

A Bibliometric Review of Global Corporate Governance Research

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Abstract

In order to examine a variety of topics and present the state of Corporate Governance research at this time, this paper will employ Citespace visualisation and bibliometric analysis. This will allow readers to comprehend how the study field is evolving through the body of existing literature. Based on the WOS database, our assessment lists the most significant papers, authors, and publications in this field from 2015 to 2024. Co-citation analysis is employed to identify the influential conceptual and theoretical articles on sustainability and broad concept of CG including internal and external issues. Additionally, the study of keyword co-occurrence points to additional areas of developing research in CG are in the areas of CSR, Disclosure and so on. The growing amount of publications in developing nations indicates potential avenues for further study for academics in the field. The review shows that studies on how digital transformation influence the CG temporarily comprises merely a tiny portion of the papers in this digital economy era, which emphasises the need for additional study on this specific subject in the upcoming years.

Keywords: Corporate Governance, Bibliometric Analysis, Citespace, Emerging Markets, Digital Transformation

Introduction

The mainstream mass media and the financial media both continue to focus on Corporate Governance (CG). A lengthy history of major, well-known public U.S. firms has been involved in numerous scandals, the most recent of which involved Wells Fargo and Equifax. Looking back, the collapse of the major banks was the primary cause of the 2008 financial crisis. Earlier still, the Enron, WorldCom, Tyco, and Qwest scandals at the start of the new millennium contributed to their downfall (Bhagat & Bolton, 2019). Following the global financial crisis of 2008, the significance of CG has been well recognised and interest in corporate governance within and outside of academia has grown (Aguilera & Jackson, 2010; Kyere & Ausloos, 2021).

According to Jensen and Meckling (1976), corporate governance is in fact a form of social contract, that establishes and upholds the duties and obligations of the management team, the board of directors, and other stakeholders involved in the operation of the business. It also resolves the principal-agent conflict that arises from ownership and the division of rights. By controlling employee behaviour and preventing executives and directors from abusing their positions of authority, effective corporate governance can help a company realize its full potential.

In accordance to the Organization for Economic Co-operation and Development (OECD, 2004, 2015), corporate governance essentially stipulates the rights and responsibilities of the subjects related to the interests of the company. Here the main subject in the narrow sense is the general shareholders meeting, the board of directors, supervisory board, management and other internal organisations. The organization and distribution of the primary body's rights and interests is a set of institutional arrangements for the clear delineation of the main body of the rights, responsibilities and interests of the system, in order to achieve the interests of the main body of the checks and balances and synergistic enhancement of each other (Crifo et al., 2019).

Based on Stakeholder theory, in broad sense the corporate governance subjects are not only internal stakeholders but also various stakeholders outside the company (Bacq & Aguilera, 2021). In fact, corporate governance is favoured by several disciplinary areas. It has received attention not only from economics and finance, but also from law, management and accounting (Di Pietra & Melis, 2016, Veldman et al., 2023).

Our knowledge of corporate governance has improved significantly as a result of earlier research. However, the topic remains fraught with significant opportunities for additional research. This means that a comprehensive overview of corporate governance is needed to determine the research field's knowledge structure and to suggest linkages for potential routes of future investigation. The research objectives of this paper are as below:

RO1: To access overall publication volume and distribution by time and regions on CG research.

RO2: To summarize the most influential authors, articles and journal citations on CG research.

RO3: To clarify potential future research direction by figuring out recent hot topics on CG research.

Research Methodology

This study adopts quantitative bibliometric review method to show the organization of relevant literature in CG research. It is a functional approach to clarify researchers' interest and concentration by accessing bibliographic material quantitatively (Khatib et al., 2023). Besides, it aids researchers to overcome possible drawbacks of qualitative review approaches like scope limits and sample-selection bias, which has strong dependence and subjectivity on the citation patterns and opinions within focused scientific field (Mumu et al., 2021).

The software Citespace can be applied to conduct bibliometric analysis and citation timeline visualization (Li et al., 2022). This study takes use of Citespace software for co-citation analysis of authors, countries (regions), journals, cited reference source and keywords. Aiming to dig out hotspots and emerging trends in CG research, co-citation frequency, related reference

and centrality are also combined with data to further explore corresponding areas (Lin et al., 2020).

