

FACING ECONOMIC AND BUSINESS COMPLEXITY: AN ANALYSIS OF THE EVOLVING FEATURES OF THE BOARD OF DIRECTORS' MEETINGS IN ITALY

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Abstract

How to cite this paper: Tibiletti, V., Marchini, P. L., Bertacchini, F., & Magri, C. (2022). Facing economic and business complexity: An analysis of the evolving features of the board of directors' meetings in Italy. *Corporate Ownership & Control*, 19(4), 172–180.
<https://doi.org/10.22495/cocv19i4art15>

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ISSN Online: 1810-3057

ISSN Print: 1727-9232

Received: 07.06.2022

Accepted: 05.10.2022

JEL Classification: G34, M12

DOI: 10.22495/cocv19i4art15

This study analyzes how corporate governance practices evolve to keep up with external complexities. The analysis is carried out on all Italian listed companies in the period 2018–2020. The findings suggest that Committees of the Board of Directors increased in number during the period, and the frequency of their meetings also increased. There was little variation in the frequency of the Board of Directors' (BoD) meetings. The paper provides empirical evidence on the current trend for establishing smaller working parties that do not burden the whole BoD when the firm faces issues for which specialized skills and greater attention are required. Our study contributes to previous literature on corporate governance by jointly analyzing different mechanisms of BoD. Moreover, to the best of our knowledge, it explores for the first time the duration of the meetings of the BoD and its Committees.

Keywords: Board of Directors, Board Committees, Board Meeting Frequency, Corporate Governance, Board Meeting Duration

Authors' individual contribution: Conceptualization — V.T. and P.L.M.; Methodology — F.B. and C.M.; Formal Analysis — F.B. and C.M.; Investigation — F.B. and C.M.; Writing — Original Draft — V.T., F.B., and C.M.; Writing — Review & Editing — P.L.M.; Visualization — F.B. and C.M.; Supervision — V.T. and P.L.M.

Declaration of conflicting interests: The Authors declare that there is no conflict of interest.

1. INTRODUCTION

Today's global socio-economic context is increasingly complex and demanding (Sobratee & Bodhanya, 2018), and the needs of individuals and corporations are changing rapidly along with socio-cultural and technological developments. At the same time, international regulators are constantly reforming and updating legal frameworks. This means that most companies, worldwide, have to cope with the complexities of ongoing socio-economic trends on top of the financial crises of the last decade. It is,

therefore, important to investigate how companies succeed in the current business environment.

Based on the findings of Brown, Steen, and Foreman (2009), and Pirson and Turnbull (2011), who reported that complex environments necessitate changes in corporate governance, we thus analyze the evolution of the board of directors (BoD) and its Committees. Our first focus is board meeting frequency (BMF), for which previous findings on the topic are mixed. The number of BoD meetings is positively associated with financial performance and information disclosure for some researchers (Barros,

Boubaker, & Hamrouni, 2013; Hahn & Lasfer, 2016; Vafeas, 1999), but negatively associated or non-associated for others (Mayur & Saravanan, 2017; Phuong & Hung, 2020; Tshipa & Mokoaleli-Mokoteli, 2015). Secondly, we analyze the role of Committees, because although researchers agree on the benefits of increasing the number of Committees (Chams & García-Blandón, 2019; Satta, Parola, Profumo, & Penco, 2014; Upadhyay, Bhargava, & Faircloth, 2014) and frequent meetings (Hoque, Islam, & Azam, 2013; Xie, Davidson, & DaDalt, 2003), there is little literature on this topic.

The effects of increasing complexity on the evolution of BoD have to the best of our knowledge never been investigated. However, changes in corporate governance during financial crises, such as the 2007 crisis, have been investigated and the findings of these studies are mixed. Some studies find that the presence of independent directors is the key to coping with a crisis (Giráldez & Hurtado, 2014; Jenwittayaroje & Jiraporn, 2019), while others reach different conclusions (Leung & Horwitz, 2010; Ringe, 2013). In addition, BMF is, unexpectedly, reported to remain stable during a crisis (Hahn & Lasfer, 2016), but no studies have as yet been conducted on BoD Committees during complex periods.

Taking into consideration the insights of previous literature, our research question is the following:

RQ: How are BoD's meetings of Italian listed companies evolving to cope with an increasingly complex external environment?

The study covers Italy and only listed companies because the listing process in Italy does not mandatorily require a specific governance structure. The Italian corporate governance code provides only for "comply or explain" disclosure (Lepore, Pisano, Di Vaio, & Alvino, 2018).

