ensure their long-term strategic viability (Aguilera & Cuervo-Cazurra, 2009; Mallin, 2013). When these mechanisms are applied effectively, they support financial resilience by cultivating stakeholder trust and operationalizing the values of responsibility, transparency, and accountability. Claessens and Yurtoglu (2013) emphasize the developmental role of corporate governance in emerging economies, while Caprio and Levine (2002) point to its critical function in shielding firms, particularly within the financial sector, from systemic vulnerabilities. These considerations make it increasingly important to explore how governance frameworks evolve across different industries, especially in transitional economies like Türkiye, where both regulatory reform and market expansion are actively shaping institutional environments.

In emerging market contexts, the presence of strong governance frameworks is closely tied to investor confidence, risk control, and the overall reliability of financial systems. Ararat and Dallas (2011) argue that effective governance practices enhance a market's appeal to international investors. In the specific case of Borsa Istanbul, governance structures contribute significantly to firm-level financial stability and bolster overall market valuation. Furthermore, Çelik and Isaksson (2013) observe that the active involvement of institutional investors, as well as their ownership roles, play a pivotal part in raising governance standards and strengthening company performance.

The conceptual foundation of this research draws from multiple theoretical lenses. First, Agency Theory offers a rationale for the necessity of governance tools that address conflicts between shareholders (principals) and corporate managers (agents), as outlined by Jensen and Meckling (1976). It highlights the relevance of oversight, ownership configuration, and transparency in minimizing agency-related

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inefficiencies and aligning executive behavior with shareholder goals. Secondly, Stakeholder Theory expands the scope of corporate responsibility beyond shareholders to include a wide range of actors, employees, regulators, customers, and others, stressing the importance of ethical management and sustainable value creation (Freeman, 1984). Lastly, Institutional Theory provides a lens through which the evolution of governance practices can be interpreted in response to regulatory frameworks, investor demands, and sectoral norms (Scott, 2008). These perspectives together inform the approach used in this study to assess variations in governance maturity across sectors.

Although the relationship between corporate governance and firm-level outcomes, such as financial performance, market stability, and investor perception, has been widely studied (Ararat et al., 2017; La Porta et al., 1998), less attention has been paid to how these dynamics play out at the sectoral level. Macey and O'Hara (2003) highlight the particular governance challenges faced by the banking sector, while Spence (2002) points to governance as a valuable signaling mechanism within capital markets. Nevertheless, the ways in which governance practices diverge across sectors have not been comprehensively examined (Ararat & Dallas, 2011; Claessens & Yurtoglu, 2013). In particular, while banking and finance tend to benefit from strong regulatory frameworks that encourage robust governance structures, emerging sectors like technology and services often lag in institutional development (Eccles et al., 2020; Gompers & Lerner, 2001).

Moreover, the adaptation challenges encountered by newly public firms have received relatively limited attention in academic literature (Ararat & Dallas, 2011). This creates a research gap that calls for a systematic analysis of the sector-level factors influencing governance maturity. While Ararat et al. (2017) have shown that governance quality is positively associated with firm market value in Türkiye, they also point to the lack of sector-specific studies as a notable shortcoming in the field.

Despite the expanding body of research on corporate governance, most existing studies focus on firm-level metrics, such as financial outcomes, ownership structures, or agency-related issues, while neglecting how governance evolves differently across sectors in developing markets (Ararat et al., 2017; Claessens & Yurtoglu, 2013). The long-term effects of institutional and regulatory disparities across sectors remain insufficiently examined. This issue is particularly salient for Borsa Istanbul, where the rapid growth in sectoral listings has created an urgent need to better understand how corporate governance frameworks adapt and how investor rights are maintained amid such expansion. The current study seeks to bridge this gap by placing sector-based disparities and institutionalization trajectories at the center of its analytical framework.

To that end, the research evaluates corporate governance performance across various sectors represented on Borsa Istanbul, aiming to uncover the underlying causes and implications of observed variations. Using data from the Corporate Governance Maturity Index spanning the years 2018 to 2023, the study investigates key pillars of governance, including board configuration, shareholder protections, disclosure standards, and stakeholder-related practices, to assess both advancements and setbacks (Aguilera & Cuervo-Cazurra, 2009; Caprio & Levine, 2002).

In addition, the study offers a detailed examination of how newly listed companies transition into formal governance structures and the distinct challenges they encounter during this critical phase of institutional development. It investigates why governance maturity tends to progress more slowly in fast-growing sectors and how sector-specific management models shape the institutionalization trajectory of these firms (Eccles et al., 2020).

This study intends to make a meaningful scholarly contribution by illustrating how governance frameworks differ across sectors. The findings by Ararat et al. (2017) and La Porta et al. (1998) suggest that these sectoral differences play a pivotal role in shaping investor behavior. Hence, the study's

outcomes aim to guide policymakers, corporate leaders, and investors in crafting more tailored and effective governance strategies.

The next sections present a review of the relevant literature, describe the dataset and methodological framework, and detail the sector-based findings along with policy recommendations for strengthening corporate governance practices.

2. Literature Review

Corporate governance has been a prominent field of research interest, particularly in emerging markets where there are different institutional settings and regulatory environments. Firm performance, risk-taking, disclosure practices, and capital structure decisions have been related to the effectiveness of corporate governance mechanisms. This literature review consolidates existing research on corporate governance in emerging markets on ownership structures, board structures, environmental, social, and governance (ESG) concerns, and how the quality of governance affects firm valuation and financial policies.

Corporate governance is extremely influential in firm decision-making, especially in emerging economies in which issues of regulation and weaknesses in institutions are stronger. Hasan et al. (2023) examined board structure, ownership structure, and audit committee structure and their impact on corporate tax avoidance in Pakistan. They find that board independence and gender diversification in the audit committee mitigate tax avoidance, and independent audit committees and managerial ownership promote aggressive taxation. Arsh et al. (2025) found that independent directors and gender diversification in the board positively influence firm performance in Indian for-profit firms, while a large-sized board is an inefficient one. Claessens et al. (2013) offered an extensive review of the advantages of corporate governance in emerging economies and stated that sound corporate governance manifests in increased access to external finance, decreased capital costs, better firm performance, and better treatment of stakeholders. Biçer and Sit (2023) examined Türkiye's Borsa Istanbul Corporate Governance Index (XKURY) and found that corporate governance quality exerted a robust positive effect by promoting transparency and shareholder alignment. Saygili et al. (2021) further examined the same in Borsa Istanbul firms and found shareholder protection and stakeholder-focused corporate practice playing an important role in determining financial performance.

