
Editorial: Multinational enterprises and business failures: a new research agenda

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Globally, each year thousands of firms collapse, including SMEs and multinational enterprises, but the events and stories have often gone ‘unnoticed and unmourned’ (Wallace, 2019). Interestingly enough, firms are now failing at a faster rate (Govindarajan and Srivastava, 2016) often attributed to factors such as decline of the economic cycle, deregulation and liberalisation of industries leading to the deterioration of corporate health and failure (Amankwah-Amoah, 2014, 2015a, 2016; Amankwah-Amoah and Debrah, 2010, 2014; Amankwah-Amoah et al., 2018a, 2018b; Amankwah-Amoah and Zhang, 2015; Zhang et al., 2019). Globalisation has shepherded in a new and more competitive global business environment leading to the failure of many inefficient and uncompetitive firms (Amankwah-Amoah and Wang, 2019).

In many industries such as timber in the developing world, as timber resources dwindle and deforestation occurs at a faster rate (Daily Graphic, 2013) firms are often left with the option of either relocating to another country/region or folding. In natural resource industries such as metals, oil, gas and minerals, as these resources are depleted, many firms have had to find new deposits or been forced to close, leaving workers jobless. In Ghana, for instance, the Ghana Timber Millers Organisation observed that, in over two decades, around “60% of timber companies have collapsed because they have no access to the raw material, timber” leading to the loss of around 200,000 jobs across the regions of the country (Daily Graphic, 2013). In a similar vein, in extractive industries such as gold mining, and oil and gas production, firms are often forced to close or internationalise owing to dwindling natural resources at specific locations. Failure or closure often leaves several environmental issues unresolved, thereby leaving society to deal with the collateral damage and any organisational misconduct. There is a need for new lines of research examining these dynamics as these changes have yielded an opportunity to offer deeper insights into how the decline of location-specific advantages can cause businesses to fail. The failure of a multinational corporation is likely to lead to cross-border personnel mobility and inter-organisational mobility, yet the effects of these

on employees' wellbeing demands scholarly attention in the international business context. In the wake of increasingly relevant learning from failure as a source of innovation and enhancing firm competitiveness (Zhang et al., 2019) there a need for scholars to focus on the extent to which firms can internationalise to avoid or reduce the failure.

Although corporate social responsibility (CSR) practices by MNEs have been found to contribute to improved firm image and customer loyalty (Park, 2016) few firms consider the effects of their activities after exit or failure. Often in the wake of lack of good governance and transparent environmental management practices leading to collapse, society is often left to bear the cost. Some companies deliberately formulate a strategy to sidestep their social responsibilities. Accordingly, there is a need for a new type of research to explore meeting social responsibilities and the effects of business failures.

Related to the above, the promising renewable energy sector such as thermal and photovoltaics has seen the emergence of state-owned enterprises and private companies culminating in several business failures (Amankwah-Amoah, 2015b). Despite the urgency of climate change and the need to address environmental concerns, there is a need for new streams of research examining the causes and effects. Although global business failures remain common, there has been limited scholarly space devoted to exploring features and consequences for society and internal stakeholders such as employees' wellbeing and mental health. Owing to these observations, a fresh perspective on these and new lines of research are warranted.

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