The remainder of the paper is structured as follows. Section 2 provides a broad literature review on the topic. Section 3 describes the methodology, and Section 4 shows the results of the study. Section 5 offers closing insights.

2. LITERATURE REVIEW

Previous literature has widely analyzed the main features of BoD. In the present study, the focus is on its activity, where previous findings are conflicting, and on the structure of BoD Committees, which appears to be under-researched.

About the activity of the BoD, previous literature has mainly taken BMF as a proxy. A positive association between BMF and corporate performance has been empirically demonstrated for companies operating in Australia (Wang, 2008), Indonesia (Hossain & Oon, 2022), the US (Vafeas, 1999), Tunisia (Kouaib, Mhiri, & Jarboui, 2020), China (Zheng, 2019) and the UK (Hahn & Lasfer, 2016). However, existing literature makes conflicting findings. Studies focusing on Germany (Hossain & Oon, 2022), the Indian banking sector (Mayur & Saravanan, 2017), and South Africa (Tshipa & Mokoaleli-Mokoteli, 2015) find no association. Additionally, a negative and significant association between financial performance and BMF has also been reported (Malik & Makhdoom, 2016). Studies on the impact of BMF on earnings management have also given mixed results, and there is evidence of positive associations (Almasarwah,

Alrawabdeh, Masadeh, & Al-Nimer, 2022) as well as negative associations (Xie et al., 2003). Concerning the Italian context, it is reported a positive association between the diversity of BoD and BMF (Cucinelli, 2013). Lastly, mixed results are reported about the impact of BMF on information disclosure, as BMF is reportedly negatively associated with both the quality of financial reporting (Phuong & Hung, 2020; Wu, Wang, & Yin, 2007) and the level of corporate social responsibility (CSR) disclosure (Wang et al., 2021), but also positively associated with the level of voluntary disclosure in general (Barros et al., 2013).

Because previous studies on BMF provide these conflicting results, the use of BMF as a proxy for the efficiency of the BoD activity is questionable, and other measures, such as the duration of meetings, the length of the minutes, and the number of items on the agenda, could perhaps be more useful.

Listed companies are required to inform their stakeholders about the way they comply with corporate governance codes (CGCs). In Italy, the CGC sets recommendations, rather than mandatory obligations, concerning the best possible practices in solving agency conflicts. In the US, there is no single American CGC as each state has its own, but an *audit committee (AC)* is mandatory for listed companies¹, while a *nomination committee (NC)* and *compensation committee (CC)* are necessarily required for companies listed on the New York Stock Exchange (NYSE) and NASDAQ. Similarly, in Australia, the CGC² recommends NC, AC, and CC for listed companies, but the AC is mandatory for companies in the S&P All Ordinaries Index³. In the UK, on the other hand, the London Stock Exchange requires listed companies to either comply with the CGC⁴, by establishing at least three specific Committees (AC, NC, CC) or to explain to stakeholders the reason behind the non-compliance. In a civil law country such as France, for example, the CGC⁵ specifically recommends establishing one or more Committees to deal with nomination and remuneration policies, and AC is mandatory by law for listed and financial companies⁶. In Italy, the CGC⁷ requires Committees to discuss audit and risk, nomination, and remuneration policies, but companies can opt for either a single Committee or more than one, and they can even choose to assign specific functions of the Committees to the BoD if certain conditions are met.

International corporate governance principles, therefore, appear to agree that working parties of professionals and managers with high-level expertise can increase value for stakeholders. Regarding the number and size of the Committees, it has been shown that the size and independence of the BoD and firm size both have a positive association with the number and size of Committees, whereas CEO duality has a negative association (Jiraporn, Uyar, Kuzey, & Kilic, 2019). It has also been reported that BMF and the frequency of the meetings of

¹ Rule 10A-3 under the Exchange Act.

² Recommendations 2.1, 4.1, and 8.1 of the Corporate Governance Principles and Recommendations by the ASX (Australian Securities Exchange) Corporate Governance Council.

³ ASX Listing Rule 12.7.

⁴ Provisions 17, 24, and 32 of the UK Corporate Governance Code by the Financial Reporting Council.

⁵ Principle 15 of the AFEP-MEDEF Code.

⁶ Article L. 823-19 of the French Commercial Code.

⁷ Recommendation 16 of the Corporate Governance Code by the Corporate Governance Committee.

the Committees are positively associated with the total number of Committees (Wang, 2008).