The Web of Science (WoS) platform is regarded as an unbiased, impartial and representative database for writing literature reviews (Sarkar et al., 2022). It is a preferred option for academics performing bibliometric reviews (Sezgin et al., 2022). To obtain the top 1000 relevant studies using the Web of Science core collection from 2015 to 11th January 2024, we utilized the term "corporate governance" as the subject or title. Plain text format was downloaded for the results of "Full Record and cited References". When running Citespace, we filter document types of articles excluding review paper. Ultimately, the sample size is 954.

Data Analysis and Results

This section presents the bibliometric analysis's findings in accordance with the format of the research questions pertaining to published CG research.

Publication Volume and Distribution

The number of annual publications and the trend of change is a general reflection of the importance of the research field and the degree of attention it receives (Huang et al., 2020). Visual analyses of the publication time of corporate governance research-related results can offer a comprehensive comprehension of the current status and development process of corporate governance development research from the ephemeral level. From the statistical results shown as Figure 1, among the 954 samples selected according to the degree of relevance, the annual publication volume shows an overall upward trend, with the number of publications relatively stable at 86-91 before 2018, and a large rise in the number of publications from 2019 onwards, increasing to 125, followed by slight fluctuations in 2021, and then reaching a new high point in 2023.

There are three important year nodes on CG guideline, which is roughly in line with the publication volume trend shown by Figure 1. The G20/OECD Principles of Corporate Governance are promoted by the Organization for Economic Co-operation and Development (OECD) in 2015 (Rudolf, 2021). China Securities Regulatory Committee (CSRC) promulgated the revised Code on Governance of Listed Companies on 30 September 2018 (Beck & Brødsgaard, 2022). A final endorsement of the updated G20/OECD Principles of Corporate Governance was delivered by leaders in the September 2023 G20 Summit (Richez-Baum et al., 2023). As the data from the index date of the literature was selected on 11th Jan in 2024, there are only seven articles, that is a significant number considering the first ten days of the year. We did not exclude 2024 from the statistics because we want to know the latest research trends through the co-occurrence and co-citation analyses in the later years. Overall, the accumulative number increased steadily during selected time period which means CG has been a popular area of research in academia.

Influential Authors, Articles and Journals - Co citation Analysis

Among the massive number of referenced reference material, co-citation analysis can effectively and simply discover the key body of knowledge for the research field such as the core classical literature (White & McCain, 1998). The nodes shown in Figure 3 stand for cited literature, the font size of the nodes and their labels are positively correlated with the citation frequency of the literature, and the different colors of the nodes represent the citation situation of the literature in different years. The nodes are in the form of multi-layer circles, which means that they are all cited in the corresponding years. The connecting lines reveal the literature's co-citation interaction, as well as the connecting lines' colors are corresponded to the years on the left side, and the violet circle represents that the cited literature has a high centrality in the middle.

