

## EDITORIAL

*Dear readers!*

We have a pleasure to address our greetings in 2018 to network of Editors, reviewers, authors and readers of the journal *Corporate Board: role, duties and composition*. This year the journal keeps the pace in the way of publishing a high quality, blind peer reviewed papers related to board of directors. Our efforts in this way have been rewarded by a reputable Committee of ABS Annual Journal Guide (United Kingdom) and our journal has been included in the new ABS Annual Journal Guide 2018.

We are pleased to present the first issue of the journal in 2018. The recent issue of the journal “Corporate Board: Role, Duties and Composition” is devoted to the issues of integrated reporting, board diversity, cultural dimensions, boards of directors mechanism, corporate social responsibility, corporate communication, corporate disclosure, social media, corporate control, auditing, accounting etc.

*Simona Alfiero, Massimo Cane, Ruggiero Doronzo and Alfredo Esposito*, on the basis of stakeholder theory and the national cultural dimensions, aim to test the influence of foreigners on board and its size on integrated reporting (IR) practices. *Jill Atkins, Mohamed Zakari and Ismail Elshahoubi* investigate the extent to which board of directors’ mechanism is implemented in Libyan listed companies. *Silvia Testarmata, Fabio Fortuna and Mirella Ciaburri* analyse how companies are using social media platforms to disclose the corporate social responsibility practices in order to engage stakeholders in compelling and on-going virtual dialogs, comparing how socially responsible and not socially responsible companies use social media platforms to communicate their corporate social responsibility initiatives and interventions. *Alex Kostyuk, Yaroslav Mozghovyi and Dmytro Govorun* highlight the most recent trends in corporate governance, ownership and control based on the manuscripts presented at the international conference “Corporate Governance, Ownership and Control” that took place in Rome on February 27, 2018. *Alessio M. Paccas, Laurent Germain and Áron Perényi* provide the review of the book “Corporate governance: New challenges and opportunities”.

Stakeholder dialogue is an important field that is covered in two articles by Alfiero, Cane, Doronzo and Esposito and by Testarmata, Fortuna and Ciaburri. Social media are, of course, a new means of communication that also offer exciting new opportunities for research. A similar development could be expected for Integrated Reporting when the companies are going to start to follow the Non-Financial Reporting Directive of the European Union. Most probably, Integrated Reporting will become much more often used, and, again, this will also be interesting data to analyse. Moreover, on a more abstract level, analysing companies’ communication via Integrated Reporting and via social media might also contribute to explore the fundamental question: Who are the relevant stakeholders of a company? We always say that the directors, executive as well as non-executive directors, should act in the best interest of the company’s stakeholders. But so far it is unclear who – besides the owners – the stakeholders are, and which weight their interests actually have and which weight it should have. Analyses of stakeholder dialogue might shed some light on this eminent topic.

Soft factors matter. Kostyuk, Mozghovyi and Govorun, in their conference summary, report that several papers found a significant role of cultural and emotional aspects. The article on Integrated Reporting by Alfiero, Cane, Doronzo and Esposito support this statement impressively. For sure, soft factors are difficult to measure, but it seems that they matter. Thus, it is an underresearched area, offering a lot of opportunities. The conference summary also mentioned several presentations focusing on family firms. Family firm research has become a research field in its own right during the last two decades. By its very nature, family firm research must deal with soft factors. It has borrowed theoretical concepts from other fields and adjusted them to the family firm setting, but also developed new concepts. Familiness and socio-emotional wealth could be mentioned as most prominent examples, but there are other concepts, too. Family firm research could be seen as role model for developing measurement concepts for soft factors. Taking more notice of these efforts in family firm research might inspire board research and corporate governance research in general, to generate ideas how to integrate soft factors better in their research. Board work is people’s business!

In their conference report, Kostyuk, Mozghovyi and Govorun also mention a single presentation dealing with Bitcoins and the blockchain technology. Blockchain technology is expected to change markedly the way general meetings will be conducted and to make cross-border voting – subject to ridiculously high costs – much more efficient. To be sure, blockchain technology is just one part of the mega topic corporate governance and digitalization. Surprisingly little academic research has been published so far about this topic. What are the implications for the executive and non-executive members of the board when, for instance, the prevailing style of management changes (agility etc.)? Does the board’s tool box, consisting of the main drawers monitoring and incentivizing, need to be overhauled? This is of course just a tiny superficial sketch of upcoming issues. They are challenges for business practice and great opportunities for research. Just go and start working on them!

Studies on corporate governance are important. Great insights were presented by Prof. Alessandro Zattoni in Rome on February 27, 2018. It was really helpful to be introduced with the experience of a member of editorial boards in journals on corporate governance. Those who are interested in scientific research should definitely bear in mind some key notes from the speech. Corporate governance may be more complex than simple metrics can describe, so there should be permanent development in methodology. Of course, data access, long term effects in studies, data complexity, and basic theories are among the key issues every researcher has to handle. However, many tools may be used to study corporate governance.

Those who will try to use interdisciplinary approach may gain the success and reach valuable conclusions. This idea was confirmed by Cesario Mateus in his presentation and study on different perspective on boards, remuneration and corporate governance. His research mentioned in conference summary is based on proposal to use the set of many detailed variables to characterize well performed boards of directors in various countries. The starting point of the research project is UK financial sector. Further studies should outline the approach for other countries combining it with interdisciplinary experience. One should be noted here is that we still have enough resources and instruments to study the topic deeper. They way to receive a great study this is to be creative and innovative in research!

Some of the aspects of the topics studied in mentioned papers were explored in the academic literature previously. For example, the issues of national cultural differences of board members were the subject of different studies (Ujunwa, Nwakoby & Ugbam, 2012; Abdulsamad, Yusoff & Lasyoud, 2018; Rouf, 2016; Azmat & Rentschler, 2017) however the effect of cultural diversity of the board of directors on integrated reporting is presented for the first time. Also there are a number of papers devoted to the topic of the board of directors' mechanism (Umans & Smith, 2013; Kostyuk, 2003; Akbar, Kharabsheh, Poletti-Hughes & Ali Shah, 2017) although the investigation of the extent to which board of directors' mechanism is implemented in Libyan listed companies hasn't been extensively covered before. Widely debated issues in recent years are corporate social responsibility practices (Van Scheers & Van Scheers, 2015; Stiglbauer & Eulerich, 2012; Prior & Argandoña, 2009; Raza & Majid, 2006) however the use of social media as a form of dissemination in communicating corporate social responsibility hasn't been explored previously. The topic of corporate governance, ownership and control is also very polemical (Habbash, 2012; Grove & Clouse, 2017; Malecki, 2012; Lakmal, 2014) so that the review of these concepts based on recent scholarly research becomes relevant enough. It is only a small note regarding the novelty of the papers. We think that other papers in this issue of the journal are burning as well.

We hope that you will enjoy reading this issue of our journal!

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