

# FROM PILLARS TO NEW HORIZONS IN CORPORATE GOVERNANCE RESEARCH

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The modern-day corporate governance system is based on two important *pillars*. The first pillar aims to create an effective and sustainable business ecosystem that promotes business ideas, fosters innovation, enhances corporate performance, and facilitates changes in the institutional settings, among others. The second pillar aims, on the one hand, to increase the capacity and capability of the corporate governance system to enhance the accountability of business organizations to maximize the utility of a broad range of specified stakeholders, and on the other hand, to expand the domain of accountability of the same stakeholders. The abovementioned pillars of corporate governance system can be more effective if they are fully aligned with the political governance system of modern-day welfare-oriented states, which, on the one hand, assures health, protection, and safety of its people and environment, and on the other hand, strives to increase production and employment, and ensures distribution, and redistribution of national wealth based on the principles equity, and fairness.

COVID-19 pandemic has brought about umpteen as well as unprecedented health and safety challenges, which have been affecting political, societal, business, and economic *spectra* for nearly a year and

a half. Most of these challenges have been unknown hitherto, and global leadership has been struggling to understand the dynamics of this pandemic and develop solutions to overcome it. The pandemic has forced companies to change their normal production, and distribution systems abruptly, and innovate alternative business approaches, for example, telework. The telework approach, on the one hand, aims to ensure the health and safety, and family lives of their employees and, on the other hand, endeavors to improve productivity, efficiency, and sustainability of business operations. Similarly, amidst the ongoing *new normal* situation, companies will have to cultivate and create a culture that encourages effective communication, creativity, cooperation, collaboration, and wellbeing. Furthermore, the global business ecosystem will experience more impetus to create, and diffuse scientific developments, strengthen the health system (especially the public one) and make significant investments in the field of technological innovation, and social entrepreneurship.

Such innovations in terms of business planning, strategies, and operations, on the one hand, underline the inherent strength, competitiveness, and resilience of the modern corporate world, despite being surrounded by the global threat to humanity *per se*, on the other hand, point out the governance challenges that the corporate world is grappling with.

In 2015, the member states of the United Nations adopted ‘the 2030 Agenda for sustainable development’ at the UN summit held in New York. A striking feature of this agenda is the significant emphasis on the multidimensional synergies of business organizations with national governments, multilateral organizations, civil societies, and other stakeholders. Undoubtedly, business leaders can play a pivotal role in discharging their commitment to support sustainable development by incorporating sustainable development goals (SDGs) into their corporate planning, strategies, and operations. *The new normal* has necessitated the global corporate governance system to look even more outward and work in close cooperation with external stakeholders including global political leadership, civil society, and media to calibrate, customize and implement the SDGs at both micro and macro level. Stakeholder-based corporate governance research has a solid fundament (Rendtorff, 2020; Rudyanto & Veronica Siregar, 2018; Danker, 2013; Gray, 2006; Freeman & Evan, 1990). The board of directors will be expected to play a more proactive role to solve the global socio-economic-ecological problems including climate change, water and food crises, poverty and inequality, health issues, among others. These expectations are based on numerous previous research (Jaber, 2020; Guedes & Monteiro, 2020; Otman, 2019; Rix, 2019; Huse, 2005). The existing crisis has also led the corporate governance system to include more effective dialogue and cooperation between smaller (even start-ups) and larger corporates (including multinational corporations) to develop the minimum common

understanding of the core issues and efforts to find the relevant solutions subsequently. Corporate governance boundaries are expanding remarkably (Gouiaa, 2019; Pérez Carrillo, 2009; Ho, Tower, & Barako, 2008).

In the future, any academic research, and discourse in the corporate governance discipline will be requiring considerable focus on the issues highlighted above. However, this path is not free from challenges either. Researchers can come across challenges related to the objective understanding of core problems, and related dynamics and national regulatory principles, and policies. Conceptualizing the research ideas in the light of *the new normal* and developing appropriate research methodology can also be daunting tasks. The research journey starting from research ideas — to developing of research objectives — to forming of hypotheses — to creation of variables — to building up of analysis models will be requiring significant dependence on an inter-disciplinary approach.

On the one hand, researchers must be prepared to embark upon developing new research topics, for example, the effects of board structures on sustainability initiatives, human rights, public policy initiatives, technology and sustainability, and wellbeing and quality of health, however, they must also undertake existing topical research especially those related to board dynamics, ownership structures, the role of institutional investors, executive remuneration in the new institutional settings particularly those in Asia, Africa and other developing countries in the world.

In this context, this international online conference “*Corporate Governance: A Search for Emerging Trends in the Pandemic Times*” held by the team and international scholarly network of Virtus Global Center for Corporate Governance is an excellent platform to present, discuss and share the most recent ideas in the corporate governance research. This conference is the third scholarly online forum held by the team of Virtus GCCR since May 2020. There are more than 20 accepted presentations from scholars from various countries of the world. Such sort of joint efforts of scholars is a bridge to the new horizons in corporate governance research, especially in the time of the pandemic.

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