EDITORIAL: Corporate governance, social responsibility, gender diversity, and innovation as synergistic elements for improving performance and creating corporate value

Dear readers!

Studies regarding corporate governance, gender diversity, corporate performance, innovation, sustainability, and corporate social responsibility are constantly evolving. Alongside new lines of research and interesting and innovative scientific contributions, there are increasingly some usual theoretical models that constitute the most significant and consolidated bases of the studies carried out on the subject. There is an ongoing exchange of ideas, research questions, and scientific contributions which are characterized by their interdisciplinary and synergistic relevance in the field of business studies.

We are witnessing a continuous interconnection between different lines of research, all aimed at examining, in general, a fundamental aspect of the nature of the company, namely its ability to persist over time with the aim of creating value for all stakeholders. This issue of Corporate Board: Role, Duties and Composition is an example of what has just been said.

The article by Saeed Alshaiba and Bashar Abu Khalaf discusses the topic of gender diversity on boards and how it is becoming increasingly significant globally. It explains how investors are increasingly taking into account environmental, social and governance (ESG) considerations, such as gender diversity and sustainability reporting when making investment decisions. The study highlights the strategic importance of adopting gender diversity and sustainability reporting as a means to improve corporate reputation. This paper recommends including more women on boards of directors to improve companies’ performance on SDG reporting.

The article by Abdul Ghofar, Muhammad Muhammad, and Parichart Maneemai investigates the role of women as a moderating variable in the relationship between governance and ESG performance during the COVID-19 crisis. The results show that the presence of women in a board structure has a positive impact on ESG performance during the normal era but did not prove to strengthen the relationship between governance and ESG performance during the pandemic. The authors argue that this could be caused by the fact that in the COVID-19 era, companies need to focus more on short-term profits to survive.

Remaining in the pandemic era, Francesco Paolo Ricapito’s article aims to analyze whether the impact of COVID-19 on the manipulation of corporate profits and whether corporate governance has a mitigating effect. Using STOXX Europe 600 data for the European capital market, it was found that the level of manipulation of companies’ earnings increased during the pandemic resulting in poorer reporting quality. The results show that a larger board helps mitigate the positive relationship between COVID-19 and earnings manipulation, while no attenuating effect was found for board independence, board diversity, and CEO duality.

The relationship between board responsibility and company performance is the aim of the study by Ahmad Saiful Azlin Puteh Salin, Zubaidah Ismail, and Malcolm Smith who argue that the ultimate responsibility of the board of directors is to adequately fulfill its duties as required by the laws and prohibit any unnecessary actions and decisions that are harmful to the company. This study finds that only sustainability policies had a significant positive relationship with firm performance, which is consistent with many previous empirical findings. It concludes by arguing that the board’s responsibility in
terms of sustainability influences corporate performance which, by adopting a good sustainability policy and strategy, can improve overall management efficiency and create long-term values, increasing the relative value.

It is now known that one of the factors that ensures business continuity is the ability of companies to adapt to new environmental contexts or even anticipate them through their ability to innovate and attract talented staff. It is in this context that the work of Zhangzhong Huang, Shengxiang She, Surachai Triwannakij, Yaoping Liu, and Khoirul Anwar is inserted, which has explored the complex dynamics of talent incentive strategies and their profound impact on the innovative performance of employees. The research found that talent incentive policies influenced innovation performance, mediated by organizational climate and amplified by employee identification with the organization. This information can inform strategies to optimize talent incentives, cultivate an innovative culture, and increase overall performance.

A driving force in terms of innovation is also often provided by the Boards of Directors who, as demonstrated in the work of Silje Marie Svartefoss and Antje Klitkou, can promote the application of new materials, products, and processes, encouraging strategic collaborations. In the study it was found that the role of interlocks between boards of directors is mainly to ensure access to intangible resources, such as knowledge, skills, and abilities, which enable companies to engage in processes (detection, seizure, and reconfiguration) that they are important for their dynamic capabilities and, therefore, closely linked to their ability to innovate.

Last but not least regarding the importance of the results, it is the work of Titi Suhartati, Sabar Warsini, and Riky Rizki Junaidi that provides useful ideas for future studies regarding the literature on CSR and company value. In particular, the findings enable new researchers to quickly identify the theoretical underpinnings, trends, and findings of studies on corporate social responsibility (CSR) and corporate value.

The works just cited represent areas of study that deserve to be explored in depth.

I hope you enjoy reading this issue, which is quite substantial and full of interesting research ideas and can represent a useful tool for stimulating the writing of future intellectual contributions.

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REFERENCES