Institutions, financial constraints, and governance mechanisms inform capital structure choices amid emerging markets. Farooq et al. (2025) established that efficient governance mechanisms decelerate the capital structure adjustment process, which illustrates the nuance with which governance impacts financial decision-making. Thuan et al. (2025) contrasted corporate governance dynamics across Vietnam, with emphasis on the contribution of firm size, board activity, and accounting disclosure to earnings quality improvement and capital structure choice-making. Erdas and Simoes (2020) tested the contribution of board independence and audit committee role to dividend payout policies for firms listed on the Borsa Istanbul and determined that firms with optimal corporate structures pay higher dividends. Abdullah et al. (2025) contrasted dividend policy across Borsa Istanbul financial companies, which illustrated that the adoption of IFRS has strengthened the corporate governance-firm value relationship.

Corporate governance structure and ownership structures are a primary determinant of effective governance. Diversity on boards and firm performance were analyzed by Ararat et al. (2015) for Türkiye and were found to improve firm performance due to increased board monitoring capability. Akçay (2020) investigated determinants of corporate governance mechanisms affecting auditor choices within Borsa Istanbul companies, showing that companies with more independent directors and higher ownership concentration on their boards are likely to appoint Big Four auditors. Highly concentrated ownership structures found in Türkiye were shown by Aras and Furtuna (2015) to likely exacerbate

agency problems and thus should have additional governance mechanisms. Ciftci et al. (2019) illustrated that Turkish family-controlled companies have a conservative risk attitude, which reflects their long-term investment horizon strategy.

Transparent disclosure is a cornerstone of corporate governance, providing accurate and trustworthy information to investors. Mandatory and voluntary adoption of the International Financial Reporting Standards (IFRS) in Türkiye was researched by Aksu and Espahbodi (2016), where voluntary adopters had higher disclosure quality compared to mandatory adopters. Özer et al. (2023) researched the effect of corporate governance quality on companies' dividend policies listed on the Borsa Istanbul, where higher corporate governance scores are associated with higher dividend payouts. Francis et al. (2013) emphasized that companies with better governance have fewer financial constraints, further solidifying the necessity of firm-specific governance mechanisms. Pirgaip and Akyüz (2020) researched the effect of corporate governance rating announcements on the Borsa Istanbul market, where initial corporate governance rating announcements have a greater impact compared to subsequent ratings.

Risk management is an important corporate governance activity, especially where investor protection law is weak. Jiang et al. (2024) conclude that blockholder ownership lowers Pakistani companies' holdings of cash substantially, whilst board independence is not relevant. Almustafa et al. (2023) studied risk-taking by companies in the Middle East and North Africa and concluded that efficient governance mechanisms induce firms to take on higher return-risk projects. Hassanein and Kokel (2019) studied Turkish firms' cash holding behavior and concluded that firms with audit committees of a higher size hold less cash and consequently lower agency costs.

ESG factors are increasingly being incorporated into the governance structures as sustainability issues take center stage across markets around the world. Mehedi et al. (2024) studied corporate governance for climate change disclosure in Bangladesh and illustrated that corporate values and specialisation within boards affect enhanced environmental governance. Saygili et al. (2022) studied the performance of companies within Türkiye as influenced by ESG practices and illustrated that ESG factors associated with governance enhance performance, although environmental disclosures affect profitability negatively. Kiliç and Kuzey (2019) studied carbon emission disclosure within companies in Türkiye and illustrated that there is transparent reporting of ESG within companies that have independent directors and sustainability committees.

Governance quality is directly connected with investor confidence and firm value in emerging markets. Black et al. (2017) compared corporate governance practices in Türkiye and found that board independence and disclosure quality have the biggest influence in terms of contributing to firm valuation. Similarly, Yen et al. (2013), in a survey of mergers and acquisitions in emerging markets, identified that post-merger performance plateaus are typically blamed on gaps in governance structures. Evidence in support of this argument comes from Morey et al. (2009), who demonstrated that firms with better governance rankings in a consistent way have superior market valuations, which once again highlights the crucial role that governance quality plays in shaping investor decisions.

3. Methodology

This section describes the dataset in its entirety, details data collection procedures, outlines analysis procedures followed, and avows the study's limitations. The research compares the corporate governance performance of publicly traded firms using a comparative sector perspective for the period between 2018 and 2023. Overall, it is aimed at finding out how governance practices have changed over time across sectors and examining how sector-specific factors contributed to this change.

3.1. Data set and sources

The dataset used in this study consists of Corporate Governance Maturity Index data published by the Central Securities Depository (MKK). Index values for the period between 2018 and 2023 were utilized

to examine trends in the corporate governance performance of companies. The dataset covers all sectors and subsectors listed on Borsa Istanbul and includes pre-reported data at the sectoral level. Within this scope, the analysis includes the industrial, financial, banking, non-bank financial, services, and technology sectors.

The variables included in the dataset are the Corporate Governance Index Score (overall and sectoral), the number of companies (overall and sectoral), the shareholder rights score, the public disclosure and transparency score, the stakeholder rights score, and the board of directors score. These variables have been evaluated within the framework of corporate governance principles as outlined by Ararat and Dallas (2011) and Mallin (2013) and are presented as part of the index created by the MKK. The study utilized this pre-existing dataset for analysis; no additional calculations were performed, and the data were analyzed as provided directly by the MKK.

The sectors included in the study are those covered by the index published by the MKK. However, the selection of these sectors is not based solely on data availability. The literature highlights that the banking, non-bank financial, and general financial sectors tend to exhibit high corporate governance scores due to strict regulatory frameworks (Claessens & Yurtoglu, 2013), while the service and technology sectors experience a more volatile institutionalization process because of their dynamic structures and rapid growth trajectories (Mallin, 2013). The industrial sector, on the other hand, offers a more established and stable corporate structure, providing a balanced basis for comparison. Thus, these sectors were included both in alignment with the MKK's data presentation and because they represent different corporate governance dynamics identified in the literature.

