

EDITORIAL: Reframing governance in turbulent environments: Institutions, technology, and accountability as drivers of resilient development

Dear readers!

This issue offers a composite and analytically rich snapshot of how governance scholarship is currently reconfiguring its core questions in response to a world marked by persistent uncertainty, uneven development trajectories, and accelerated institutional change. Taken together, the articles collected here treat governance not as a static set of rules or formal structures, but as a multi-level capacity to design, coordinate, implement, and legitimate decisions under conditions where social expectations, economic constraints, and policy pressures frequently collide. The breadth of contexts and the plurality of methods represented in this issue underscore a crucial point for contemporary research: the most informative governance insights increasingly emerge at the intersections of institutional design and behavioural dynamics, regulatory architecture and technological infrastructures, and macroeconomic policy signals and micro-level organisational responses (Jensen & Meckling, 1976; Demsetz, 1983; Blair, 1995; Adams et al., 2010; Brown et al., 2011; Zanda, 2012).

The first line of inquiry running through the issue concerns governance as implementation capacity within contested or fragile environments. Several contributions, though grounded in different empirical settings, converge on a shared analytical tension: policy effectiveness depends less on the formal ambition of public strategies and more on the coherence of the institutional ecosystem that translates those strategies into administrative routines, incentives, and collective action. From this perspective, governance failures are seldom attributable to a single deficit; they typically reflect compound misalignments, such as fragmented authority, overlapping competencies across levels of government, weak coordination among agencies, and informal resistance rooted in bureaucratic cultures and leadership practices. These dynamics have broader implications for regulatory design because they indicate that improving outcomes requires mechanisms that are both context-sensitive and legitimacy-oriented, capable of integrating local norms, participation channels, and credible monitoring arrangements. Board structure theory further clarifies that board size and composition represent fundamental governance design variables that influence monitoring effectiveness and strategic advisory capacity (Raheja, 2005). In other words, the issue highlights that governance reforms must grapple simultaneously with “hard” institutional constraints and “soft” behavioral drivers, otherwise policy implementation remains exposed to ambiguity, low compliance, and deteriorating public trust (Daily & Dalton, 1992; Baysinger & Butler, 1985; Forbes & Milliken, 1999; Heslin & Donaldson, 1999; Ingle & Van der Walt, 2005; Calder, 2008; Psaros, 2009).

The second thematic nucleus revolves around the macro-financial dimension of governance and the transmission of policy signals to corporate behavior. In the current global environment, monetary conditions, uncertainty, and financial regulation do not operate as exogenous backdrops. They shape decision-making inside firms and within financial systems by influencing borrowing costs, liquidity preferences, investment horizons, and risk management postures. The papers in this issue collectively reinforce that corporate choices related to debt accumulation, cash buffers, and capital allocation are deeply governance-relevant outcomes: they reflect how firms interpret policy credibility, anticipate volatility, and navigate constraints in their institutional settings. Importantly, the evidence presented across different markets suggests that policy instruments can exert heterogeneous effects depending on financial development, firm characteristics, and the quality of supporting institutions. This invites a more nuanced research agenda that moves beyond average effects to examine when and for whom specific policy regimes produce stabilising versus distortive outcomes, and how governance mechanisms can mitigate unintended consequences (Beiner et al., 2006; Carter et al., 2003; Boone et al., 2007; Boyd, 1995; Elsayed, 2007; Lin, 2005; Khosa, 2017; Manzari et al., 2024). Institutional ownership and capital structure decisions represent additional governance dimensions that influence firm performance by shaping monitoring intensity and managerial incentives (Chaganti & Damanpour, 1991; Ktit & Abu Khalaf, 2024; Syafik et al., 2025; Yeboah et al., 2024; Zairin et al., 2025).

