

EDITORIAL: The new global marketplace — Exploring business management issues in emerging markets

Dear readers!

We are pleased to present the recent issue of the journal “*Corporate and Business Strategy Review*”.

In the last few decades, there has been growing interest in diverse areas of management scholarship in emerging economies (Kiss et al., 2012; Meyer & Peng, 2016). A factor informing this interest is the rapid economic growth of these countries (Luo et al., 2010). Emerging economies such as China, India, Brazil, and Russia have experienced significant economic growth in recent years, propelled by foreign investment, exports, and domestic consumption (Koepke, 2019). China, for instance, has experienced an average annual growth rate of around 9% in the last four decades, while the corresponding figure for India is about 7%. This economic growth is shifting the balance of economic power from developed to emerging economies as these economies increasingly become key players in the global economy, both as markets for goods and services, and as sources of investment and capital (Luo et al., 2010; Koepke, 2019).

The next factor driving management scholars’ interest in emerging economies is the unique challenges and opportunities these countries present (Khanna & Palepu, 2010). Emerging economies are often characterised by a lack of infrastructure, weak institutions, and limited access to capital, which can pose significant challenges for businesses operating in these climes. However, these problems present unique opportunities for innovation and growth due to their rapidly evolving markets and expanding consumer base. Management scholars seek to explore these challenges and opportunities to understand how firms in emerging economies navigate these complex environments to generate lessons that could be deployed for management practice in developed countries. This is evident in how scholars attempt to understand how businesses leverage local knowledge and networks to overcome institutional barriers (Nakpodia & Adegbite, 2018).

In addition to the economic growth and unique management challenges and opportunities, emerging economies also attract attention from management scholars due to the growing importance of corporate social responsibility and sustainability (Khan et al., 2013). As emerging economies develop, Silvestre (2015) claims that significant environmental and social challenges, including climate change, poverty, and inequality, confront them. These challenges create fresh prospects for firms to engage in socially responsible and sustainable practices, and to support community development in these economies.

Given the foregoing, it is unsurprising that the bulk of studies in this issue investigates accounting (*Lum Çollaku, Driton Balaj, and Artan Hajdin; Nawaf Abdullah Al Jundi; Yarnaphat Shaengchart, Tanpat Kraiwanit, Somchai Virunhaphol, Veraphong Chutipat, and Supin Chaisiripaibool; Eko Suyono, Adi Wiratno, Atiek Sri Purwati, Irianing Suparlinah, Rasyid Mei Mustafa, and Puji Lestari*) and non-accounting (*Akram Salim Hasan Al-Janabi, Hussam Ali Mhaibes, and Sahraa Anwer Hussein; Jona Puci, Albana Demi, and Arjana Kadiu; Aws AlHares and Yousef AlBaker; Lutfi Trisandi Rizki, Jamaliah Said, and Nor Farizal Mohammed; David Umoru, Williams Omokhudu Odiwo, Oseremen Ebhote, Sadiq Oshoke Akhor, Anthonia Ighiebemhe Otsupius, Godwin Ohiokha, Benjamin Olusola Abere, Ehis Taiwo Omoluabi, Agbonrha-Oghoye Imas Iyoha, and Rafat Hussaini; Shyqeri Kabashi and Nexhmije Kabashi; Mas Achmad Daniri, Sugeng Wahyudi, Irene Rini Demi Pangestuti, and Hersugondo; Mohamed Bilal Basha, Abdul Ghafar, Mariam Abdulrahman Alzarooni, Haitham M. Alzoubi, Taher M. Ghazal, and Muhammad Turki Alshurideh*) themes in emerging economies. *Jona Puci, Albana Demi, and Arjana Kadiu* employ a panel dataset to explore the macroeconomic variables driving the profitability of 36 firms in Albania’s construction industry between 2010 and 2020. They find that gross domestic product (GDP) growth and inflation rate positively impact the profitability of sampled companies, while inflation rate and exchange rate negatively impact return on asset (ROA). *Yarnaphat Shaengchart, Tanpat Kraiwanit, Somchai Virunhaphol, Veraphong Chutipat, and Supin Chaisiripaibool* investigate the factors