The number of Committees is particularly significant given the findings by Chams and García-Blandón (2019) that report a positive impact on the level of sustainability. Satta et al. (2014) report that the number of Committees positively contributes to the quality of voluntary disclosure in middle-size listed companies and Hassan (2015) demonstrates a positive association with the level of disclosure. Moreover, Upadhyay et al. (2014) find that a number of Committees higher than three are associated with a stronger performance.

Researchers have also attempted to empirically demonstrate the benefits of the presence of certain Committees, as well as the benefits of increasing meeting frequency, focusing on the most common Committees (*AC*, *CC*, and *NC*). In general, the adoption of Committees, in particular *AC*, *CC*, and *NC*, has been proved to be positively associated with higher financial performance (Christensen, Kent, & Stewart, 2010), although there is evidence of a non-significant association in emerging countries (Borlea, Achim, & Mare, 2017).

The *AC* is mainly responsible for the oversight of the financial reporting process and thus plays a key role in managing the risks associated with poor information disclosure and earnings manipulation. It is therefore not surprising that a higher frequency of *AC* meetings has been proven to reduce the level of earnings management (Xie et al., 2003) and increase return on equity and return on assets ratios (Hoque et al., 2013). The presence of the *AC* also seems to have a positive impact on the bank's performance (Elbahar, 2019). In addition, Alnabsha, Abdou, Ntim, and Elamer (2018) report that the presence of an *AC* increases the level of information disclosure, and a positive association between the proportion of independent directors and the frequency of *AC* meetings have also been identified (Greco, 2011). Concerning the composition of the *AC*, the presence of independent directors (Benkel, Mather, & Ramsay, 2006) and directors with corporate or financial backgrounds (Xie et al., 2003) has been proved to be negatively associated with the level of earnings management, and the absence of internal directors and the presence of at least one director with financial expertise is reported to have a positive impact on the length of meetings with the chief internal auditor and the results of internal auditing (Raghunandan, Rama, & Read, 2001). Moreover, Krishnan and Parsons (2008) find that the presence of directors with a legal background positively affects the quality of financial reporting.

The *AC* is thus a useful tool for improving financial performance and the quality of information disclosure, and the skill set of Committee members appears to impact its efficiency.

The *CC* determines and supervises the compensation of senior managers, thus contributing to the minimization of moral hazard and adverse selection, and the reduction of direct personnel costs. It is reported that financial companies with a *CC* show higher performance (Agyemang-Mintah, 2016) as do non-financial firms (Weir & Laing, 2000), and that the frequency of *CC* meetings is positively associated with performance (Hoque et al., 2013). Moreover, the presence of *CC* has a positive effect on the reduction of earnings

manipulation (Kang, Leung, Morris, & Gray, 2013) and contributes to increasing voluntary disclosure of remuneration actions (Kanapathippillai, Johl, & Wines, 2016) and disclosure of CSR (Bel-Oms & Segarra-Moliner, 2022). Concerning the composition of the *CC*, it has been found that CEOs are more likely to receive lower levels of performance-based incentives when the majority of the components of the *CC* sit on less than three other BoDs (Petra & Dorata, 2008). It is, therefore, possible to conclude that having a *CC* that meets frequently and is made up of well-informed directors is important for large companies. However, Probahudono and Payamta (2015) highlight that the presence of a *CC* hurts remuneration distribution.

The *NC* is responsible for appointing new directors and supervising the conduct of existing ones, so it plays a key role in managing agency risks. It is reported that an *NC* is positively associated with the number of foreign and independent directors (Ruigrok, Peck, Tacheva, Greve, & Hu, 2006). In addition, previous studies find that the higher the presence of women and foreign directors in the *NC*, the higher the likelihood the BoD will be more gender and ethnically diverse (Kaczmarek, Kimino, & Pye, 2012). The presence of the BoD chairman in the *NC* is reportedly associated with a higher level of earnings management (Al-Absy, Ismail, & Chandren, 2018). Moreover, the existence of an *NC* positively impacts the level of forward-looking information disclosure (O'Sullivan, Percy, & Stewart, 2008) and the level of financial performance (Agyemang-Mintah, 2016; Lam & Lee, 2012).

There is thus widespread agreement in previous literature on the importance of forming an *NC*. The *NC* improves the diversity of the BoD and contributes to improving financial performance and to lowering earnings manipulation, but membership characteristics need to be carefully evaluated.

