

## **EDITORIAL: Current issues in business innovation, governance structure and business performance**

*Dear readers!*

It is of great honour to introduce to the 2nd Issue of Volume 1 (2023) of the journal *Business Performance Review*.

The literature on business performance incorporates various theoretical lenses, research methodologies and different research paradigms regarding the influence of contextual factors on business performance. This includes country specific context, ownership structure, organisational culture, external governance structure and boardrooms.

Current issues in corporate governance structure and business performance are crucial matters open for debate among scholars, practitioners, regulators and policymakers. Current issues in business performance include rethinking companies' business model and key performance indicators towards sustainable performance maximization.

The study of *Paolo Tenuta* and *Domenico Rocco Cambrea* investigates the influence of gender diversity on firm performance. Using a sample of Italian listed companies over the period (2006–2015), their study offers insights into the impact of Italian Law 120/2011 that forces listed companies to reserve a mandatory quota for female directors on boardrooms. Findings of their study indicate positive association between the percentage of female directors and superior financial performance. Companies with a higher percentage of independent female directors strengthen firm performance. However, their study reveals that the percentage of female-executive is not associated with firm performance.

*Emiliano Di Carlo* and *Francesco Ranalli* explore the influence of holdings, and sub-holdings, within business groups on the financial performance of listed subsidiaries. Their study examines the potential bias inherent in empirical studies that overlook the management and coordination activities of parent companies, particularly when listed subsidiaries are directed by their parents. Their study sheds lights on the need to improve the regulatory disclosure requirements to enhance transparency and articulate potential biases in future research.

Research by *Thomas Rautenstrauch* and *Simon Moser* articulates key properties that adequate maturity model for robotic process automation (RPA) require in order to effectively support service companies in successfully implementing and using RPA. Their study offers perspective on a maturity model for RPA to facilitate the assessment of Swiss service organizations in regard to their RPA readiness. Their study utilizes qualitative content analysis to offer a better understanding regarding a variety of elements concerning organizational structure, RPA goals, process handling, culture, and technology with significant influence on RPA success. Combining this practical evidence with theoretical principles results in an RPA maturity model with 15 elements, pertaining to the four defined categories organization, education, technology, and process and data. By reaching initial, integrated, or optimized maturity, the model does not only assess the current state of specific elements but also suggests potential room for improvement. Reaching from end user level to upper management, the RPA maturity model enables a facilitated but important assessment of RPA use when considering its implementation or improvement, even before consulting any external partners. Findings of their study have organizationally far-reaching, theoretically profound, and easily applicable tool to support the implementation or adaptation of RPA use.

The above papers add to our knowledge regarding the influence of various domains on business performance. The extant literature documents ample research evidence regarding key pillars reinforcing sustainable business performance including; the influence of transformational leadership, employee commitment, and employee performance (see Abu-Mahfouz, 2023), advanced technological adoption, effective internal and external governance structure, boardrooms dynamic capabilities (see Alkaraan, 2017; Wu et al., 2023; Alkaraan, Albahloul, et al., 2023; Napoli, 2023; Ajadi, 2023; Balla et al., 2023; Hundal, 2023; Afolabi et al., 2023; Alkaraan, Elmarzouky, et al., 2023).

However, there is a need for further theoretical and empirical research in this arena of business performance including: 1) financial and non-financial performance; 2) FinTech, investment efficiency, and business performance; 3) ethical environmental issues, organisational culture, and business performance; 4) technological adoption, innovation strategies, quality management, and business performance; 5) corporate social responsibility, human resource management, ESG and business performance.

Enjoy the reading!