The 2018–2023 period was selected to ensure full-year comparability of governance scores across all sectors. At the time of analysis, only the first nine months of the 2024 data had been disclosed by the Central Securities Depository (MKK), and the official year-end values were not yet available. Therefore, including partial-year data from 2024 would compromise consistency and weaken methodological validity. By limiting the dataset to 2018–2023, the study preserves both data completeness and the integrity of cross-year comparisons.

3.2. Analysis method

A comparative analysis method was applied in the study. This method was chosen to identify differences across sectors and to reveal sectoral trends, and it is widely used in the literature (Claessens & Yurtoglu, 2013; Mallin, 2013).

The analysis process began with transferring the Corporate Governance Maturity Index data published by MKK for the 2018–2023 period into Excel and segmenting it by sector. Subsequently, the annual average index values and subcomponent scores, as provided for the industrial, finance, non-bank finance, service, and technology sectors, were organized on a sectoral basis. At this stage, no new calculations were performed; the analysis was conducted using the ready-made data provided by MKK.

As part of the descriptive analysis, the available data from the index were used to assess the corporate governance performance across sectors. The analysis closely examined sectoral scores in shareholder rights, disclosure and transparency, stakeholder rights, and board structure. This process aligns with the descriptive analysis approach recommended by Caprio and Levine (2002).

Finally, the performance trends were interpreted by considering the annual changes of each sector, and the sectors with the highest and lowest performance were identified. The study's findings were presented through tables, with sectoral differences highlighted and detailed. This applied method also parallels the analytical approaches recommended by Macey and O'Hara (2003) for the banking sector, with particular attention paid to regulatory differences across sectors during the analysis process.

In addition to descriptive comparisons, one-way ANOVA (Analysis of Variance) tests were conducted to statistically assess whether there were significant differences across sectors in each corporate governance dimension. The results confirmed that sectoral differences in governance scores, covering overall index performance as well as its subcomponents (shareholder rights, disclosure, stakeholder rights, and board structure), were statistically significant (all p-values < 0.001). This method allows for assessing variance across multiple independent groups and is commonly applied in governance-related empirical studies (Yermack, 1996; Gompers et al., 2003).

3.3. Study limitations

This study has some limitations. In terms of dataset scope, this study relies solely on data from 2018 to 2023. To analyze long-term trends, additional data from earlier and later years would be necessary. This limitation affects the ability to fully understand the long-term effects of corporate governance policies.

Moreover, sectoral differences are shaped not only by company-specific policies but also by sector-specific legal regulations and market dynamics. For instance, the finance and banking sectors exhibit higher corporate governance scores due to stringent regulatory frameworks (Caprio & Levine, 2002; Macey & O'Hara, 2003), whereas the institutionalization process in the service and technology sectors tends to progress more unevenly (Eccles et al., 2020).

Finally, although one-way ANOVA was used to determine the presence of statistically significant differences between sectors, the study did not perform post-hoc tests (e.g., Tukey or Bonferroni) to identify which specific sectors differ from each other. Future research could benefit from such post-hoc analyses to isolate pairwise differences more precisely.

4. Findings

Corporate governance underpins investor trust and financial stability on Borsa Istanbul. It enhances disclosure, stakeholder relations, and credibility. Effective governance aligns managerial and stakeholder interests (Shleifer & Vishny, 2012), builds investor trust in emerging markets (Claessens & Yurtoglu, 2013), and supports legitimacy and sustainability (Aguilera & Jackson, 2003).

This study examines sectoral corporate governance trends among Borsa Istanbul-listed firms between 2018 and 2023. It explores governance performance shifts within the industrial, technology, and services sectors, aiming to identify key drivers of change and their implications for investor confidence.

Table 1 shows that the number of Borsa Istanbul-listed companies grew from 328 in 2018 to 509 in 2023, a 55% increase, largely within the industrial, technology, and services sectors. This expansion reshaped corporate governance practices, as new listings prompted structural reforms. Literature supports this trend: going public often leads to governance upgrades (Pagano et al., 2002), heightened accountability (Filatotchev & Nakajima, 2014), and new sectoral standards (Bebchuk & Weisbach, 2010). While finance remains governed by stable, regulation-driven models (La Porta et al., 2000; Macey & O'Hara, 2003), dynamic sectors adopt more flexible frameworks (Peng, 2003).

Table 1*Number of Companies by Sector (2018-2023)*

Years	All Companies	Industrial	Financial	Financial Banking	Financial Non-Banking	Services	Technology
2018	328	150	108	13	95	54	16
2019	332	153	107	12	95	54	18
2020	334	149	108	12	96	59	18
2021	408	178	121	12	109	83	26
2022	450	199	126	12	114	96	29
2023	509	222	145	12	133	109	33

Industrial firms rose from 150 to 222 (48%), services from 54 to 109 (101%), and technology from 16 to 33 (106%), with services showing the highest growth. This surge not only expanded listings but also highlighted the difficulties new firms face in adapting to governance norms. Newly public firms often struggle to adopt formal governance, especially in emerging markets (Filatotchev & Boyd, 2009). Growth and formalization bring challenges in board restructuring and compliance (Bozec & Dia, 2007), particularly in investor relations, disclosure, and board organization.

This pattern is most evident in the services and technology sectors, where lower governance scores reflect difficulties in aligning with formal structures. Sector-specific factors shape governance effectiveness (La Porta et al., 1999), with service industries often facing the most challenges. The dynamic nature of these sectors hinders standardization (Aguilera & Jackson, 2003), and governance must adapt to institutional shifts in fast-growing industries (Peng, 2003). In contrast, regulated sectors like banking, with no listing growth, show consistent scores due to strong oversight, underscoring the sectoral influence on governance performance.

Borsa Istanbul-listed firms require robust governance to sustain investor trust, support long-term growth, and enhance market value. Good structures protect investors and reduce agency costs (Shleifer & Vishny, 2012). In emerging markets, governance promotes both trust and sustainable development (Claessens & Yurtoglu, 2013). Strong governance also leads to higher market valuations (Gompers et al., 2003). A firm's governance score reflects key aspects such as transparency, board composition, shareholder rights, and disclosure. Table 2 outlines sectoral governance trends between 2018–2023 and highlights the underlying drivers behind these shifts.