Looking at other Committees, it is reported that a *sustainability committee (SC)* improves the effectiveness of CSR strategies, which, in turn, positively impacts environmental and social performance (Orazalin, 2020), and also that it has a direct positive impact on social and environmental performance (Biswas, Mansi, & Pandey, 2018). In addition, there is evidence that establishing an *SC* might have a positive impact on CSR disclosure (Adel, Hussain, Mohamed, & Basuony, 2019; Fahad & Rahman, 2020). Similarly, Spallini, Milone, Nisio, and Romanazzi (2021) find that in Italy, the presence of an *SC* is positively associated with the broadness of non-financial information on sustainability. The presence of a stand-alone *risk committee (RC)*, separate from the *AC*, and a technology Committee, has been demonstrated to positively affect risk disclosure (Buckby et al., 2015). Moreover, previous research in the financial sector reports that a greater size of the *RC* positively impacts financial performance (Battaglia & Gallo, 2015; Nahar, Azim, & Jubb, 2016). The presence of Committees other than *AC*, *NC*, and *CC* appears to be important, but there are as yet insufficient studies to reach conclusions on the need to establish them, and the characteristics and expertise of Committees' members have yet to be analyzed.

There is little literature on BMF in the context of crisis, and none at all on BoD Committees.

The presence of independent directors has no impact on the effect of a financial crisis (Leung & Horwitz, 2010), while Jenwittayaroje and Jiraporn (2019) find that the number of independent directors is positively associated with firm value only when companies are facing a crisis. Moreover, independent directors during a crisis are proven to be unable to prevent risk-taking (Ringe, 2013) and mitigate unethical behaviours of executive directors (Giráldez & Hurtado, 2014). Concerning family firms, it has been reported that female directors on the BoD and ownership concentration are both positively associated with financial performance in a period of crisis (Vieira, 2020). Additionally, the size of the BoD has been proven to hurt financial performance during a crisis (O'Sullivan, Mamun, & Hassan, 2016). And although an increase in the activity of the BoD during a crisis is predictable, it is reported that BMF did not substantially change during the financial crisis of 2007 (Hahn & Lasfer, 2016). Similarly, Khatib and Nour (2021) report that there is a negative association between BMF and financial performance both before and after the COVID-19 pandemic crisis. In addition, for financial institutions, it has been proved that the larger the size of the BoD and the lower the number of annual meetings of the BoD, the higher the negative impact of the financial crisis of 2007 (Battaglia & Gallo, 2017).

So, the only study focusing on BMF during a period of crisis provides unexpected results, and previous studies on the evolution of other BoD characteristics, such as the presence of independent and female directors, during a crisis, offer conflicting findings.

3. RESEARCH METHODOLOGY

Our study is based on the analysis of a sample of Italian companies that were listed on the Euronext Milan segment of Borsa Italiana during the three years (2018–2020). We took into consideration all the companies for which it was possible to download the corporate governance report. This document supplies information about the meetings of the BoD and the various Committees that were the object of our analysis. Applying these criteria, 188 companies were identified. For each company, we downloaded the corporate governance report directly from the company website and conducted a content analysis to detect information regarding the frequency and duration of BoD and Committee meetings. Content analysis is a widely used research methodology in the literature for analyzing corporate reports and documents (Jizi, Salama, Dixon, & Stratling, 2014; La Rosa, Caserio, & Bernini, 2019; Sahore & Verma, 2021). The information collected was systematized into a dataset containing data on the frequency and duration of BoD and Committee meetings in the three years under analysis. For 2020 only, data on the number of independent directors present in each company were also collected to perform further checks, as reported in the next section. Moreover, to consider the specific characteristics of the banking sector, a specific focus on this industry will be made during the exposition of the results.

Tables 1 and 2 summarize the main descriptive statistics of our sample. The companies were divided into different industries based on the classification proposed by Borsa Italiana.

Table 1. Industries classification

<i>Sector (Borsa Italiana)</i>	<i>No. of companies in each sector</i>
Automobiles and parts	5
Banks	19
Basic resources	4
Chemicals	1
Construction and materials	9
Consumer products and services	21
Energy	4
Financial services	12
Food, beverage and tobacco	5
Healthcare	8
Industrial goods and services	33
Insurance	5
Media	12
Personal care, drug and grocery stores	2
Real estate	7
Retail	3
Technology	15
Telecommunications	5
Travel and leisure	4
Utilities	14
Total	188

Table 2. Descriptive statistics (Sales)

<i>Descriptive statistics</i>	<i>1st quartile</i>	<i>Median</i>	<i>3rd quartile</i>	<i>Mean</i>
Sales (EUR, thousands)	9.130,50€	72.594,00€	361.503,00€	784.706,81€

4. RESULTS

This section presents the main data collected by our study. The findings are presented in aggregate form, avoiding any direct reference to the companies analyzed. The results relating to the BoD are followed by the results relating to the different Committees.

