EDITORIAL: Navigating enterprise governance amid global economic disruptions

Dear readers!

In an increasingly turbulent global economy, characterized by a succession of disruptive events whose effects ripple across firms worldwide, the capacity to effectively govern the firm — particularly through sound risk management — has become vital not only for long-term sustainability and success but also for short-term resilience (Agnihotri, 2024; Alduneibat, 2023; Alqatamin et al., 2024; Lungisa et al., 2023). The heightened vulnerability of the global economic system is evidenced by a series of complex and interrelated shocks, including financial and economic crises (e.g., the COVID-19 pandemic), inflationary pressures (e.g., 2022–2023), geopolitical conflicts (notably in Ukraine and the Middle East), and the mounting risks associated with actual or potential global trade wars (e.g., 2025) (Adlwa & Sudarma, 2024; Homer, 2020; Jacobs, 1954; Ko et al., 2022; Oehler & Schneider, 2023; Paoloni et al., 2024; Pandey et al., 2025; Sánchez-Aguayo et al., 2022).

This journal contributes to the academic and professional discourse by providing empirically grounded insights upon which decision-makers can rationally base their economic choices and enterprise risk management strategies.

This issue specifically addresses a range of topics that are highly relevant to firms, including sustainability, regulatory compliance, investment decision-making, digital transformation, and auditing practices.

The sustainability-related studies focus on *gender diversity*, an area where research findings remain mixed. On one hand, *Maria João Guedes* and *Anne Sophie Grübler* find that gender diversity on boards exerts a positive influence on a firm's environmental, social, and governance (ESG) performance, suggesting that balanced gender representation on corporate boards enhances sustainability initiatives. Their study also identifies an optimal gender composition — approximately 60% female board representation — that maximizes ESG outcomes. On the other hand, *Juliana Osmani* and *Sanie Doda* report no significant differences in performance or risk-taking between male and female top executives, thereby casting doubt on a direct relationship between gender diversity and corporate behavior in this domain. Both studies provide significant implications for scholars, businesses, and policymakers, aiming to enrich the knowledge base in the areas of strategic decision-making and organizational performance, particularly in light of the gender composition of a company's top management.

From a *regulatory* standpoint, *Zuko Mdandalaza* and *Leward Jeke* demonstrate that South African banks have successfully adapted to the new regulatory environment, complying with Basel III requirements without sacrificing their profitability. This is a significant finding, demonstrating how banks can navigate stringent regulatory frameworks designed to protect clients and safeguard financial system stability while maintaining robust financial performance. This investigation enhances our knowledge of the relationship between Basel III requirements and bank profitability.

The issue further delves into several aspects of *investment decision-making*. *Hema Gwalani*, *Shilpa Parkhi*, *Latha Sreeram*, *Nayantara Sreeram*, and *Prashant Barge* investigate product launch decisions and find that managerial choices are frequently influenced more by personality traits and cognitive biases than by a purely rational evaluation of available information. In the context of *mergers and acquisitions* within European financial institutions, *Georgios Kyriazopoulos* finds that larger deal sizes are positively associated with both profitability and capitalization. Moreover, these transactions are more likely to involve non-cash payments, indicating a preference for stock-based deal structures. These studies enhance the understanding of the underlying logic behind new product development and the factors influencing the outcomes of mergers and acquisitions in financial institutions.

In the *gaming industry*, *Mahan Tahvildari* demonstrates that macroeconomic variables are significant predictors of both revenues and user engagement, suggesting a strong link between economic cycles and behavioral patterns in the gaming sector. Building on these insights, the results yield robust models with high average quality, which can be employed for predictive purposes and help bridge existing gaps in explaining the relationships between key gaming metrics and the observed variables.

Turning to *digital transformation*, *Ma'en Mohammad Al-Hmesat*, *Ahmad Albloush*, *Omar Lasassmeh*, *Ebrahim Saad Abdulla Albuainai*, *Ahmad Mofleh Ayed Al Graibeh*, and *Heba Mohammed Altarawneh* assess the impact of digital strategies on human resource development in commercial banks. Their findings indicate that well-executed digital transformation initiatives not only enhance employee competencies but also contribute to the organization's competitive positioning in dynamic markets. This research enriches the existing body of knowledge on digital transformation, providing important insights for both managers and policymakers who seek to integrate digital strategies into their human resource management practices.