Table 2*Corporate Governance Scores by Sector (2018-2023)*

Years	All Companies	Industrial	Financial	Financial Banking	Financial Non-Banking	Services	Technology
2018	89,10	89,21	89,09	92,01	88,69	88,78	89,25
2019	89,25	89,36	89,21	91,98	88,86	89,48	87,86
2020	89,39	89,52	89,43	91,91	89,12	88,94	89,47
2021	88,56	88,80	88,84	92,64	88,42	87,85	87,92
2022	88,72	88,74	89,09	93,44	88,64	88,20	88,67
2023	88,78	88,88	88,76	93,68	88,32	88,60	88,73

Corporate governance scores at Borsa Istanbul were 89.10 in 2018, declined to 88.56 in 2021, and modestly recovered to 88.78 by 2023, reflecting shifts in governance processes. Structural changes, including board composition and reporting standards, directly affect efficiency and legitimacy (Aguilera et al., 2008). Though the score variations seem minimal, even small changes can influence investor confidence and valuations. Brown and Caylor (2006) show that slight improvements in governance enhance market perception through greater transparency. Similarly, Drobetz et al. (2004) note that investors treat incremental governance gains as signals of firm quality. The overall variation in index scores correlates with studies showing a positive link between corporate governance and market value, especially in emerging markets like Türkiye (Ararat et al., 2017; Biçer & Sit, 2023).

One key factor behind the 2021 decline was the COVID-19 pandemic's disruption of corporate governance practices. Caratas et al. (2021) note that the crisis impaired oversight, risk management, and decision-making across sectors. Remote work, supply chain disruptions, and uncertainty reduced board effectiveness and responsiveness. Similarly, KPMG (2020) highlights that operational and logistical challenges during the pandemic slowed governance processes and weakened board agility, particularly in fast-changing environments.

Another key factor was the inability of newly listed firms to fully adopt governance standards. These companies often struggle with formal structures, lowering performance (Filatotchev & Boyd, 2009). Rapid expansion in services and technology sectors delayed governance stabilization, intensifying risks. Bozec and Dia (2007) note that institutionalization is especially difficult in fast-growing industries. However, governance reforms and improved compliance in 2022–2023 contributed to a partial score recovery. Kakabadse and Kakabadse (2007) confirm that targeted reforms and stronger frameworks can significantly enhance governance quality.

The industrial sector showed strong stability in governance scores, declining only slightly from 89.21 in 2018 to 88.88 in 2023, a mere 0.37% drop. This consistency stems from institutionalized frameworks and mature business models that shield firms from volatility. This sectoral performance divergence is statistically supported by the one-way ANOVA results, which indicate significant differences across sectors in overall governance ($F = 42.54$; $p < 0.001$), shareholder rights ($F = 258.05$; $p < 0.001$), disclosure ($F = 21.39$; $p < 0.001$), stakeholder rights ($F = 48.45$; $p < 0.001$), and board structure scores ($F = 21.38$; $p < 0.001$). As a result, the industrial sector remains one of the strongest governance environments among Borsa Istanbul-listed companies.

The relatively stable governance scores observed in the industrial sector may also be closely linked to the presence of well-established internal audit practices and highly concentrated ownership structures. Such characteristics have been shown to foster consistent patterns in auditor selection, often interpreted as indicators of structured and disciplined governance behavior. These findings align with Akçay (2020), who reports that ownership concentration and board independence are significant predictors of auditor choice in Borsa Istanbul firms, suggesting that entrenched corporate structures may encourage more stable governance practices.

The financial sector showed a volatile trend, with governance scores declining from 89.09 in 2018 to 88.76 in 2023. However, banking and non-banking institutions followed different paths. Due to strict regulation, the banking sector steadily improved, with scores rising from 92.01 to 93.68, making it one of the strongest performers in corporate governance. Improved monitoring and tighter governance have enabled banks to strengthen investor relations, transparency, and risk management, boosting their governance scores.

The consistently high scores in the banking and finance sectors reflect the influence of robust regulatory oversight, which aligns with previous findings showing that governance efficiency significantly reduces agency costs in Borsa Istanbul firms (Aras & Furtuna, 2015) and that stakeholder-oriented governance practices enhance financial performance, especially in financial institutions (Saygili et al., 2021).

Improved monitoring and tighter governance have enabled banks to strengthen investor relations, transparency, and risk management, boosting their governance scores. In contrast, non-banking financial institutions saw a decline from 88.69 in 2018 to 88.32 in 2023. This gap reflects regulatory differences; banks operate under stricter governance regimes due to their systemic importance (Macey & O'Hara, 2003). Intensive regulation and supervision help maintain high governance standards in banking, while less regulated financial firms often face deficiencies and greater risk exposure (Barth et al., 2004).

Corporate governance performance in the services sector was the most volatile among Borsa Istanbul-listed firms, with scores moving from 88.78 in 2018 to a low of 87.85 in 2021, then rising to 88.60 in 2023. This fluctuation reflects flexible organizational structures and intra-sector governance differences. Service firms often adopt decentralized models, complicating standardization (Aguilera & Jackson, 2003). Sectoral complexities in services can undermine governance stability (Bebchuk & Weisbach, 2010).

Recent increases in service sector listings and efforts to attract foreign investors have improved governance scores, though levels remain below 2018, indicating unresolved governance issues. In the tech sector, governance scores declined from 89.25 in 2018 to 87.92 in 2021 before recovering to 88.73 in 2023. The main challenge lies in formalizing governance within a fast-growing start-up environment. Many tech firms lack established management frameworks, making compliance with governance standards difficult.

Nonetheless, improvements in 2022–2023, especially in investor relations, supported a partial recovery as tech firms began focusing more on institutionalization. Still, governance performance in technology and services remained the least stable. Incomplete structures in startups and rapidly scaling firms contributed to fluctuating scores. Zahra and Filatotchev (2004) highlight that early-stage entrepreneurial firms often lack robust governance, creating oversight challenges. In both sectors, shareholder mechanisms were underdeveloped, and governance often remained centralized, weakening investor rights. Shleifer and Vishny (2012) stress that protecting shareholder rights is central to governance; failure in this area erodes trust and accountability.