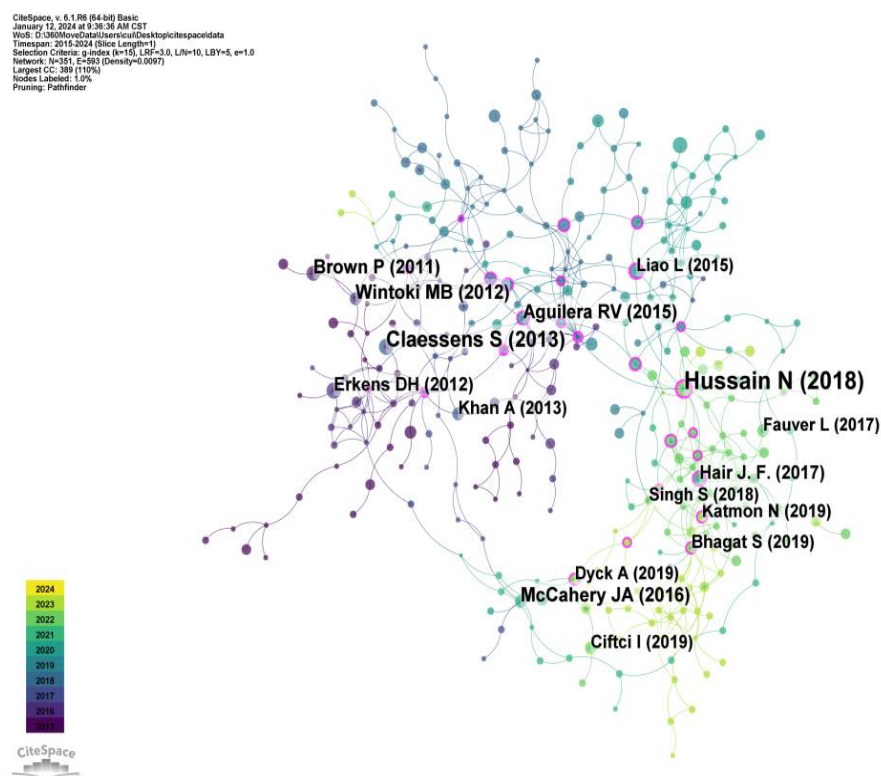


Figure 3. Map Network of Co-citations upon Reference

Figure 3 shows the literature with citation frequency of 10 times and above, 16 articles in total, among which "Corporate Governance and Sustainability Performance: Analysis of Triple Bottom Line" published by Hussain N et al. in 2018 has the highest citation frequency of 30 times, and the literature has high centrality and is a core literature in corporate governance research with high impact. Analyzing the citation time of the literature, it can be found that the highly cited literature in the purple part of the figure (i.e., cited in 2014-2017) was published before 2013, while the highly cited literature in the yellow-green part of the figure (cited after 2021) was published after 2017, which indicates that the literature in this field is updated quickly and researchers tend to cite newly published literature.

We can also see more details of the co-cited top 5 references in Table 1, which implicates influential topics in CG field such as sustainability, emerging markets and broad concept of corporate governance including internal and external CG aspects.

Table 1

Top 5 Authors and Reference Co-citation

Rank	Author (year of publication)	Cited Articles	Source	Co-citations
1	Hussain et al. (2018)	Corporate Governance and Sustainability Performance: Analysis of Triple Bottom Line Performance	J. BUS. ETHICS	30
2	Claessens & Yurtoglu (2013)	Corporate governance in emerging markets: A survey	EMERG. MARK. REV	19
3	Wintoki (2012)	Endogeneity and the dynamics of internal corporate governance	J. FINANC. ECON	14
4	McCahery et al. (2016)	Behind the Scenes: The Corporate Governance Preferences of Institutional Investors	J. FINANC	14
5	Aguilera et al. (2015)	Connecting the Dots: Bringing External Corporate Governance into the Corporate Governance Puzzle	ACAD. MANAG. ANN	13

Keywords Co-occurrence and Cluster Analysis

High-level summaries of the literature's content are provided by keywords, and co-occurrence analysis of these keywords can reveal areas of study interest in a given area (Yang et al., 2022; Zupic & Čater, 2015). The keyword co-occurrence network is created using CiteSpace software, as seen in Figure 4, which displays 30 keywords with at least 40 instances of each keyword. Among them, nodes indicate keywords, and the font size of nodes and their labels are positively correlated with the frequency of the keyword. Each connecting line indicates that the keyword co-occurs in an article, and the colour of the line corresponds to the year. The nodes are in multi-layered circles, indicating that papers associated with the keyword were published in the corresponding years. Based on the findings of the analysis of keyword co-occurrence mapping, the top 10 keywords in descending order of word frequency are corporate governance, ownership, performance, firm performance, impact, director, determinant, firm, management and ownership structure, reflecting the fact that research in the field of corporate governance focuses on performance, ownership structure, and other management dimensions which can be seen from Table 2.

CiteSpace v. 5.10.R (64-bit) Java
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 Work: I:\2024\Journal\Business\KnowledgeSpace\data
 Timespan: 2019-2024 (Slice Length=1)
 Selection Criteria: g-index (w=1), LRF=1.0, LN=10, LBY=5, e=1.0
 Network: N=290, E=403 (Density=0.911)
 Largest CC: 209 (99%)
 Nodes Labeled: 1.0%
 Pruning: Pathfinder

