
Editorial

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1 Introduction

In recent years, both corporate governance and performance management have been subject to significant forces for change: externally (as a reaction to changing regulatory requirements around the world) and internally (new managerial practices and initiatives inside enterprises). These emerging trends affect all enterprises from all sectors whether they are historically subject to formal external and government regulation (such as the financial services sector or healthcare), listing requirements (public companies and multinational companies) or informally structured family businesses and SMEs where wider groups of stakeholders are beginning to become active. For all enterprises changes in the corporate governance and management control spheres can be seen to stimulate innovative management practice in order to address their potential impact on corporate performance. The scientific papers in this special issue of the *International Journal of Business Performance Management* contribute to the current response by scholars to these events using a broad range of theoretical and methodological approaches to extend and develop the state-of-the-art.

The topics of corporate governance and performance management have been subjected to significant forces for change through regulatory and legal environments, through the growth of stakeholder involvement and by developing management practice. These emerging trends affect all enterprises from all sectors whether they are historically subject to formal external and government regulation (such as the financial services sector or healthcare), listing requirements (public companies and multinational companies) or informally structured family businesses and SMEs where wider groups of stakeholders are beginning to become active. For all enterprises changes in the corporate governance and management control spheres can be seen to stimulate innovative management practice in order to address their potential impact on corporate performance. While these areas are generally considered to be two separate fields of study, we argue that there is a real and positive relationship between them that creates a potential synergy

when combining the specific objectives of corporate governance and performance management.

This special issue presents papers that cover a range of corporate governance and performance management issues. The research presented in this special issue has both practical and theoretical implications and are based on work carried out by both academics and practitioners.

The remainder of this editorial is organised to reflect the multi-focused nature of the special issue as follows: Section 2 discusses corporate governance and sustainability; Section 3 addresses performance management, and Section 4 summarises the theoretical and practical contributions to the debate.

2 Corporate governance and sustainability

The topic of corporate governance has become pivotal among managers, practitioners, standard setters and scholars, especially after the global financial crisis and the corporate scandals since scholars proved that weaknesses of corporate governance may bring about earnings manipulation and financial statement frauds (Dechow et al., 1996; Carcello and Neal, 2000) and, in the end, the firms' failure (Kirkpatrick, 2009). Indeed, it could be argued that effective corporate governance helps firms positively to ensure the integrity of their financial reporting processes and to deter fraud (Cohen et al., 2002). Following these considerations, investors are demanding that managers adopt strong corporate governance rules and principles (Beiner et al., 2006).

A recent debate among scholars focuses on the relationship between corporate governance and sustainability, and this is demonstrated by investigations that assess if good corporate governance may foster sustainability in terms of social, environmental and organisational aspects (Aras and Crowther, 2008; Jamali et al., 2008; Huang, 2013). Other scholars have investigated the relationship between board diversity and CSR performance, finding that some features such as generational and age diversity are relevant factors in improving corporate governance (Post et al., 2011; Ferrero-Ferrero et al., 2015). This topic has received growing attention from scholars, since sound corporate governance is considered to be necessary to satisfy internal and external stakeholders' needs. Furthermore, sustainability reporting and transparency of environmental and social performance have received more and more attention from scholars, practitioners and even mass media (Kolk, 2008). Indeed, CSR could be considered as a worldwide movement (Ditlev-Simonsen and Gottschalk, 2011) even if this kind of reporting is mostly voluntary for firms all over the world.

Within this framework and in order to contribute to the debate around this literature stream, in the following, we present the papers of the special issue. The first paper 'Convergence in corporate governance systems and sustainability culture' by D.M. Salvioni, S. Franzoni, F. Gennari and R. Cassano stressed the debate around the adoption of corporate social responsibility (CSR) by firms and if this document could be considered as a substantial factor of convergence between insider and outsider corporate governance systems. In particular, they argue that firms with a sustainable leadership could be more attractive for investors and therefore sustainability reporting can foster the growth of their capital value, by using a documental analysis on the 20 companies included in the Global 100 Index (Salvioni et al.).

The second paper ‘The influence of corporate governance’s decision on corporate social responsibility’ by M.A. Baldini, G. Sicoli and G. Bronzetti analysed the effects that features of corporate governance may have on the CSR adopted by firms and the value creation derived from the adoption of CSR. They carried out their analysis on a sample of 23 Italian non-financial firms in 2015. They demonstrated that Italian firms are keen to invest in favour of sustainability in order to be more attractive for potential investors, despite the recent financial global crisis (Baldini et al.).