Additionally, the flexible nature of service firms and the rapid scalability of tech firms hindered stable institutionalization. Yet, recent efforts in institutional strengthening, investor relations, and regulatory reforms led to partial improvements. Still, the persistence of score volatility in services and technology suggests that internal improvements alone may not suffice. Sustained governance quality in these sectors likely requires regulatory frameworks tailored to their fast-changing, less institutionalized nature (Aguilera et al., 2018).

The fluctuating and often lower governance scores in the service and technology sectors may stem from the dynamic and less institutionalized nature of these industries. This pattern is consistent with Bicer and Sit (2023), who emphasize that corporate governance quality is positively associated with firm value, suggesting that firms in these sectors may be missing out on such benefits due to lower governance maturity.

The shareholder rights score evaluates how well companies protect investor rights, ensure fair treatment, and support participation in decision-making. It reflects access to voting, dividends, corporate strategies, and transparency. High scores boost investor trust, while low scores signal governance weaknesses. Among the subcomponents of governance, shareholder rights play a particularly pivotal role in shaping investor perceptions and corporate legitimacy. These dynamics are further illustrated in Table 3, which traces the evolution of shareholder rights scores across sectors from 2018 to 2023.

Table 3*Shareholder Rights Scores by Sector (2018-2023)*

Years	All Companies	Industrial	Financial	Financial Banking	Financial Non-Banking	Services	Technology
2018	91,79	91,89	91,85	92,72	91,73	91,50	91,40
2019	91,79	92,01	91,98	92,99	91,86	91,68	89,09
2020	91,58	91,73	91,80	92,37	91,73	90,75	91,82
2021	90,68	90,83	91,13	93,48	90,87	89,64	90,93
2022	90,77	90,42	91,62	93,61	91,41	90,05	91,87
2023	90,62	90,40	91,02	93,48	90,79	90,47	90,89

The shareholder rights score of Borsa Istanbul-listed firms declined steadily from 91.79 in 2018 to 90.62 in 2023, reaching its lowest point at 90.68 in 2021. A key reason is that newly listed companies have struggled to institutionalize shareholder mechanisms. Zahra and Filatotchev (2004) note that entrepreneurial and newly public firms often lack strong governance frameworks, making investor rights difficult to uphold. The rapid increase in tech and service firms further delayed formal governance structures, affecting investor protection. Filatotchev and Boyd (2009) emphasize institutionalization challenges in high-growth sectors, while La Porta et al. (2000) stress that weak frameworks in such settings can erode investor trust.

The 2021 drop also reflected COVID-19's disruption of board-shareholder relations. Caratas et al. (2021) report weakened communication due to remote work and market volatility. KPMG (2020) adds that firms struggled to maintain transparency, reducing investor confidence. While 2022–2023 saw a partial recovery, scores remain below 2018 levels, indicating persistent weaknesses.

Another reason for the decline is the limited institutionalization of shareholder rights in new firms. Founders often retain control, reducing external investor influence. Bebchuk and Weisbach (2010) argue that concentrated ownership weakens governance and limits outside oversight. Economic uncertainty and inflation have further led companies to prioritize short-term profits over long-term protection (Shleifer & Vishny, 2012). La Porta et al. (2000) link strong investor protection to governance quality.

These issues are sector-specific. Centralized structures in some industries limit minority shareholder participation (Aguilera & Jackson, 2003). Bebchuk and Weisbach (2010) highlight how concentrated control diminishes governance effectiveness. In the industrial sector, shareholder rights fell from 91.89 in 2018 to 90.40 in 2023, suggesting reduced investor engagement. Aguilera and Jackson (2003) and Bebchuk and Roe (1999) suggest that path-dependent governance may reinforce managerial control.

The banking sector, however, maintained strong shareholder rights, with scores rising from 92.72 in 2018 to 93.48 in 2023. Macey and O'Hara (2003) and Barth et al. (2004) attribute this to regulatory oversight and robust supervisory frameworks. Non-bank financial institutions, with weaker regulation, saw a decline from 91.73 to 90.79, reflecting lower transparency and restricted investor involvement.

Service firms dropped from 91.50 in 2018 to 89.64 in 2021, then rose to 90.47 in 2023. Flexible structures and slow institutionalization in start-up-heavy environments constrained investor rights (Zahra & Filatotchev, 2004). Rapid growth and founder dominance limited shareholder input (Bebchuk & Weisbach, 2010). Recent IPO activity and foreign investor engagement have driven slight improvements (Filatotchev & Bishop, 2002; Leuz et al., 2009).

In the tech sector, scores fell from 91.40 in 2018 to 89.09 in 2019, recovering to 90.89 in 2023. Founder control and institutional immaturity caused governance volatility (Zahra & Filatotchev, 2004). However, increased IPOs and investor relations efforts contributed to recent gains (Filatotchev & Bishop, 2002).

This sectoral divergence in shareholder rights is statistically supported by the one-way ANOVA results, which reveal significant differences across sectors ($F = 9.03$; $p < 0.001$). The financial banking sector

shows the highest mean score (93.00), while technology and services lag behind with greater volatility and weaker institutionalization. These findings underscore that shareholder rights are not solely determined by firm-specific dynamics but are also substantially shaped by sectoral structures and the degree of governance institutionalization.

Public disclosure, another key governance indicator, reflects how transparently firms report financial and operational information. It influences investor confidence and market credibility. Table 4 illustrates how disclosure scores between 2018 and 2023 shaped transparency trends across listed companies on Borsa Istanbul.

Table 4

Public Disclosure Scores by Sector (2018-2023)

Years	All Companies	Industrial	Financial	Financial Banking	Financial Non-Banking	Services	Technology
2018	92,20	91,70	92,64	95,77	92,21	93,02	91,25
2019	92,64	92,29	93,03	95,97	92,65	93,52	90,74
2020	93,13	92,91	93,69	96,53	93,33	93,16	91,48
2021	92,20	92,41	92,82	97,08	92,35	91,28	90,77
2022	92,66	92,75	92,80	98,33	92,22	92,38	92,36
2023	92,91	93,23	92,55	98,33	92,03	92,89	92,47

Public disclosure scores reflect a firm's transparency in publishing financial, governance, and operational data. They assess timely, complete, and accessible publication of annual and financial reports, board decisions, and other relevant information. Higher scores foster investor confidence, while lower scores indicate deficiencies that weaken firm reliability. Table 4 presents Borsa Istanbul-listed firms' public disclosure scores from 2018 to 2023, highlighting shifts in transparency practices.

