

EDITORIAL

Dear readers!

The recent issue of the journal *Corporate Ownership and Control* focuses on the questions of corporate governance, work-life balance, a theory of the firm, network theory, economic risk, business ethics and risk disclosure.

Dina Hassouna, Hassan Ouda and Khaled Hussainey examine the impact of an “objective” measure for the quality of transparency and disclosure practice that is extracted from the Egyptian corporate governance guidelines on the performance of a selected sample of 85 Egyptian listed companies using mixed methods.

S. Sukdeo, J. Lynch, T. Zulu and P. Govender explore the extent to which work-life balance affects the job satisfaction of employees in a paper manufacturing company. Job satisfaction and work-life balance are key ingredients that impact on employees’ work and personal lives, including organizational productivity. The study is quantitative and a survey design was adopted, with a sample size of 70 employees. Both, descriptive and inferential statistics were utilized.

Roberto Moro Visconti contributes insights into Public Private Partnerships (PPP), which represent an increasingly frequent investment pattern where composite stakeholders interact in joint initiatives. Alignment of interests and consequent composition of conflicts is driven by the business purpose of the shared corporation, represented by a private Special Purpose Vehicle (SPV) within a Project Financing (PF) investment package.

Bharat A. Jain and Yingying Shao evaluate the extent of governance choices at the time of going public differ for family versus non-family firms. In addition, the short and long-run performance of family and non-family firms after their initial public offering (IPO) is examined. The results indicate significant differences between family versus non-family firms on governance choices at the time of their IPO related to dual class structures, board composition, board size, and board leadership structure.

Kurt Burneo Farfan, Edmundo R. Lizarzaburu, Gabriela Barriga Ampuero, Luis Berggrun Preciado, Julio Cisneros and Luis Eduardo Noriega Febre examine the Integrated Latin America Market (MILA). The paper describes how the market has been developing during the last five years, showing some aspects about the market capitalization, the most traded shares and the S&P MILA Andean 40 index.

Jordanis M. Eleftheriadis and Vasilios Vyttas’ research aims to apply a valid and reliable tool (questionnaire) and examine how that can be used by Greek state organizations, in order to measure economic and operational. The methodology adopted in this research is the quantitative one, which will be based on the collection of primary data through a questionnaire.

Chiara Mazzi, Francesco Mazzi, Riccardo Passeri and Milena Viasson study the impact of gender and religiosity on the attitudes towards business ethics of a sample of 437 Italian business students. Data were collected through a survey analysis in March-April 2013. 18 were grouped items into four key areas of analysis and calculate an index that estimates business students’ overall attitude towards ethics for each area and for the overall questionnaire. Results for the whole sample show that our respondents consider ethics in business to be crucial in all four areas.

Ramzi Alzead and Khaled Hussainey make a valuable contribution into the existing literature on corporate risk disclosure (RD) in emerging economies with a focus on the Saudi Arabian economy in the context of the Middle East. The vast majority of RD literature has placed emphasis on case studies and systems adopted in developed nations. This study undertakes a detailed analysis of RD practices in Saudi Arabian non-financial listed firms by adopting a quantitative approach for the collection and analysis of the datasets using a sample of non-financial firms listed on the Saudi Stock Exchange (Tadawal) over the period of 2010 to 2014.

Mario Henry Meuthen contributes insights into the “true and fair view” as an essential principle of financial accounting. Since the original European implementation of the true and fair view principle, there was a controversial discussion on what exactly a true and fair view means in special cases, as well as how and where to meet this principle. Continental European countries, such as Germany, engaged in a fundamental discussion of the true and fair view as an Anglo-Saxon principle due to its conflict with the principle of prudence.

Therefore, this paper outlines the different stakeholder protection interests of the true and fair view principle and the principle of prudence by means of agency theory.

Yulius Kurnia Susanto, Arya Pradipta and Indra Arifin Djashan research the effect of board of commissioner, board independence and audit quality on relationship between free cash flow and earnings management. This research used 290 data from manufacturing companies listed in Indonesia Stock Exchange, selected using purposive sampling method, during 2012 until 2014. Earnings management calculated using Modified Jones (1991) Model include ROA from Kothari et al. (2005). Data for the research were analyzed using multiple regression analysis.

Tonny Stenheim and Dag Øivind Madsen investigate the change in accounting quality when firms shift from a revenue-oriented historical cost accounting regime as Norwegian GAAP (NGAAP) to a balance-oriented fair value accounting regime as International Financial Reporting Standards (IFRS). To investigate the change in accounting quality, the paper makes use of a panel design with 640 firm-year observations from 2001 up to the financial crisis year 2008, including four years of pre-IFRS NGAAP observations and four years of IFRS-observations. The paper employs four commonly used approaches to investigate accounting quality: test of value relevance of net earnings and book values, accrual quality of net earnings, incidence of small positive net earnings and test of timely loss recognition.

Nikolaos Loukeris and Iordanis Eleftheriadis introduce a new methodology that incorporates advanced higher moments evaluation in a new approach of the Portfolio Selection problem, supported by effective Computational Intelligence models. The Evolutional Portfolio Intelligent Complex Optimization (EPICO) model extracts hidden patterns out of the numerous accounting data and financial statements filtering misleading effects such as noise or fraud, offering an optimal portfolio selection method.

Fu-Jiing Shiue and Yi-Yin Yen study international competitiveness. The empirical results of this study show that compared with government-controlled companies, international competitiveness strengthens the relationship of SEO underpricing with one-family-controlled companies, two-or-more family-controlled companies, and manager-controlled companies.

Tigor Sitorus and Tivia Venica Tami Sitorus explore the relationship of Good Corporate Governance with Firm Value, throughout propose and fill the Corporate Social Responsibility as mediate variable at the banks of Indonesia government, listed in Indonesia Stock Exchange in 2012. The Structural Equation Modeling used to analysis the 120 data observed from the financial statement and other documents of five banks, six branches per bank for four years.