4.1. BoD of Italian listed companies

The analysis of the frequency and duration of BoD meetings shows substantial stability. On average, BoDs met 11.56 times in 2018, 11.06 in 2019, and 11.85 in 2020, thus increasing by only 7 per cent between 2019 and 2020 despite the emergence of the COVID-19 pandemic. Very similar data is found for the average duration of these meetings, which went from 138.81 minutes in 2018 to 142.08 in 2019, to 134.02 in 2020, a decrease of 6 per cent

Table 3. Comparison of sample and banking industry averages

	2018		2019		2020	
	Total sample	Banking industry	Total sample	Banking industry	Total sample	Banking industry
Average number of BoD meetings	11,56	19,94	11,06	18,53	11,85	19,37
Average BoD duration	138,81	237,25	142,08	246,68	134,02	237,05

The analysis of the banking sector suggests that the element that influences the frequency and duration of BoD meetings appears to be more sector-specific. It is therefore important to investigate the activity of BoD Committees in the banking sector to discover whether they evolved differently from BoDs.

4.2. Committees of Italian listed companies

The analysis of Committees' activity looked specifically at *CC*, *NC*, *AC*, *SC*, and *Related Parties Committee (RPC)*. The first aspect to note is undoubtedly the rise in the number of companies that set up such Committees during the three years. The largest increase was seen in *SC*, which in 2018 was present in 26 of the 188 companies analyzed, in 2019 in 29 companies, and in 2020 in 53 companies. The number of companies with an *SC* thus increased by about 104 per cent over the three years. The number of companies having an *RPC* also increased significantly between 2018 and 2020, from 61 to 73, an increase of about 20 per cent in just three years.

Table 4. Presence of Committees in Italian listed companies (out of 188 companies analyzed)

Types of Committees	2018	2019	2020
CC	154	158	168
NC	107	113	123
RPC	61	64	73
SC	26	29	53
AC	167	169	174

Table 4 shows that all types of Committees investigated underwent an expansion in terms of presence in Italian listed companies over the three years analyzed.

The increase was accompanied by an average increase in the number of meetings held by these Committees. In 2020, the average number of

meetings of the *RPC* increased by about 36 per cent compared to 2019, thus confirming the increasing trend seen previously. *SCs*, on the other hand, showed an average increase of 10% in terms of meetings held during 2020 compared to the previous year. Similar percentages of increase (11 per cent) were also seen for *CC*. Table 5 shows the average number of meetings held by the various Committees during the three years 2018–2020.

However, it is necessary to highlight that these data are strongly influenced by the sector in which the company operates. The results for the banking sector, which is typically characterized by different corporate governance dynamics from other sectors, are particularly interesting. Taking into account only the banking sector, which in our sample consists of 19 companies, the averages for the number of BoD meetings and their duration are much higher. But even in the banking sector, it is not possible to identify a trend over the three years. Table 3 shows the aggregate data for the sample and the specific data for the banking sector.

meetings of the *RPC* increased by about 36 per cent compared to 2019, thus confirming the increasing trend seen previously. *SCs*, on the other hand, showed an average increase of 10% in terms of meetings held during 2020 compared to the previous year. Similar percentages of increase (11 per cent) were also seen for *CC*. Table 5 shows the average number of meetings held by the various Committees during the three years 2018–2020.

Table 5. Average number of meetings per year

Types of Committees	2018	2019	2020
CC	5.41	5.51	6.11
NC	5.81	6.03	6.19
RPC	6.10	5.19	7.07
SC	7.12	7.62	8.42
AC	8.37	8.63	9.18

By contrast, the duration of meetings of the various Committees remained essentially unchanged over the three years analyzed. Table 6 shows the average values for each type of Committee.

Table 6. Average meeting duration in minutes

Types of Committees	2018	2019	2020
CC	72.08	70.73	71.84
NC	71.41	67.74	70.18
RPC	69.87	66.71	64.47
SC	112.25	118.81	115.65
AC	120.97	122.32	118.00

To confirm the importance of the sector in determining the governance dynamics of companies, data on the frequency and duration of Committee meetings analyzed for the banking sector are shown in Tables 7 and 8.

