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**Call for Papers – Special Issue of *European Management Review***

# Corporate Governance and Organizational Resilience

**The system will open for submissions to the Special Issue on January 1st, 2023 and close on February 12nd, 2023**

## Background

The academic research on organizational resilience is widespread, but also fragmented across divergent research streams such as organizational rigidity, dynamic capabilities, and organizational ambidexterity. However, one common denominator across these different streams is that they attempt to study organizational resilience empirically or conceptually after black swan events – shocks such as a terrorist attack, extreme weather events, data loss, pandemics, as well as more general types of change (e.g., environmental change) – that influences organizational processes and firm outcomes. Despite the number of studies on organizational resilience, several literature reviews call for additional studies on this topic as the findings of previous studies are mixed (for recent reviews, see for example Conz and Magnani, 2020; Hillmann and Guenther, 2021; Linnenluecke, 2017), in particular as to the under-researched role of Corporate Governance, as illustrated below.

In this special issue of *European Management Review*, we call for studies on organizational resilience that investigate the role of corporate governance, actors, and processes before and after different black swan events with the aim of reducing the current focus only on apical roles and boards, and indeed the reference to standard 'good' and 'bad' governance as taken for granted. Corporate governance has already been shown to matter for organizational resilience, but the findings of these previous studies are mixed. For example, work shows that firm 'good' governance practices such as an independent and vigilant board and incentive alignment may help organizations cope with a financial crisis (Grove *et al*., 2011). But other studies suggest that 'good' corporate governance mechanisms operate differently in crisis and non-crisis situations. For example, van Essen *et al*. (2013) find that the use of incentive compensation negatively impacts on firm performance in a crisis. In addition, there are also previous studies that show that firm 'poor' governance attributes such as directors' busyness (Falato *et al*., 2014) can increase firm vulnerability to external conditions and erode firm resilience to adverse shocks. However, van Essen *et al*. (2013) find that firm 'controversial' governance practices such as CEO duality is associated with better performance in a crisis.

Regarding other corporate governance mechanisms such as the impact of the identity and ties among owners, these are several studies that investigate their impacts in family firms. But the findings of these studies are also mixed, indicating that family firms are either worse (Lins *et al*., 2013) or better (Bauweraerts, 2013; Minichilli *et al*., 2016; Zhou *et al*., 2017) able to cope with the consequences for example of the global financial crisis, or are inconclusive as they financially outperform non-family-owned firms during such a crisis but not during stable-growth periods (van Essen et al., 2015).

Additionally, we note that more is known about the role of corporate governance before and after a crisis (such as the global financial crisis), but little is known about the role of corporate governance before and after other black swan events such a natural disaster. For example, a recent study by Salvato *et al*. (2020) finds that family firms perform better than non-family firms after an earthquake, especially when multiple family members are involved as owners.

Regarding other attributes of corporate governance, it is worth mentioning that there are other studies that argue, and empirically demonstrate, that organizational resilience can be impacted by attributes of governance in society more broadly – such as decentralization and accountability – that seem to enhance the capacity to manage resilience (Lebel *at al*., 2006).

