

EDITORIAL

Dear readers!

We are pleased to present new issue of the journal in 2018. The actual volume of Corporate Ownership and Control Journal is devoted to the issues of agency costs, value creation, CFO gender, ethics, risk-aversion, cloud accounting, internal auditing, external audit pricing and fees, executive compensation, corporate ownership, wage rigidity, board of directors, audit committees, information disclosure, international standards on auditing, private equity, firm value, earnings management, cash flows, blockchain, corporate social responsibility etc.

Current issue of Corporate Ownership and Control presents articles spanning a wide spectrum of corporate finance and accounting topics that are of current interest and share the common thread of corporate governance and informational transparency. The articles cover topics ranging from the role of internal audit and financial statements (see the articles by Fenyves et al.; Cho; Eltweri et al.) to behavioral issue related to informational transparency (see the articles on gender-based information transparency by Doan and Iskandar-Datta; and corporate governance and information disclosure in the Phillipines by Chantachaimongkol). Another article explores the effect of private equity on governance of Brazilian firms, while the Chen and Yur-Austin paper relates corporate governance mechanisms to pay-for-performance in U.S. technology firms.

In particular, *Veronika Fenyves, Zoltán Bács, Zoltán Zéman, Elvira Böcskei and Tibor Tarnóczy* examine the extent to which the enterprises fulfil their obligations determined by the Accounting Act to disclose all needed information in the general and informative parts of the notes to the financial statement. *Trang Doan and Mai Iskandar-Datta* investigate the impact of the Chief Financial Officer's (CFO) gender on informational asymmetry and explicate and empirically test the implication of gender in the C-Suite for corporate governance. *Osama Abdulmunim* aims to focus on the Jordanian contributing companies and how it is hoped to create special sectors of internal auditing and cloud computing. *Moon Kyung Cho* investigates the effects of human resources in internal audit on external audit pricing decision. *Xiaoying Chen and Jasmine Yur-Austin* review the role of various corporate governance mechanisms to pay for performance in American technology firms. *Nunthapin Chantachaimongkol and Shuwen Chen* explore the impact of board characteristics and auditors on the disclosure practices of listed companies in the Philippines. *Ahmed Eltweri, Nedal Sawan and Abdulaziz R. Tahar* determine the contemporary conduct and determinants of local auditing practice and offer an analysis of how Libyan audit stakeholders perceive the prospect of adopting harmonised auditing standards or developing such a set of standards for local use. *Renan Dejon and Andre Carvalhal* examine how private equity improves the governance of target companies in Brazil. *Ahmed Mushref Salim Al-Omush, Ali Mohammad Al-Attar and Walid Muhammad Masadeh* identify and evaluate the effect of free cash surplus flows, audit quality and the ownership on earnings management and review the prevalence of both accrual and base earnings management for the empirical corporate finance. *Shirley Mo-Ching Yeung* investigates corporate social responsibility and quality management system in the context of blockchain technology.

Some of the aspects of the topics studied in mentioned papers were explored in the academic literature previously. For example, the wage rigidity was the subject of different studies (Campbell & Kamlani, 1997; Newbery & Stiglitz, 1987; Stavrevska, 2011) however the research of downward wage rigidity in American technology firms is presented for the first time. The issues of financial reporting are also very polemical (Bodenhorn, 1978; Cheung, Evans & Wright, 2010; Dimitropoulos & Asteriou, 2009) so that the review of the role of the notes to the financial statements in corporate decision-making becomes relevant enough. The topic of the gender in the C-Suite and informational transparency investigated in this issue of the journal contributes in certain way to the previous literature in this field (Abdulsamad, Yusoff & Lasyoud, 2018; Ben-Amar & Zeghal, 2011; Kostyuk, Koverga & Kostyuk, 2006; Shehata, 2013; Torchia & Calabrò, 2016). The questions of corporate governance information disclosures were also previously raised in Carmona & Zan (2002), Maingot & Zeghal (2008), Tamimi & Sebastianelli (2017), Roudaki & Shahwan (2017). Widely debated issue in recent years is the harmonizing of auditing standards (Ahlawat & Lowe, 2004; Bauwhede, Willekens & Gaeremynck, 2003; Gendron & Bédard, 2006) however it was not put into emerging economies' perspective as it is done in the paper published in the current issue. The topic of corporate responsibility has been previously considered by the authors too and made a contribution to the existing literature in this field (Cranmer, 2017; Puaschunder, 2018; Ackers, 2014). Overall, this issue of the journal is composed of papers which consider many fundamental issues of corporate governance which have been described in a whole by other scholars (Grove & Clouse, 2017; Huse, 2005; Iswaissi & Falahati, 2017; Javaid, 2015; Kostyuk, Mozghovyi & Govorun, 2018; Nerantzidis, Filos & Lazarides, 2012). It is only a small note regarding the novelty of the papers. We think that other papers in this issue of the journal are burning as well.

To sum up, all the articles presented in the current issue of Corporate Ownership and Control journal shed light on various mechanisms to enhance corporate governance and improve informational transparency of firms. By better understanding how various behavioral factors (e.g. gender of the top executives), internal audit mechanisms, corporate governance factors (ownership structure, board compositions, pay-for-performance

relationship) affect informational transparency, the finance and accounting profession can make superior corporate decisions to improve resource allocation efficiency and enhance firm value.

In our opinion, these topics albeit varied and eclectic contribute at the forefront of knowledge in the finance and accounting discipline. The international perspective provided by some of the articles provides the reader with a broader and more diverse points of view on these important corporate governance related topics. We believe that these articles will form the basis to expand on these topics in future research.

We hope that you will enjoy reading this issue of our journal!

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