

EDITORIAL: An international outlook of corporate governance research

Dear readers!

Corporate governance is a system designed to improve corporate performance through supervision of management performance to ensure accountability to stakeholders based on a regulatory framework. It corresponds to a set of mechanisms, processes, and relations by which corporations are controlled and directed (Shailer, 2004). Many great international organizations can, without hesitation, relate their success to their effective governance practices. Over the past decades, the world has learned a lot from different economic leaders, scandals, and outstanding profitable or crisis situations. With the incredible growth in different markets around the globe, governments now occupy a major role in refereeing the way public organizations conduct their affairs. When enacting legislation or regulations, due to globalization, countries can no longer operate on a national basis only. Legislators have the responsibility to consider numerous international factors. The laws, policies, and principles that structure corporate governance today are continuously evolving achievements. They ensure transparency for shareholders, reasonable gratification for governance leaders, and attempt to align these to the interests of stakeholders (Heath & Norman, 2004; Gouiaa, 2019).

In recent years, there has been a significant shift in Corporate Governance from a shareholder-dominated approach to corporate governance to a stakeholder-oriented corporate governance model (Forbes, Hodgkinson, & Solomon, 2013; Bottenberg, Tuschke, & Flickinger, 2017). The theoretical discussion of the corporate governance system is still dominated by a debate between the shareholder approach and stakeholder approach (Bottenberg et al., 2017). For decades, maximizing shareholder wealth has become a dominant corporate focus and goal (Lazonick & O'Sullivan, 2000). Since the founding analysis of Berle and Means (1932), corporate governance processes have been conceived as systems for regulating the behavior of business leaders and defining the rules of managerial power. In this perspective, the corporate governance system generally corresponded to all of the organizational and institutional mechanisms which make it possible to preserve and defend the interests of shareholders by limiting powers, constraining decisions, and defining the latitude of the leaders of the company. Corporate governance systems were designed and oriented to discipline the different stakeholders of the business so as to maximize the efficiency, performance or value of the firm.

The shareholder-dominated approach has been challenged by the growing of stakeholder theory, claiming that the company interacts not only with shareholders, but also other stakeholders, such as creditors, consumers, suppliers, employees, government, surrounding communities and environmental groups, where they have own respective roles in corporate governance systems (Smith, 2003; Kostyuk, 2005; Pfarrer, 2010; Bottenberg et al., 2017). These stakeholders may have divergent interests from those of managers and shareholders and can have a decisive impact on the performance of the company. This transition in the corporate governance approach does not mean that the interests of the shareholders are no longer preserved. By ensuring that the objectives, targets, and constraints of all stakeholders are taken into account, corporate governance will help align different interests and consequently improve the performance and value of the firm.

Developments in corporate governance around the world have reflected the evolution of certain additional trends. These include sustained attention to environmental, social, and governance factors, including diversity and climate change. For example, there is a global concern that men dominate the corporate boards. This asymmetry in male and female representation has attracted concern in public and private sectors (World Economic Forum, 2013). The desire by governments and organizations to reduce the disproportionality on corporate boards is part of the advocacy in the principle of equality of treatment (Fineman, 2014). The role of women in the boards has been discovered to spur sustainability performance and disclosure in some countries (Fernandez-Feijoo, Romero, & Ruiz-Blanco, 2014; Modiba & Ngwakwe, 2017; Velte, 2017; Calza, Profumo, & Tutore, 2017).

Among the various governance mechanisms, both internal (derived from the board of directors and its committees) and external (derived from laws and regulation, capital market, corporate control market, ownership structure, investor activities, external audit), the board of directors

occupies a critical central place. A review of the academic and professional managerial literature shows the importance of the board of directors in the corporate governance system; the board allows assisting and controlling the management in the fulfillment of its mandate, to protect the interests of shareholders and consequently improve company value (Fama & Jensen, 1983). However, the effectiveness of this governance mechanism in fulfilling its roles and functions largely depends on its characteristics (Kostyuk, 2003; Harris & Raviv, 2008; Gouiaa & Zéghal, 2015; Mateus, Mateus, & Hall, 2015; Grove & Clouse, 2018). These characteristics are related to board size, board independence, and composition, board tenure, separation of the functions of chairman of the board and chief executive officer, multiple directorships, directors' compensation, and ownership, functioning of the board and its committees.

In addition to corporate governance regulation and the impact of new financial regulatory philosophy, this issue of the journal analyzes and highlights the role that the board of directors plays in corporate governance and shows the importance of the characteristics of its members and its functioning on the fulfillment of its roles and consequently on the business performance.

This issue of the journal "Corporate Ownership and Control" is absolutely unique from the point of view of the geodiversity of the research. Thus, having published 16 papers in this issue of the journal we can count the research on corporate governance in the USA, the UK, Norway, Australia, Italy, Germany, Netherlands, Portugal, Spain, Belgium, Sweden, Finland, Austria, Greece, Ireland, Poland, France, Brazil, Tunisia, Morocco, Egypt, the UAE, Saudi Arabia, Kuwait, and others. This provides a very solid vision of the corporate governance national practices worldwide.

This issue of the journal proves once again that corporate governance became a global subject for research during the last decade. Scholars from all the countries of the world try to deliver the new research results related to the national markets providing room for further comparison and research and we hope that the readers will enjoy the results of the recently published papers.

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