In this special issue, we call for submissions that investigate which corporate governance mechanisms/practices/attributes may be 'good' or 'bad' for resilience that go beyond the standard literature on organizational resilience. First, a common view is that a shock has the disruptive features of a 'black swan' (Taleb, 2010) and then social systems (including organizations) are unlikely to 'return' to the past but instead undergo changes. However, it has been argued that not all black swans are equally black (Runde, 2009), with the result that effective responses to different black swan events are likely to vary accordingly (Grandori, 2020). Therefore, we call for manuscripts that aim to investigate the role of corporate governance, actors, and processes before and after different black swan events with the aim of understanding if their effectiveness is consistent after such different events and/or in different settings. Second, many previous studies on organizational resilience are based on the perception of organizational resilience as a positive construct (Välikangas, 2010; Välikangas & Romme, 2013). Among them, for example there are studies that view organizational resilience as a firm's ability to effectively absorb, develop situation-specific responses to, and ultimately engage in transformative activities to capitalize on disruptive events that potentially threaten organization survival (Salvato *et al*., 2020, Hamel & Välikangas, 2003). But there are also recent studies that challenge the view of organizational resilience as a positive construct and there have been calls for the fuller integration of divergent research streams into the study of organizational resilience (Mamouni Limnios et al., 2014). In this vein, we welcome contributions that challenge the perception of organizational resilience as a singularly positive construct as organizations exhibit a combination of both adaptive capacity and resistance to change. Recently, a literature review by Conz and Magnani (2020) calls for studies that use a dynamic perspective to study the resilience of firms by proposing a model that articulates two main paths for explaining organizational resilience (i.e., absorptive resilience and adaptive resilience paths). They identify a set of key capabilities needed to be successfully resilient at the different stages of the two paths that might be useful to move forward research that investigates the role of governance, actors, and processes before and after different black swan events. Finally, several arguments that have been made regarding the relative robustness of decentralized structures for resilience as non-hierarchical decision making are important but not sufficient because ‘knowledgeable decentralization’ is an essential complement (Grandori, 2020). We believe that these arguments might be particularly helpful to research that investigates the role of governance, actors, and processes before and after different black swan events, most especially in reducing the current focus only on the top roles and boards, and the reference to standard 'good' and 'bad' governance as taken for granted.

**Objectives and topics of interest for the special issue**

Overall, this special issue of *European Management Review* aims to focus on the role of corporate governance, actors, and processes before and after different black swan events such as natural disasters, man-made disasters or any other critical or unexpected event, that may influence organizational practices and firm outcomes. We anticipate that Authors will tackle governance issues through fresh lenses and from fresh angles (e.g. Bundy et al., 2017; Carmeli and Markman, 2011; DesJardine et al., 2019; Guthrie and Durand, 2008; Kemper and Martin, 2010; Ortiz-de-Mandojana and Bansal, 2016; Zollo and Freeman, 2010).

An indicative list of questions includes:

- What are the conceptual issues that surround the organizational resilience construct?
- What are the operational issues that arise in the measurement of the organizational resilience construct?
- How can organizational resilience be conceptualized and measured in relation to corporate governance?
- Is the role of corporate governance, actors, and processes different before and after particular black swan events?
- Which corporate governance mechanisms/practices/attributes can make a difference in comparative resilience?
- Which common traits of current corporate governance structures and practices make corporations fragile?
- Which aspects of corporate governance may be more or less effective as a remedy?
- For what kind of resilience are different corporate governance mechanisms/practices/attributes more effective?
- How does the institutional context influence corporate governance – resilience relations?
- What board of director attributes (such as board diversity and board busyness) foster or weaken resilience?
- What is the role of board members in shaping firm resilience?

- How does firm's ownership structure (e.g., institutional ownership attributes such as institutional investors horizon, family ownership attributes such as ties among family owners etc.) impact firm resilience?
- What corporate governance mechanisms/practices/attributes may help firms to transform black swan events and the challenges they present into entrepreneurial opportunities?

This list is by no means an exhaustive list. The key requirement is that each manuscript makes a novel contribution to our understanding of the role of corporate governance, actors, and processes before and after different black swan events. We encourage submissions that include empirical investigations of these issues (by using rigorous qualitative, quantitative and /or mixed methods), but we will also consider submissions that address conceptual and operational issues, as well as meta-analytic reviews that may stimulate new lines of research on this topic. We also welcome interdisciplinary research that draws from different disciplines, provided it has clear theoretical and practical implications.

**Submission instructions**

All submissions for this Special Issue must be submitted electronically to *European Management Review* according to the journal's editorial guidelines (max 9,000 words where references, tables/figures, footnotes, and appendices count towards this total). All submissions will be screened by the Special Issue Guest Editors in order to determine which should subsequently be entered into the double-blind peer-review process.

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