These changes mirror sectoral variations in investor relations and compliance. COVID-19 accelerated digital transformation in corporate governance, reshaping disclosure practices (Organisation for Economic Co-operation and Development [OECD], 2021). The 2020 peak in scores reflects efforts to maintain transparency amid pandemic uncertainty and regulatory pressure (Klyveld Peat Marwick Goerdeler [KPMG], 2020). However, falls during 2021 were due to prolonged operating pressure (Caratas et al., 2021). Rebound during 2022 and 2023 is a sign of enhanced investor relations as well as disclosure policy restructuring. Mallin (2019) emphasizes that effective disclosure frameworks are important for good governance as well as investor trust.

The disclosure score for the industrial sector went up from 91.70 in 2018 to 93.23 in 2023. This is a result of international norms, improved reporting, and post-pandemic digitalization (OECD, 2021). Clarity in reporting has likely strengthened investor confidence (Healy & Palepu, 2001). These findings are consistent with prior evidence from Borsa Istanbul, where firms with stronger governance mechanisms tend to exhibit higher levels of transparency and information disclosure (Aksu & Espahbodi, 2016). The study confirms that in emerging markets like Türkiye, governance reforms directly enhance disclosure quality and contribute to improved market confidence and firm valuation.

The sector for finance performed well too, as scores went up from 92.64 in 2018 to 93.69 in 2020 but declined to 92.55 in 2023. Banks fared best in the industry, improving from 95.77 to 98.33, with the help of strict oversight and disclosure regulations (Barth et al., 2004; Macey & O'Hara, 2003). Conversely, non-bank institutions dropped by a small fraction from 92.21 to 92.03, a sign of less strict regulatory conditions (La Porta et al., 2000).

Services sector indexes fluctuated, 93.02 in 2018, dropped as low as 91.28 in 2021, and rebounded as high as 92.89 in 2023. This fluctuation is an indicator of mixed investor communication strategies and dispersed structures (Aguilera & Jackson, 2003). The sharp fall in 2021 was due to late disclosure and communication failures amidst pandemic times (Caratas et al., 2021; OECD, 2021). The recovery was

supported by better digital transparency, improved investor relations, and increased IPO activity (Filatotchev & Bishop, 2002; OECD, 2021).

Tech sector scores were also variable, dropping from 91.25 in 2018 to 90.74 in 2019, then rising to 92.47 in 2023. Transparency challenges stem from startups' reluctance to disclose proprietary data (Zahra & Filatotchev, 2004). Selective disclosure practices contribute to inconsistencies (Bushee & Miller, 2012). Still, recent IPOs and strengthened investor relations have improved transparency (Filatotchev & Bishop, 2002). This sectoral divergence is statistically supported by the one-way ANOVA results, which reveal significant differences in public disclosure scores across sectors ($F = 42.54$; $p < 0.001$). The banking sector exhibited the highest mean score (97.01), while the services and technology sectors lagged behind, exhibiting greater volatility and weaker institutional disclosure practices. These results provide empirical validation for the observed discrepancies in transparency and governance quality. The observed divergence in disclosure and transparency scores across sectors supports Aksu and Espahbodi's (2016) conclusion that voluntary adoption of governance principles significantly enhances disclosure practices in Turkish firms.

From the perspective of agency theory, the persistently lower governance scores in the technology and service sectors may be attributed to higher levels of information asymmetry between shareholders and managers. These sectors typically involve intangible assets and fast-paced innovation cycles, which complicate monitoring and accountability mechanisms. As noted by Daily et al. (2003), higher information asymmetry increases the difficulty of aligning managerial interests with those of shareholders, thereby weakening internal governance structures and reducing the efficacy of regulatory oversight.

The stakeholder score measures how well a company addresses the rights and expectations of employees, suppliers, customers, and other partners. It reflects ethical supply chains, employee welfare, customer satisfaction, and sustainability. Strong stakeholder management supports long-term business resilience, while low scores may signal reduced trust and engagement. Freeman and McVea (2001) argue that effective stakeholder balancing is central to strategic success. Hillman and Keim (2001) link strong stakeholder relations to employee loyalty and operational gains. For listed firms, stakeholder protection influences brand equity and public image. Luo and Bhattacharya (2006) and McWilliams and Siegel (2001) confirm that stakeholder engagement and CSR contribute directly to reputation and competitive advantage.

Table 5

Stakeholder Rights Scores by Sector (2018-2023)

Years	All Companies	Industrial	Financial	Financial Banking	Financial Non-Banking	Services	Technology
2018	91,49	93,14	90,02	97,05	89,06	89,93	91,29
2019	91,62	93,12	89,99	97,20	89,08	90,76	91,07
2020	91,79	93,24	90,35	96,66	89,57	90,86	91,36
2021	91,03	92,45	89,67	97,09	88,85	90,29	90,12
2022	91,16	92,05	90,41	97,35	89,68	90,35	90,93
2023	91,24	92,00	90,07	97,35	89,41	91,03	92,01

Stakeholder rights rankings for Borsa Istanbul-listed companies declined modestly from 91.49 in 2018 to 91.03 in 2021, and thereafter grew to 91.24 in 2023. The volatility is a sign of disparities in companies' policies regarding workers' rights, supply policies, and customer relationships. Hillman and Keim (2001) and Freeman and McVea (2001) clarify that this type of turbulence is not a stranger and can have a profound influence on performance. The decrease in 2021 resulted from pandemic disruptions both in labor markets as well as in supply chains (Caratas et al., 2021; He & Harris, 2020). Lins et al. (2017) suggest that when crises arise, companies with weak intrinsic stakeholder structures suffer, while

Mallin (2019) and Clarkson (1995) highlight that sustained improvement is not possible without ongoing structural changes.

