

---

## Preface

---

### Sudarso Kaderi Wiryono

School of Business and Management,  
Institut Teknologi Bandung,  
Jl. Ganesha No. 10, Bandung,  
Jawa Barat, 40132, Indonesia  
Email: sudarso\_kw@sbm-itb.ac.id

### Lorne Cummings

Macquarie Business School,  
Macquarie University,  
4 Eastern Road, NSW 2109, Australia  
Email: lorne.cummings@mq.edu.au

### Yunieta Anny Nainggolan\*

School of Business and Management,  
Institut Teknologi Bandung,  
Jl. Ganesha No. 10, Bandung,  
Jawa Barat, 40132, Indonesia  
Email: yunieta@sbm-itb.ac.id  
\*Corresponding author

**Biographical notes:** Sudarso Kaderi Wiryono is a Professor of Risk Management at School of Business and Management, Institut Teknologi Bandung (ITB), Indonesia. He obtained his Doctoral degree and Master's degree from l'Institut d'Administration des Entreprises (IAE) d'Aix en Provence, Universite d'Aix Marseille III, France. He also earned a first degree in Industrial Engineering from ITB. As an expert in risk management, he is an active member of Risk Management Certification Board in Indonesia. His research interests include financial management, islamic banking and financial system, corporate risk management, and business risk and venture capital.

Lorne Cummings is a Professor of Accounting at Macquarie Business School, Australia. His research interests are in the financial accounting field, including sustainability accounting and reporting, international financial reporting standards, not-for-profit accounting, and accounting history. He has published in leading international and Australian academic and professional journals including *Advances in Accounting*, *European Accounting Review*, *Financial Accountability and Management*, *Accounting*, *Auditing and Accountability Journal*, *The International Journal of Auditing*, *Accounting History*, and *The Asian Review of Accounting and the Journal of Business Ethics*. He has been involved in the development and delivery of professional development programs, CPA Australia.

Yunieta Anny Nainggolan is an Assistant Professor of Finance at School of Business and Management, Institut Teknologi Bandung, Indonesia, with a PhD (in Finance) from Queensland University of Technology, Australia. Her research interests are in fund management, ethical fund, socially responsible investment, Islamic finance, disclosure and reporting, corporate finance, and corporate governance. She has published in reputable journals including *Journal of Business Ethics*, *Emerging Markets Finance and Trade*, and *Social Responsibility Journal*.

---

The recent challenge of the emerging markets calls for not only new approaches but also the investigation and development of management discipline based on changes in practices and expectations from diverse stakeholders surrounding business and public organisations. The aim of this special issue is to provide an outlet for papers discussing topics on how to manage financial and investment opportunities in emerging markets. Papers for this special issue are selected from International Conference on Management in Emerging Markets (ICMEM) 2016 in Bali on 10–12 August 2016 organised by the School of Business and Management Institut Teknologi Bandung in collaboration with Universiti Utara Malaysia and Naresuan University (Thailand).

In the ‘The effect of audit committee characteristics on earnings management: the case of Indonesia’, Setiawan et al. investigate the effectiveness of audit committees in mitigating earnings management in the context of Indonesia. Results show that female member(s) of audit committee mitigate earnings management.

The paper ‘Relationship between debt maturity and IPO: the case of Indonesian firms’, by Andriana and Nainggolan, examines whether the choice of debt maturity has an important role in macroeconomic conditions in emerging markets. They find that companies choose to issue debt with longer maturity post-IPO because it would be more accessible and beneficial for the newly listed firms.

The third paper, by Firmialy and Adhiutama, examines the leveraging effect of gender diversity, specifically women directors on the Board (WDB), on the relationship between research and development (R&D) investment and financial performance. The study reveals that firms with higher WDB and that are more focused on their R&D investment activities, will be able to generate better financial performance than those firms with less gender diversity and R&D investments. This paper contributes to the limited literature on R&D investment in Indonesia.

In the final paper, ‘Should Indonesia adopt a basket currency regime?’, Prasetyo et al. aim to provide an arrangement for optimal basket weights of Indonesian currency basket to minimise GDP volatility as well as exchange rate volatility. They find that the weight currencies in the free-float regime would reflect the trade intensities, suggesting that the government should monitor the change of exchange rates of currencies in the foreign reserves and change the weight accordingly.