EDITORIAL: New developments in corporate governance research

Dear readers!

On behalf of the editorial team, we are pleased to present to you this special issue of the *Journal of Governance and Regulation* (Volume 11, Issue 2, 2022). In this issue of the journal, elite scholars and studies feed our current literature on "corporate governance" (CG) with new research directions that are paving the way toward future research hopes and prospects. This special issue of the journal has seen a 'special appearance' of a number of new governance and regulation trends, especially regarding strategic frameworks, finance performance, regulations during the coronavirus pandemic, audit committees, and economic growth among others.

Over the past few years, significant new developments have emerged in CG frameworks, practices, and methods. CG is no longer in its traditional concept and/or its well-known tools within organisations. Traditionally, CG has been viewed as a set of field-level rules and regulations that obligate organisations to practice certain processes and forms. But now, with the emergence of sustainability and sustainable development strategies, CG has been shifted from "traditional" CG ideas to "sustainable" CG reporting. With the implementation of recent urban development and smart city projects, new CG reporting and sustainability standards have emerged within different organisations and contexts (Deng & Zhou, 2022). CG is now seen not only as a regulatory practice but also as a political tool through which organisations can gain their legitimacy and social acceptance. Not only that, but CG practices have also become a "dynamic" tool with which organisations can institutionalise regulatory requirements and government pressures in their operational practices and systems. Recent literature (Nicolò, Zampone, Sannino, & De Iorio, 2022; Deng & Zhou, 2022) has witnessed the emergence of new forms and practices of CG, perhaps the most influential of which is compliance with and enforcement of non-financial reporting, especially after the launch of some recent corporate reporting regulations as in the recent case of Directive 2014/95/EU in Europe. With these events and disclosure development in the financial and stock markets, the powerful role(s) of CG and its sustainable practices have increased to improve the transparency and quality of financial and non-financial information disclosures.

With increasing pressure at the institutional field level from investors, regulators and other stakeholders for more information and reporting, the need for further research into new challenges and opportunities in the field of sustainable corporate governance has increased. Some recent cases and failures have emerged in various developed and emerging contexts within (particularly state-owned) organisations. These failures, as can be seen in practice, were not just managerial irregularities but also financial manipulations (Orazalin & Mahmood, 2021). As happened in the Egyptian context (Alawattage & Alsaid, 2018), for example, before the two political-military revolutions (2011–2013), a number of organisations were excluded from the financial market and the stock exchange trading market. The reason was that the central disclosure and transparency department at the Egyptian Stock Exchange discovered wrong accounting and management practices that led to a negative impact on investors' decisions. This was due to non-compliance with CG practices and regulations due to general political corruption, nepotism and bribery at the time. But, after the revolution and anti-corruption campaigns led by the new political-military government, institutional enforcement of CG practices and sustainability reporting put in place. With this regulatory transformation, there are strong field-level institutional pressures on organisations to apply effective tools for sustainable governance and accountability. The political and social logic of this Egyptian transformation period is to re-built investor trust in financial and non-financial markets and gain global legitimacy in green funding programmes and urban development initiatives by the European Union and the World Bank as currently shown in "smart city/governance" projects (Alsaid, 2021, 2022).

This special issue of governance and regulation aligns with these and many other developments in the emerging field of sustainable corporate governance research (Mamo, Feyisa, & Yitayaw, 2021; Gamal, Wahba, & Correia, 2022; Gwala & Mashau, 2022). Looking at scholarly articles published in this issue, we find a number of new research directions that embrace the promising future prospects in the CG field and its emerging arms fixed previously in the previous literature (Hundal, Kostyuk, & Govorun, 2021; Dell'Atti, Manzaneque, & Hundal, 2020; Esposito De Falco, Alvino, & Kostyuk, 2019; Kostyuk, Braendle, & Capizzi, 2017). Not only that, but these valuable research attempts in this special issue feed our literature and relevant readers to different contextual and cultural experiences from different countries and regulations. This undoubtedly contributes to the expansion and development of our understanding and knowledge of current CG matters relating to new trends, crises, and mediations. CG is currently viewed as a political-institutional mechanism that combines the (broader) state-level goal of social/non-financial sustainability with the (narrower) corporate-level goal of economic/financial sustainability (Orazalin & Mahmood, 2021). This has subsequently led to the re-emergence of the so-called "smart governance" introduced by some recent case studies. For example, among others, Alsaid (2021) examined the powerful role(s) of performance measurement in smart city governance using institutional theory and an interpretive case study of the New Cairo city council. Alsaid (2022) explored the rhetorical role(s) of sustainable enterprise resource planning (ERP) in creating a multi-level management accounting system within smart city dynamics using institutional theory and an Egyptian public sector company. Furthermore, focusing on smart water governance in an Egyptian social enterprise, Alsaid and Ambilichu (2021) investigated the influence of institutional pressures at the macro-field level on the implementation of a hybrid performance measurement system at the organisational level using an institutional logics perspective.

Hence and explicitly, CG tools have been developed within organisations to meet the institutional field-level requirements and pressures of sustainable urban development. As in the past, CG tools were "limited" and mainly based on traditional and well-known systems and practices mostly focused on economic disclosures, total quality management, balanced scorecard and benchmarking. But today, with urban sustainability ambitions, new CG tools are emerging "on board" to serve decision-making processes within organisations (Achim, Văidean, Sabau (Popa), & Safta, 2022; Deng & Zhou, 2022). Among others, these tools include sustainable ERP, multi-management accounting, sustainability reporting, and non-financial key performance indicators (KPIs). As we have seen, there has been a recent 'historic shift' in the accounting and management mindset related to CG within organisations not only to counteract field-level regulatory pressures but also to gain legitimacy and improve the transparency of financial markets. As revealed by recent literature (Nicolò et al., 2022; Peng & Zhang, 2022), organisations are now beginning to produce so-called "sustainable corporate governance reports". Within the contingent-institutional-cognitive frameworks for these new reports, organisations have complied with the sustainability KPIs disclosures that integrate economic and social sustainability performance into a single reporting framework. Therefore, particularly in institutional enforcement contexts, these CG reports have practically called "integrated corporate reports" which have played a strong role(s) in (re)shaping political decisions within organisations. All of these and other attempts called for the need to research new theoretical and empirical developments in CG.

From the above, and keeping track of new developments in CG, we invite you to enjoy reading the new trends and future prospects of scholarly articles in this special issue of the journal. We believe this elite collection of scholarly articles and academic scholars will add to your background and experience in CG regarding corporate financial performance, regulatory policies, tax changes, ethical leadership and behaviours, corporate scandals, multiple regulations and measurements, company zakat calculation, unemployment, labour productivity, financial rates, audit committee, budget deficit, tax burdens and reliefs, stock market performance and (last but not least) economic growth.

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