Table 7. Average number of meetings per year, banking sector

Types of Committees	2018	2019	2020
CC	10,60	10,06	10,26
NC	8,40	9,41	8,83
RPC	11,75	8,60	9,91
SC	11,33	11,00	14,38
AC	18,47	18,11	20,16

Table 8. Average meeting duration in minutes (Banking sector)

Types of Committees	2018	2019	2020
CC	67,36	71,64	71,19
NC	59,57	62,82	63,50
RPC	85,40	71,75	64,11
SC	90,00	100,00	151,88
AC	188,63	184,61	192,05

A comparison of the data presented above suggests that the banking sector again appears to be a particularly important variable in defining governance dynamics. The averages for the frequency and duration of Committee meetings in the banking sector are sometimes very different from those recorded for the entire sample. There appears to be a common trend in the increase in the frequency of Committee meetings, but a specific feature of the banking sector is an increase in the average duration of Committee meetings, especially for the SC, which recorded a 52 per cent increase between 2020 and 2019.

To conclude, the analysis performed in this study leads to original results. Indeed, while there was already evidence of the stability of the BMF in periods of increased external complexities (Hahn & Lasfer, 2016), to the best of our knowledge, an investigation of the Committees of the BoD that specifically addresses external complexities was not available before. Thus, the increase in the number of Committees and the frequency of their meetings represents an interesting and original result.

5. DISCUSSION

The analysis of the BoD data shows basic stability in terms of frequency and duration of BoD meetings. The severe instability brought by the COVID-19 pandemic and by the other socio-economic trends did not affect the number of meetings held during 2020, nor did the duration of meetings change substantially. These results are in line with Hahn and Lasfer (2016).

On the other hand, the analysis of the Committees of Italian listed companies provides empirical evidence of a clear and widespread increase in the use of Committees as a corporate governance tool during the three years analyzed. A case in point is the spread of SCs, which are increasingly adopted by Italian listed companies. One of the possible explanations is the strong push toward sustainability sanctioned by both the market and regulations (Italian Corporate Governance Committee, 2020). These regulations do not make specific corporate governance bodies mandatory, but they do require attention to certain issues, such as sustainability. SCs are, however, as noted, only one example, and the expansion of other Committees, the increase in the average frequency of their meetings, and the substantial stagnation in

the frequency and duration of BoD meetings show that the role of Committees is increasingly important. Committees are considered effective governance tools by Italian listed companies. They make it possible for part of the BoD to focus on issues considered important, without however overburdening the BoD itself. Moreover, taking into consideration previous literature, the reported increase in the number of Committees of Italian listed companies could perhaps improve the level of disclosure (Hassan, 2015), the quality of disclosure (Satta et al., 2014), and corporate performance (Upadhyay et al., 2014).

6. CONCLUSION

Complex environments necessitate changes in corporate governance, and the evolution of the links between BoD and its Committees is an interesting and yet under-researched field of study. Corporate Boards often delegate tasks to stand Board Committees, and an increase in the amount of delegation, proxied by the number of Committees, seems to decrease the amount of work the board performs as a whole, however, increasing the need for coordination and supervision by the board. The net effect of delegation onboard activity is not clear and it is an empirical question (Vafeas, 1999).

This study provides empirical evidence of a clear and widespread increase in the use of Committees as a corporate governance tool during the period analyzed. A case in point is the spread of SCs, which are increasingly adopted by Italian listed companies, in line with the strong push toward sustainability promoted by both the market and regulations. The rise in the number of other Committees, the increase in the average frequency of their meetings, and the substantial stagnation in the frequency and duration of BoD meetings show that the role of committees is increasingly important. Committees are considered effective governance tools by Italian listed companies. They make it possible for part of the BoD to focus on issues considered important.

The main implications of our study are for academic research because few existing studies focus on changes in the mechanisms of the BoD due to external complexities. Moreover, to the best of our knowledge, the duration of the meetings of the BoD has been analyzed for the first time in this study, and, although unassociated with changes in external complexities, it represents an interesting topic for future research. Future studies can develop this topic by investigating how the increase in the number of Committees and their meetings affect both the activity of the BoD and corporate performance.

One of the limitations of our study is the period. Future studies will need to cover longer periods, including 2021 and 2022, to investigate the ongoing impact of the COVID-19 pandemic and the war in Ukraine. Moreover, this work only focuses on Italian listed companies, meaning that additional analyses should be performed on non-listed companies and in other countries to increase the reliability and strength of results. To conclude, it must be remarked that this study is based on a content analysis only, thus to make future predictions other statistical models must be applied.

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