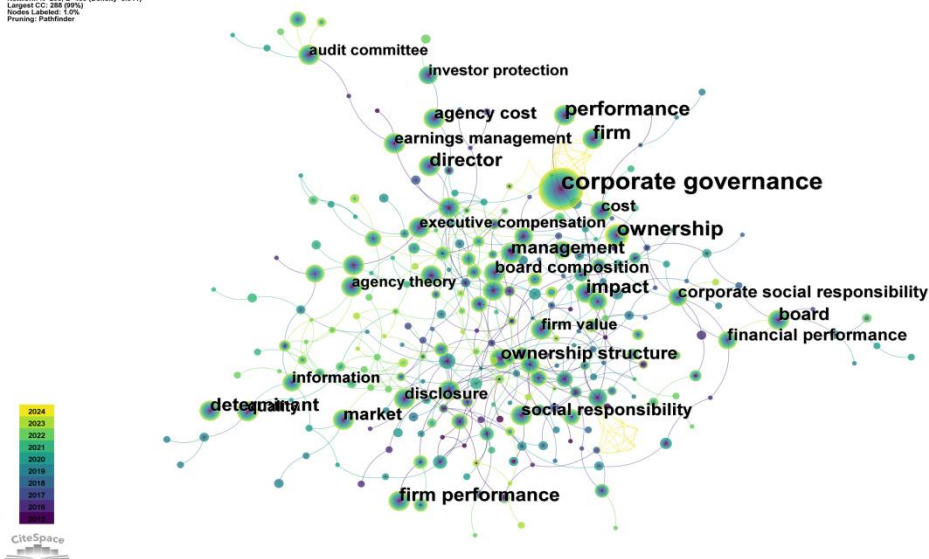


Figure 4. Keywords Co-Occurrence Map for the CG Knowledge

Table 2

Top 30 Frequent Keywords

Keywords	Occurrence	Keywords	Occurrence	Keywords	Occurrence
Corporate Governance	755	Management	117	Quality	59
Ownership	270	Social Responsibility	104	Firm Value	56
Performance	229	Agency Costs	102	Executive Compensation	55
Firm Performance	165	Market	82	Investor Protection	54
Impact	157	Financial Performance	81	Audit Committee	53
Directors	154	Board Composition	80	Agency Theory	48
Determinants	141	Board	72	Compensation	48
Firm	141	Earnings management	70	Institutional Investor	43
CSR	118	Disclosure	64	Costs	41
Ownership Structure	117	Information	62	Board of Directors	40

By using clustering and timeline analysis of keywords based on keyword co-occurrence mapping, we can more clearly analyze the state of research in the subject and identify its hotspots. The clustering network display of keywords in the research literature was obtained by automatic clustering of 279 keywords concerning CG, which was divided into 14 clustering modules as shown in Figure 5. The modularity value $Q = 0.7185$ ($Q > 0.3$) and the silhouette value $S = 0.8817$ ($S > 0.5$) suggest that the clustering is effective and the members of each

countries. Research on corporate governance in emerging nations has grown quickly in tandem with advancements, as its significance has become increasingly apparent on a worldwide scale (Ararat et al., 2021). In-depth research on CG in developing and emerging markets will still attract attention of researchers in the future.

Moreover, digital information technologies have a major influence on current trends in the development of the economy (Ziniuk et al., 2022). In the era of digital economy, how corporate governance combines with digital transformation and what kind of relationship exists between the two will be a very worthwhile theme to explore. Although digitalization and digital transformation do not appear in the high-frequency list in the keyword co-occurrence analysis, through the content analysis, there are 16 core articles in the selected sample whose contents are all related to digitalization but are not reflected in the keywords, and the publication years are concentrated in the years from 2018 to 2023, of which three are in 2019, four in 2022, six in 2023, and one in each of the remaining years. Digital related studies on CG are expected worthy to be new research trends.

Conclusions

The objective of this study is to recognize the major developments in corporate governance research and then draw out the future research direction. We used bibliometric analyses to derive the temporal and spatial heat distribution of corporate governance based on publication by year and regional distribution. Major themes in global corporate governance research are assessed based on literature co-citation such as sustainability, internal and external governance. Besides, through co-occurrence of keywords and cluster analysis, ownership structure, corporate social responsibility, disclosure and firm value performance are popular topics. The data applied in this paper was obtained from WOS (totally 954 journal articles). On the whole, the results indicate that there has been a consistent rise in the total number of publications from 2015 to 2024. In particular, there are new revised governance guidelines and codes introduced at three-year points.

Finally, based on the regional distribution and content analysis, two major future research directions are drawn. The first is to focus on in-depth and comprehensive study of corporate governance in developing countries and emerging economies, and the second is to explore the relationship between corporate governance and corporate digital transformation in the context of digitalization era.

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