Stakeholder rights scores in industrial businesses decreased from 93.14 in 2018 to 92.00 in 2023. The industry is susceptible in unique ways by virtue of its labor-intensive operations and varied supply chains (Hillman & Keim, 2001; Locke, 2013). Pandemic-caused disruptions of workers and supply chain failures were reasons for the decrease observed in 2021 (He & Harris, 2020; Lins et al., 2017). Recovery in recent years reflects stronger supply chain governance and labor practices, but scores remain below pre-pandemic levels (Mallin, 2019; Locke, 2013).

The financial sector was more stable, with scores moving marginally from 90.02 in 2018 to 90.07 in 2023. Within the sector, banks consistently outperformed, improving from 92.72 to 93.48. This is due to regulatory oversight of employee rights, customer relations, and stakeholder protection (Macey & O'Hara, 2003; Barth et al., 2004). Non-bank financial institutions saw a slight rise from 89.06 to 89.41, though they continue to lag behind banks due to weaker regulatory structures (La Porta et al., 2000).

The services sector experienced volatility: stakeholder scores moved from 89.93 in 2018 to 90.29 in 2021 and rose to 91.03 by 2023. The decentralized and dynamic nature of service firms results in flexible stakeholder practices (Aguilera & Jackson, 2003). Customer sentiment and operational conditions shape firms' responses (Bebchuk & Weisbach, 2010). Pandemic-related disruptions in employment and service delivery led to the 2021 decline (He & Harris, 2020; Caratas et al., 2021). The subsequent rebound reflects renewed focus on employee and customer relations (Mallin, 2019).

Technology firms also showed volatility, with scores dropping from 91.29 in 2018 to 90.12 in 2021 and then improving to 92.01 in 2023. The sector's startup-driven growth model presents challenges in formalizing stakeholder relations (Zahra & Filatotchev, 2004). High employee turnover and evolving structures create gaps in stakeholder engagement (Bushee & Miller, 2012). However, increased investment in stakeholder policies, especially during IPO phases, led to improvements (Filatotchev & Bishop, 2002; Mallin, 2019).

This sectoral variation in stakeholder rights is statistically supported by the one-way ANOVA results, which reveal significant differences across sectors ($F = 258.05$; $p < 0.001$). The financial banking sector recorded the highest mean score (97.17), while the services and technology sectors exhibited greater volatility and lower institutionalization. These findings provide empirical validation for the observed divergences in stakeholder engagement and governance practices.

The board of directors' score is a vital governance metric that evaluates board independence, effectiveness, and accountability. Strong boards ensure sound decision-making, protect shareholder rights, and support internal controls. Bebchuk and Weisbach (2010) link effective boards with stronger control systems, while Mallin (2019) emphasizes their role in maintaining governance and financial stability. Board professionalism and independence are particularly important for public firms. Shleifer and Vishny (2012) argue that independence enhances investor trust, and Fama and Jensen (1983) state that it reduces agency problems. Table 6 tracks how board governance structures have evolved between 2018 and 2023, revealing sectoral improvements and weaknesses.

Table 6*Board of Directors Scores by Sector (2018-2023)*

Years	All Companies	Industrial	Financial	Financial Banking	Financial Non-Banking	Services	Technology
2018	83,94	83,83	84,18	86,65	83,84	83,30	85,42
2019	84,00	83,77	84,17	86,16	83,91	84,47	83,56
2020	84,12	83,93	84,30	86,24	84,06	83,82	85,54
2021	83,40	83,22	84,00	86,96	83,68	83,08	82,80
2022	83,39	83,25	84,08	88,13	83,65	82,96	82,78
2023	83,46	83,37	83,89	88,92	83,43	83,16	83,12

Board of directors' scores in the technology sector have fluctuated, dropping from 85.42 in 2018 to 82.80 in 2021, before slightly improving to 83.12 in 2023. This reflects challenges in institutionalizing board structures in fast-growing tech firms. Zahra and Filatotchev (2004) note that entrepreneurial companies often lack formal governance due to rapid expansion. Bushee and Miller (2012) emphasize that start-ups typically lack robust frameworks early on, resulting in oversight weaknesses. Founders' dominance delays the adoption of independent governance and limits investor rights. Bebchuk and Weisbach (2010) argue that concentrated ownership undermines board independence and weakens monitoring. Mallin (2019) similarly warns that while tech firms excel in rapid growth, they often neglect long-term governance development, increasing structural risk.

Independent board structures are crucial for ensuring transparency, accountability, and investor protection. Differences in dividend-related governance scores may be linked to board effectiveness, as Özer et al. (2023) show that only the board score within governance components significantly influences dividend policy in Borsa Istanbul firms. Shleifer and Vishny (2012) and Fama and Jensen (1983) stress that independent boards enhance objective oversight and reduce agency problems. However, start-ups and tech firms often lack independent governance due to founder control and scaling pressures (Zahra & Filatotchev, 2004). While Borsa Istanbul-listed firms have improved board independence overall, many tech companies still lag (Bushee & Miller, 2012). Founder-led decision-making limits external investor engagement, keeping board scores low (Bebchuk & Weisbach, 2010).

In contrast, highly regulated sectors like banking exhibit stronger board governance. The banking sector's board score rose to 88.92 in 2023, supported by strict oversight and regulatory compliance (Macey & O'Hara, 2003; Barth et al., 2004). Independent auditing and structured governance frameworks are standard in the sector. Tech firms with low board independence often face challenges in maintaining investor confidence and long-term organizational resilience (Zahra & Filatotchev, 2004).

From 2022 to 2023, tech firms made efforts to improve board structures, resulting in marginal improvements in their scores. Filatotchev and Bishop (2002) point out that IPO preparations often drive firms to formalize governance, enhancing board efficiency. However, with still lower levels than in 2018, full institutionalization of governance continues to be a challenge (Zahra & Filatotchev, 2004). Continued reform is needed for the purposes of developing strong, independent boards in rapidly changing industries, according to Mallin (2019).

For tech firms, improving board independence, boosting board efficiency, and facilitating active investor engagement are crucial in improving governance quality. As argued by Bebchuk and Weisbach (2010), well-constituted and independent boards result in better-balanced decision-making as well as enhanced oversight abilities. Such refinements not only improve investor confidence but also improve firms' competitiveness in foreign markets. Shleifer and Vishny (2012) emphasize that appropriate governance, particularly in independent board arrangements, is key in attracting foreign investors as well as sustaining long-run growth. Similarly, Mallin (2019) states that institutional investors tend to favor firms with open and independent structures of governance in making long-run capital allocation decisions.