shaping the perception of mergers and acquisitions (M&As) among the internet community in Thailand. Their investigation reveals that marital status and monthly internet costs were critical considerations for the CAT-TOT merger among Thai internet users, whilst gender is crucial for TRUE-DTAC and AIS-3BB mergers. Drawing on the Kosovo context, *Lum Çollaku*, *Driton Balaj*, and *Artan Hajdin* studied the link between tax revenues and economic growth. Using time series data from 2010 to 2021, they show that tax revenue fluctuations negatively impact GDP in the long run. In another study examining factors that influence income smoothing practices in Indonesia, *Eko Suyono*, *Adi Wiratno*, *Atiek Sri Purwati*, *Irianing Suparlinah*, *Rasyid Mei Mustafa*, and *Puji Lestari* suggest that share ownership by institutions and family-owned firms does not substantially affect income smoothing practices. However, they demonstrate that business size has a favourable influence on income smoothing. *Lutfi Trisandi Rizki*, *Jamaliah Said*, and *Nor Farizal Mohammed* examine strategic agility (SA) adoption and how it facilitates sustainable competitive advantage (SCA) in Indonesia's higher education institutions (HEIs). They argue that the desire to maximise SCA and long-term performance by Indonesia's private HEIs will benefit from SA tools such as leadership, entrepreneurial, information technology (IT), and alliance management capabilities. *Mohamed Bilal Basha*, *Abdul Ghafar*, *Mariam Abdulrahman Alzarooni*, *Haitham M. Alzoubi*, *Taher M. Ghazal*, and *Muhammad Turki Alshurideh* analyse in their paper the relationship among entrepreneurial marketing, business performance, antecedents of entrepreneur, and customer loyalty. Six hundred customers who regularly visit the coffee shops in Muwaileh, Sharjah compose the sample of this research.

In their research, *David Umoru*, *Williams Omokhudu Odiwo*, *Oseremen Ebhote*, *Sadiq Oshoke Akhor*, *Anthonia Ighiebemhe Otsupius*, *Godwin Ohiokha*, *Benjamin Olusola Abere*, *Ehis Taiwo Omoluabi*, *Agbonrha-Oghoye Imas Iyoha*, and *Rafat Hussaini* engage the lack of financial protection and poor financial market development in African countries to motivate their study, which examines exchange rate movement and its effects on the volume of reserves held by selected African countries. They observe that the effect of exchange rates on reserves in Ghana, Malawi, Morocco, Nigeria, Namibia, and Zambia is asymmetric, while the impact is symmetric in Egypt, Kenya, South Africa, and Mauritius. They also report on the detrimental effect of currency devaluation on the reserves of specific economies. In another study involving 30 commercial banks in the Gulf Cooperation Council (GCC), *Aws AlHares* and *Yousef AlBaker* analyse the impact of corporate governance on financial innovation and how financial innovation impacts firm performance. Employing corporate governance variables, including directors' attendance frequency, the ratio of independent directors, higher director education level, and the number of directors with a finance or accounting background, they establish that corporate governance supports financial innovation. Their research further indicates that banks' profitability rises in direct proportion to the extent to which it provides cutting-edge financial services. It is also worth noting that as the world recovers from the COVID-19 pandemic, it is crucial to reflect on its lessons to strengthen business resilience in the future. Therefore, it is welcoming that *Shyqeri Kabashi* and *Nexhmije Kabashi* examine the economic impact of the pandemic on small and medium-sized enterprises (SMEs) in Kosovo. In particular, the study unpacked the key challenges Kosovan SMEs encountered during the pandemic and its devastating effects on the country's economy.

While it is worth noting that this issue includes articles exploring diverse research interests in developed economies (e.g., *Hussen Amran Naji Al-Refiay*, *Sinan Salem Kasim Al-Shaikh*, and *Azher Subhi Abdulhussein*; *Patrick Ulrich* and *Sonja Lehmann*; *Jasper Kim*; *Simeana Beshi* and *Bedri Peci*), the growth of emerging economies has had a profound impact on global management scholarship. Thus, management scholars are invited to continue investigating emerging economies to understand management practices in these unique settings and what lessons can be learned for management practice in other parts of the world.

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