The third paper ‘Corporate social responsibility through stakeholder engagement and entrepreneurial communication processes’ by P. Mella and P. Gazzola analysed multinational firms and how they behave both at the national and international level in the fields of CSR and sustainable development. Furthermore, they present how large multinational companies react to the increasing pressures from stakeholders to report their CSR at the global level. They carried out a comparison of CSR activities of five big multinational competitors in the UK, Italy, Germany and the USA, demonstrating that globalisation and CSR are strictly linked to each other and that all companies in the research sample pay increasing attention to the environmental aspect (Mella and Gazzola).

The fourth paper ‘Accountability, governance and performance in UK charities’ by G. Bellante, L. Berardi, S. Machold, E. Nissi and M.A. Rea stressed the debate around the relationships between corporate governance features and their performance in non-profit organisations (NPOs) in the UK. They found a positive relationship between the NPOs’ financial performance and the CEO duality and board size even if the NPOs increase their level of accountability (Bellante et al.).

The fifth paper ‘Internationalisation and corporate governance in family business. A case study’ by E. Cristiano focused on the corporate governance and the process of internationalisation in family businesses in Italy. She argues that family business could benefit of the process of globalisation of their corporate governance and that the success of a family business is strictly closed to the human capital (Cristiano).

3 Performance management

The field of performance management within firms and among managers continues to develop. (Bititci et al., 2012) and the studies linked to this topic are evolving accordingly. (Neely, 2005) As the years have passed, the sphere of performance management was been enriched by new managerial techniques (Kaplan, 1983) and by tools based on both financial and non-financial performance metrics oriented to a long-term perspective (Kaplan and Norton, 1994). The interaction between performance management and other fields of study become more and more relevant (Henri, 2006). Furthermore, in the last years, the topic has been analysed using different perspectives, such as operation operations perspectives, strategic control perspective and management account ones (Bourne et al., 2007).

Within this framework and in order to contribute to the debate around this literature stream, in the following, we present the papers of the special issue which regard innovations in performance management.

The sixth paper ‘Performance measurement systems in business networks: a literature review’ by G. Piscitelli and D. Mancini aims at analysing the state-of-the-art of performance measurement studies in business networks, through a literature review (Piscitelli and Mancini). They found that most scholars are interested to analyse how the implementation of performance measurement can affect business and managerial practices in different context, such as public versus private networks or small versus large firms.

The seventh paper ‘A data-driven analysis of the current debate on the linkages between performance and strategy studies’ by N.G. Castellano, K. Corsi, M. Bartolini, F. Bernini, A. Cardoni, G. Coller, V. Fasone and L. Fornaciari focuses on the relationship between Performance management and measurement and strategy, through a literature review (Castellano et al.). Through a text mining analysis, they show that the topics of management and organisation need to be connected, even if the relative publications are basically mono-discipline.

4 Concluding remarks

The papers presented in this special issue have been presented to the Sidrea (Società Italiana Docenti di Ragioneria ed Economia Aziendale) International Workshop (SIW) ‘Innovations in corporate governance and performance management’, held at Rome University of International Studies on 21st and 22nd April 2016. Papers presented in the special issue contribute to the state of art with regards innovations in corporate governance and performance management, by using mixed research methods. As a matter of fact, some contributions in the field of corporate governance are based on a qualitative methods through a documental analysis (Mella and Gazzola; Salvioni et al.) and through the analysis of a case study (Yin, 2011; Rubin and Rubin, 2011) carried out by the analysis of firm’s documents and semi-structured interviews (Cristiano), whereas others used a quantitative approach (Bellante et al.). In particular, Bellante et al. used multiple regression models on a sample of 200 charities selected randomly from the Register of the Charity Commission in 2013, whereas Baldini et al. carried out a content analysis on voluntary disclosure of a sample of Italian companies in order to extrapolate information in terms of sustainability.

In the field of performance management, Castellano et al. and Piscitelli and Mancini based their study on the literature review. In particular, Castellano et al. carried out a text-mining analysis on the scientific papers, published between 2013 and at the beginning of 2016, in the most relevant international ‘business, management and accounting’ journals. Piscitelli and Mancini, instead, carried out a literature review on the basis of scientific papers published between 2004 and 2015.

Papers have also some relevant practical contributions, since they could help managers and practitioners to address resources to that activities inside the firm that are able to add value for each class of internal and external stakeholders.

Future researches could be addressed to investigate the link between corporate governance and performance management and how changes in the features of corporate governance could affect the measures of managerial performance.

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