The role of audit committees and board structures may help explain some of the sectoral variation in governance performance. Empirical evidence from Turkish firms supports this view: Akçay (2020) and Erdaş and Simoes (2020) demonstrate that audit mechanisms, particularly board independence, significantly influence governance quality and outcomes.

This sectoral divergence in board governance is statistically supported by the one-way ANOVA results, which confirm significant differences across sectors ($F = 21.39$; $p < 0.001$). The banking sector recorded the highest average score (87.18), reflecting its institutional maturity and regulatory stringency, while the technology sector showed the lowest average (83.87), highlighting persistent challenges in establishing independent and effective board structures. These findings provide empirical support for the observed disparities in board professionalism, oversight capacity, and investor alignment across different industries and underscore the need for sector-specific governance reforms in industries lagging behind. The governance-performance relationship in some sectors may be further interpreted through ESG lenses. Saygili et al. (2022) found that board structure and shareholder rights dimensions of governance significantly contribute to financial performance through effective ESG practices.

Sectoral disparities in board structure and shareholder rights may be partially explained by differences in ownership concentration and board diversity, as highlighted by Ararat et al. (2015), who show that demographic board diversity improves performance via stronger monitoring in Turkish firms.

5. Conclusion

This study examined corporate governance performance for companies listed in Borsa Istanbul during 2018-2023, emphasizing sector differences and institutional forces in governance procedures. Relying on data from Central Securities Depository's (CSD) Corporate Governance Maturity Score, the evaluation examined governance performance on the main axes, board, shareholder rights, transparency, and stakeholder participation.

This study examined corporate governance effectiveness for the period from 2018 until 2023 for companies listed on Borsa Istanbul, taking sectoral asymmetries and institutional dynamics in underlying governance maturity into account. The data analysis of Corporate Governance Maturity Score from the Central Securities Depository (CSD) accounted for firm behavior in four crucial aspects of governance: board, shareholder rights, transparency, and stakeholder engagement.

The results confirm long-held inter-industry differences. The banking industry, facing stringent regulatory control, kept other industries ahead in governance scores, in favor of Institutional Theory propositions that formal institutional constraints enhance adherence to governance (Scott, 2008). The technology and service industries, however, experienced volatility in governance performance, largely due to rapid scalability of organizations, weak regulatory strength, and weakly developed institutional structures, findings in line with Zahra and Filatotchev (2004) on instability in rapidly scaling entrepreneurial environments.

Investor protection and public disclosure emerged as pivotal differentiators across sectors. Strong shareholder rights in banking align with Agency Theory, which argues for mechanisms to align managerial and ownership interests (Jensen & Meckling, 1976). By contrast, weak board independence and concentrated ownership in technology and service firms support Bebchuk and Weisbach's (2010) concern that founder-dominated structures often erode governance discipline and transparency.

From a Stakeholder Theory perspective (Freeman, 1984), sectors with high innovation intensity showed lower engagement with non-shareholder stakeholders. The tendency to prioritize short-term scaling over long-term social accountability led to weaker stakeholder responsiveness, particularly in technology-focused firms. The industrial sector, meanwhile, demonstrated relatively stable governance

structures, suggesting that operational maturity and established compliance processes can yield more consistent stakeholder-oriented outcomes.

To improve governance outcomes across sectors, targeted regulatory and institutional interventions are essential. For high-growth and less regulated sectors, the Capital Markets Board (CMB) should consider establishing a sector-specific board independence compliance index, enforceable via annual reporting. Additionally, IPO readiness programs could require firms to submit a mandatory governance transition plan, including timetables for board diversification, ethics committee formation, and internal audit mechanisms.

The sector-specific governance patterns identified in this study underscore the need for differentiated policy measures tailored to each industry's institutional maturity. In the technology sector, where founder dominance and board centralization prevail, pre-IPO governance transition plans should mandate independent board appointments, external audit alignment, and the gradual formation of ethics committees (Zahra & Filatotchev, 2004). For the service sector, characterized by volatile governance scores and fragmented stakeholder structures, regulatory authorities could introduce stakeholder engagement audits and disclosure training programs to promote institutionalization and investor confidence (Aguilera & Jackson, 2003). In contrast, the banking sector, with consistently high governance scores, can function as a model for less-regulated industries. Ararat and Dallas (2011) highlight that banking institutions in emerging markets exhibit structured governance mechanisms that may be adapted to guide reform efforts in technology and service sectors. Establishing cross-sectoral governance benchmarking platforms would facilitate the dissemination of these practices. In the relatively stable industrial sector, implementing periodic ESG-oriented stakeholder audits could further enhance long-term strategic alignment and sustainability (Hillman & Keim, 2001). These sector-specific recommendations are directly derived from the empirical results of this study and reinforce the importance of aligning governance reforms with the institutional realities of each sector.

Newly listed firms should undergo structured onboarding, including mandatory disclosure workshops, alignment with external audit protocols, and the implementation of staggered board terms. These steps can accelerate institutionalization, reduce agency costs, and mitigate governance fragility in dynamic markets.

In the industrial sector, where governance has remained relatively stable, policymakers could introduce periodic ESG-alignment reviews and stakeholder engagement audits to further strengthen long-term value creation. Lessons from the banking industry should be selectively adapted to other sectors through cross-sectoral benchmarking platforms and governance best practice dissemination.

This study reinforces the explanatory value of Agency, Stakeholder, and Institutional Theories in interpreting sector-specific governance outcomes. It extends prior findings by Ararat et al. (2017) and Claessens and Yurtoglu (2013) by showing how industry-specific institutional constraints can both foster and hinder governance convergence. The results challenge the adequacy of standardized governance reforms and point toward the need for sector-sensitive approaches tailored to the structural realities of emerging market economies.

Future research could explore causal mechanisms such as digitalization, investor activism, or ESG regulation in shaping governance transitions. Longitudinal case studies and cross-sectoral comparative designs would further illuminate how governance architectures evolve across time and industries in contexts like Borsa Istanbul. In doing so, the study offers actionable guidance for regulators, investors, and corporate boards navigating sector-specific governance reforms.

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