Finally, in the realm of *risk control*, auditing plays a pivotal role. *Mohammad Abdullah Altawalbeh* emphasizes the relevance of financial indicators in evaluating the going concern assumption. *Winda Felicia* and *Lindrianasari* identify revenues dynamics as the only significant factor influencing going concern audit opinions, while other variables appear statistically insignificant. The practical implication of these studies lies in equipping auditors with analytical insights to support the evaluation of going concern opinions, whereas their theoretical contribution advances the understanding of the determinants influencing audit opinions within the basic materials industry.

Complementing this perspective, *Dhea Violin Rahma Whely Rahayu* and *Rindang Widuri* provide empirical support for the fraud triangle theory, showing that pressure, opportunity, and rationalization are significant drivers of financial statement fraud. This study further extends the theory by illustrating how data mining techniques, specifically artificial neural networks (ANNs), can enhance fraud detection. By leveraging ANNs, the research introduces a novel approach to the fraud triangle, traditionally examined through qualitative methods, offering a more precise analysis of the dynamics between pressure, opportunity, and rationalization in financial reporting and opening new avenues for forensic accounting research.

Marco Venuti,
Mercatorum University, Italy; Roma Tre University, Italy,
Editorial Board member,
Risk Governance and Control: Financial Markets & Institutions

REFERENCES

Adlwa, B. A., & Sudarma, M. (2024). The effect of company size, profitability ratio, and prior opinion on going concern opinion. *International Journal of Research on Finance & Business*, *3*(1), 102–117. https://ijrfb.com/index.php/ijrfb_page/article/view/30

Agnihotri, A. (2024). Editorial: Corporate governance — Aspects of sustainability, risk management, and firm performance. *Corporate Governance and Sustainability Review, 8*(2), 4–6. https://doi.org/10.22495/cgsrv8i2editorial

Alduneibat, K. A. (2023). The effect of risk management committee characteristics on a company's performance in an emerging country [Special issue]. *Journal of Governance & Regulation, 12*(1), 376–386. https://doi.org/10.22495/jgrv12i1siart16

Alqatamin, R. M., Altawalbeh, M. A., & Shbeilat, M. K. (2024). Do the attributes of a risk management committee affect company performance? A comparative study before and after the COVID-19 pandemic [Special issue]. *Corporate & Business Strategy Review, 5*(1), 410–419. https://doi.org/10.22495/cbsrv5i1siart14

Homer, E. M. (2020). Testing the fraud triangle: A systematic review. *Journal of Financial Crime, 27*(1), 172–187. https://doi.org/10.1108/JFC-12-2018-0136

Jacobs, J. A. (1954). [Review of the book *Other people's money. A study in the social psychology of embezzlement*, by D. R. Cressey]. *The Journal of Criminal Law, Criminology, and Police Science, 45*(4), 464–465. https://doi.org/10.2307/1140029

Ko, A., Fehér, P., Kovacs, T., Mitev, A., & Szabó, Z. (2022). Influencing factors of digital transformation: Management or IT is the driving force? *International Journal of Innovation Science, 14*(1), 1–20. https://doi.org/10.1108/IJIS-01-2021-0007

Lungisa, S., Nzewi, O. I., & Sikhosana, N. (2023). Adapting enterprise risk management principles to local government in a developing country. *Journal of Governance & Regulation, 12*(4), 38–49. https://doi.org/10.22495/jgrv12i4art4

Oehler, A., & Schneider, J. (2023). Social trading: Do signal providers trigger gambling? *Review of Managerial Science, 17*, 1269–1331. https://doi.org/10.1007/s11846-022-00560-6

Pandey, D. K., Dalwai, T., S, A., & Nguyen, T. H. (2025). CEO gender perspectives in climate and environmental governance: A systematic literature review and bibliometric analysis. *Journal of Accounting Literature*. Advance online publication. https://www.emerald.com/insight/content/doi/10.1108/jal-08-2024-0223/full/html

Paoloni, P., Venuti, M., & Cosentino, A. (2024). Institutional isomorphism and quality of gender disclosure:The Italian case. *Financial Reporting: Bilancio, Controlli e Comunicazione D'azienda: 1*, 27–55. https://doi.org/10.3280/FR2024-001003

Sánchez-Aguayo, M., Urquiza-Aguiar, L., & Estrada-Jiménez, J. (2022). Predictive fraud analysis applying the fraud triangle theory through data mining techniques. *Applied Sciences*, *12*(7), Article 3382. https://doi.org/10.3390/app12073382