

EDITORIAL: Beyond monitoring in corporate governance: Creativity, diversity, and resilience in a changing world

Dear readers!

Studies on corporate governance are expanding beyond traditional concerns about agency costs and shareholder value maximization to embrace broader scopes of value creation, stakeholder cooperation, and organizational resilience (Yoo, 2015). This reflects a significant intellectual expansion. Governance is no longer viewed as a set of monitoring mechanisms designed to control managerial opportunism, but rather as a business ecosystem in which various stakeholders, the local community, and the focal firm's strategic role interact to create value.

This intellectual expansion is evident in the contributions included in this issue. Traditional topics, such as monitoring, transparency, and capital structure, are still critical. At the same time, fresh discussions on creativity, diversity, and crisis resilience are also engaged. They demonstrate that governance research increasingly requires interdisciplinary approaches, drawing inspiration from finance, management, sociology, and institutional theory, while also relying on global perspectives in scope, addressing diverse contexts ranging from Europe's two-tier system and public institutions in the Middle East to the unprecedented disruption caused by the COVID-19 pandemic.

The introductory paper by *Maria Assunta Baldini, Salvatore Cincimino, and Salvatore Tomaselli* broadens the discussion beyond traditional monitoring mechanisms. It suggests ways for boards to view creativity not simply as an individual capability but as an organizational asset requiring management, which is a view consistent with recent research on innovation governance (Crossan & Apaydin, 2010).

The following three papers deepen our understanding of gender diversity in governance. *Indra Pahala, Suherman Suherman, Titis Fatarina Mahfirah, Rosle Mohidin, Rini Indriani, Gentiga Muhammad Zairin, Tri Hesti Utaminingsyas, Herni Kurniawati, and Audia Zikra* analyze the financial impact of gender-inclusive boards in dual-strategy systems. *Frank Mawuena Yao Klu, Patient Rambe, and Lentswe Mosweunyane* demonstrate the interaction between diversity, governance style, and performance. Complementing these studies, *Vimala Venugopal Muthuswamy* and *Jagathala Joghee Savithri* provide a contextual analysis of how institutional and cultural factors influence diversity outcomes in an emerging market. These papers echo the findings of Terjesen et al. (2009) on the importance of gender diversity in governance in a global context.

The focus now shifts to the integrity of financial reporting. *Mohammed Ibrahim, Aymane Chemmaa, and Mohammed Amine* examine how audit committees walk the fine line between oversight and symbolic compliance. Similarly, *Herman Darwis, Tatang Ary Gumanti, Andi Harmoko Arifin, and Maria Rio Rita* explore the impact of compensation oversight mechanisms on risk perceptions and investor confidence, resonating with prior research on pay governance (Core et al., 1999). Expanding on this theme, *Amandeep Kaur, Archana Singh, and Girish Chandra Maheshwari* situate board oversight within a broader network of external actors, emphasizing the importance of multilayered governance safeguards.

Mosie C. C. Molate, Collins C. Ngwakwe, and Kgobalale N. Motubatse situate corporate governance research in the extraordinary context of the global crisis. It highlights how diversity strategies can function as resilience mechanisms, supporting the argument that board diversity contributes to adaptive capacity (Post et al., 2011).

The issue concludes with *Annapaola Voto's* research, which traces the evolution of corporate social responsibility towards environmental, social, and governance frameworks, highlighting the transition from voluntary practices to mandatory European standards through the European Sustainability Reporting Standards (ESRS), which now require boards of directors to integrate sustainability into their corporate strategy. It highlights that, beyond compliance, this regulatory change can drive innovation and competitive advantage by positioning sustainability as an essential and strategic foundation for business leadership.

Taken together, these contributions reflect several of the most pressing frontiers in corporate governance studies today. First, they point to the growing recognition that governance is not only about reducing risks but also about enabling strategic resources, whether through creativity, diversity, or alliances. Second, these studies demonstrate that diversity and inclusion are no longer peripheral issues, but rather core variables that influence both legitimacy and performance. Ultimately, they demonstrate how governance must be understood within the broader social and environmental context, including crises such as COVID-19. These crises have compelled organizations to reassess their resilience and sustainability (Florez-Jimenez et al., 2025).

Overall, this collection focuses on the evolving responsibilities of corporate boards, expanding from a narrow oversight role to a broader role encompassing creativity, diversity, financial soundness, and resilience. Readers will gain both theoretical depth and practical insight from this book, and will resonate with the journal's mission to illuminate the roles, responsibilities, and composition of boards in a changing world. The papers in this issue go beyond simply addressing corporate performance; they strengthen the field's capabilities by explaining governance in complex business contexts, changing societal expectations, and turbulent environments.

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