*Dr. Fadi Alkaraan*  
*Associate Professor of Accounting, Governance & Sustainability,*  
*Lincoln International Business School, University of Lincoln, the UK,*  
*Visiting Professor, EM Normandie Business School, the UAE,*  
*Affiliate Professor, Gulf University for Science & Technology, Kuwait,*  
*Certified Global Business Analyst (CGBA),*  
*Editorial Board Member, Business Performance Review*

---

## REFERENCES

1. Abu-Mahfouz, S. S. (2023). *Organizational behavior and transformational leadership*. Virtus Interpress. <https://doi.org/10.22495/obtl>
2. Afolabi, A. A. (2023). Performance sustainability strategy of pension fund managers in the emerging market: A survey opinion perspective. *Business Performance Review*, 1(1), 22-30. <https://doi.org/10.22495/bprv1i1p2>
3. Ajadi, A. (2023). Profitability of momentum investing strategies in an emerging market. *Business Performance Review*, 1(1), 31-40. <https://doi.org/10.22495/bprv1i1p3>
4. Alkaraan, F. (2017). Corporate governance in Ireland. In V. Capizzi, U. Braendle, & A. Kostyuk (Eds.), *Corporate governance: New challenges and opportunities* (pp. 111-123). Virtus Interpress.
5. Alkaraan, F. (2022). A new era of mergers and acquisitions: Towards synergy between Industry 4.0 and circular economy. In S. Finkelstein & C. L. Cooper (Eds.), *Advances in mergers and acquisitions* (Vol. 21, pp. 51-61). <https://doi.org/10.1108/S1479-361X20220000021004>
6. Alkaraan, F. (2023a). Editorial: Corporate governance and sustainability issues. *Corporate Governance and Sustainability Review*, 7(1), 4-6. <https://doi.org/10.22495/cgsrv7i1editorial>
7. Alkaraan, F. (2023b). [Review of the book *Organizational behavior and transformational leadership* by S. S. Abu-Mahfouz]. *Corporate Governance and Sustainability Review*, 7(4), 37-40. <https://doi.org/10.22495/cgsrv7i4p4>
8. Alkaraan, F., Albahloul, M., & Hussainey, K. (2023). Carillion's strategic choices and the boardroom's strategies of persuasive appeals: Ethos, logos and pathos. *Journal of Applied Accounting Research*, 24(4), 726-744. <https://doi.org/10.1108/JAAR-06-2022-0134>
9. Alkaraan, F., Elmarzouky, M., Hussainey, K., & Venkatesh, V. G. (2023). Sustainable strategic investment decision-making practices in UK companies: The influence of governance mechanisms on synergy between Industry 4.0 and circular economy. *Technological Forecasting and Social Change*, 187, Article 122187, <https://doi.org/10.1016/j.techfore.2022.122187>
10. Alkaraan, F., Elmarzouky, M., Hussainey, K., Venkatesh, V. G., Shi, Y., & Gulko, N. (2023). Reinforcing green business strategies with Industry 4.0 and governance towards sustainability: Natural-resource-based view and dynamic capability. *Business Strategy and the Environment*, ahead-of-print. <https://doi.org/10.1002/bse.3665>

11. Alkaraan, F., Floyd, D., Rahman, M., & Nuery, N. (2023). A new era of strategic investment decision-making practices in UK companies: Towards sustainable supply chains and circular economy. *Theoretical Economics Letters*, 13(3), 666–682. <https://doi.org/10.4236/tel.2023.133040>
12. Balla, V., Karioti, V., & Koskeridi, A. (2023). International regulations and sustainable development in touristic European port's efficiency after the pandemic. *Business Performance Review*, 1(1), 41–50. <https://doi.org/10.22495/bprv1i1p4>
13. Hundal, S. (2023). Editorial: The interactions between leadership quality, sustainability, and innovation for the corporate value creation amidst conflicts and contradictions. *Business Performance Review*, 1(1), 4–6. <https://doi.org/10.22495/bprv1i1editorial>
14. Napoli, F. (2023). The role of the board of directors in the value creation process and performance of family businesses. *Business Performance Review*, 1(1), 8–21. <https://doi.org/10.22495/bprv1i1p1>
15. Wu, W., Alkaraan, F., & Le, C. (2023). The moderating effects of corporate governance and investment efficiency on the nexus between financial flexibility and firm performance. *Journal of Financial Reporting and Accounting*, ahead-of-print. <https://doi.org/10.1108/JFRA-05-2023-0234>