

# CORPORATE GOVERNANCE IN EXTREME INSTITUTIONAL ENVIRONMENTS

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Conference Special Issue

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## **CALL FOR PAPERS**

Institutional and legal environments largely shape corporate governance structures and institutions. Academic research on institutional conditions and corporate governance has traditionally made use of cross-country comparisons, as well as examining changes over time. Recent times, however, have seen extreme shifts in institutional environments, raising new challenges for researchers to study new settings and governance questions. Shifts towards excessive risk taking, unhealthy firm cultures, and acts of corporate misconduct are among a few of the many challenges to existing models of corporate governance brought about by extreme institutional environments.

The banking sector is a case in point. The 2008 global financial crisis demonstrated fundamental weaknesses in the regulatory and institutional frameworks and inefficient corporate governance and control mechanisms. It increased public demand for reforms and offered an opportunity to enhance governance arrangements towards a more ethical and sustainable value creation and to promote professional standards at all levels, from boards to non-executive directors and shareholders. Yet cultural change in the financial sector is proving a complex challenge, and it is arguably not the only one.

Emerging technologies, from fintech to robotics, artificial intelligence and machine learning, need effective and agile governance regimes not only to support their sustainable and socially responsible deployment but also to reassure potential innovators, investors and other stakeholders. Equally, while current corporate approaches to climate change can be affected significantly by agency problems, appropriate governance responses are called for. Further, with a high level of diversity within corporations and other organisations, governance has an important task to fulfil in ensuring suitable mechanisms of inclusion, for example with regard to addressing the persistent under-representation of women and other minority groups on corporate boards.

Moreover, political dynamics are changing rapidly, due to the rise in right wing populism across the western world, and in phenomena such as Brexit in the United Kingdom. Therefore, in order to support sustainable development, governance structures need to anticipate and adapt to the new geopolitical balances, growing extreme socio-economic risks, and other unprecedented long-term trends. To be successful, the design of solid and reliable governance structures requires international co-operation, and dedicated research exploration of how firms' and other organisations' decision-making practices and behaviour across the globe adapt to these new political contexts. At the same time, it is crucial to investigate the challenges that extreme institutional changes and political events pose for the development of effective, sustainable and socially responsible corporate governance systems.

The British Journal of Management (BJM) will publish a special issue dedicated to the topic “Corporate governance in extreme institutional environments” in 2021. We welcome theoretical, conceptual, review, comparative as well as empirical contributions that explore corporate governance systems in extreme cultural, political and legal environments. With this special issue, we hope to offer a selection of studies from different disciplines as well as interdisciplinary research that will help reflect on and provide recommendations for how governance structures around the world should support the next technological revolution in an equitable, inclusive and sustainable way and to protect future generations. In particular, the special issue aims to advance our thinking on corporate governance by moving beyond the traditional conceptual and methodological approaches associated with the dominance of agency theory in corporate governance research, and to explore new perspectives that will allow us to respond more effectively to contemporary corporate governance challenges at a global level. We therefore invite contributions adopting a variety of theoretical, conceptual and methodological approaches, and addressing a range of organisational and geographical contexts. We also aim to contribute to a critical appraisal of the strengths, weaknesses and consequences of the current set of rules, standards and institutions in light of the increased interconnectedness of global risks on the one hand, and the costs of uncoordinated responses of national governments on the other.

Some examples of extreme changes in institutional environments in recent years include but are not limited to:

- The Global Financial Crisis
- The rise of Fintech
- Changes in political climates, such as that in the U.S. and the U.K.
- Changes in legal conditions, such as bankruptcy legislation, quotas on boards, etc.
- Climate change
- Cultural changes, such as attitudes toward sustainability

Some research topics through which the impact of these changes could be studied include, but are not limited to, the following areas:

- Corporate governance, strategy and culture
- Gender and governance
- The role of global-level corporate governance structures and solutions in preventing future financial crises
- Sustainable corporate governance
- Stakeholder engagement and corporate governance
- Boards and governance
- Executive compensation
- Corporate disclosure
- The role of institutional and alternative investors in corporate governance
- Corporate governance in banks and other financial intermediaries
- Corporate governance outcomes: financial and non-financial
- New methodological approaches to studying corporate governance in the presence of extreme institutional environments

If you wish your paper to be considered for this Special Issue “*Corporate governance in extreme institutional environments*”, please indicate so in your submission.

Submission deadline: 5 May 2019. For more information on the ICGS conference please see: <https://icgsociety.org/conferences/>

High quality papers that do not make the final set of papers for the special issue may be considered for publication in a regular issue of the Journal.