The third cluster of contributions addresses accountability and assurance as the operational backbone of credible governance. Here, the issue is not framed only in terms of formal compliance, but in terms of how oversight actually functions in practice. The studies emphasise that quality monitoring is often built on a combination of structural features and relational dynamics. Expertise, independence, and resourcing emerge as essential conditions. Yet, the issue also illustrates that informal interactions, communication patterns, and professional networks can materially shape the effectiveness of oversight bodies and internal control systems. This is particularly significant for governance systems in which institutional maturity is uneven and where informal arrangements may compensate for gaps in formal coordination. At the same time, the papers underline a critical boundary: informal channels may enhance information exchange, but they also raise questions about transparency, traceability, and role clarity. The broader analytical implication is that governance research must treat accountability as a socio-technical process, one that depends on competencies and rules, as well as on information flows, incentives, and the organisational conditions that enable challenge, scrutiny, and corrective action (Tiscini & Di Donato, 2006; Brown et al., 2011; Dimitropoulos & Asteriou, 2010; Chang & Sun, 2010; Peel & O'Donnell, 1995). This governance-performance relationship has also been empirically confirmed in sector-specific contexts, where governance effectiveness directly affects organizational resilience and financial outcomes (Malagila et al., 2021).

Digital transformation provides the fourth, strongly integrative lens of the issue, bringing together the themes of capacity, accountability, and inclusion. Several contributions highlight that digitalisation should not be understood only as the deployment of tools, platforms, or information systems, but as a governance transition that reshapes coordination across actors and levels. Digital infrastructures can strengthen decision-making quality by improving data availability, analytic support, transparency, and policy feedback loops. However, these gains are not automatic. Implementation frequently reveals fragmentation between technology and policy, partial module adoption, inconsistent standards, and limited user capability, all of which can reproduce inefficiencies in new forms rather than eliminate them. The papers in this issue, therefore, push an important analytical message: digital governance is effective when institutional alignment, operational routines, and human capabilities evolve together. This is particularly evident when employee skills, access to training, and organisational learning become the binding constraints on transformation, especially for small and medium-sized enterprises and public administrations operating under tight resource constraints (Seliverstova, 2021).

In parallel, the issue addresses inclusive development as a core test of governance quality. Several studies engage with financial inclusion and digital finance not as inherently beneficial trends, but as mechanisms whose distributive consequences depend on context, literacy, institutional trust, and the design of access channels. The heterogeneous relationships observed across income groups and country profiles reinforce that inclusion is not solely about expanding access, but about enabling meaningful and safe participation in financial and economic life. In this sense, governance is called to provide both enabling frameworks and protective safeguards, balancing innovation with consumer protection, reducing informational asymmetries, and ensuring that empowerment outcomes are not limited to already advantaged segments. The issue further complements this inclusion lens by focusing on planning instruments, indices, and classification systems to guide targeted development interventions. These works remind readers that measurement tools are not neutral descriptors; they are governance devices that shape priorities, resource allocation, and accountability expectations. Their effectiveness ultimately rests on integration, coherence, and the capacity to address persistent blind spots across sustainability dimensions (Agyemang-Mintah & Schadewitz, 2019; Triana et al., 2014; Drago et al., 2025; Trequattrini et al., 2022; Trequattrini et al., 2024).

Climate-related governance and transition risks constitute another cross-cutting dimension of the issue, connecting public policy communication, regulatory action, and financial market dynamics. The contributions collectively suggest that climate transition is increasingly mediated by uncertainty, narratives, and policy credibility, with tangible effects on volatility, spillovers, and risk transmission across markets. At the same time, the issue shows that climate governance must be grounded in implementation realities, including awareness levels, communication channels, and community-specific constraints that condition whether formal action plans translate into behavioral change. This combination points toward a more holistic view: climate governance requires

both macro-level coherence and micro-level engagement, otherwise it risks oscillating between ambitious declarations and weak execution (Mallin, 2008; Jensen, 2002).

Finally, this issue also reflects a methodological and intellectual evolution in governance scholarship. Alongside conventional econometric and survey-based designs, readers will find systematic reviews and bibliometric mapping approaches that help consolidate fragmented literatures, detect emerging clusters, and identify underexplored connections between governance domains. Such approaches are not merely descriptive; they serve a strategic function for the field by clarifying conceptual boundaries and opening new research questions, especially as governance mechanisms rapidly expand in scope across sectors and institutional settings. In this spirit, the issue invites the community to continue bridging empirical rigour with contextual sensitivity and to treat governance outcomes not as isolated variables but as the product of interacting institutional, behavioural, and technological forces (Adams et al., 2010; Forbes & Milliken, 1999; Ingley & Van der Walt, 2005; Zanda, 2012).

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