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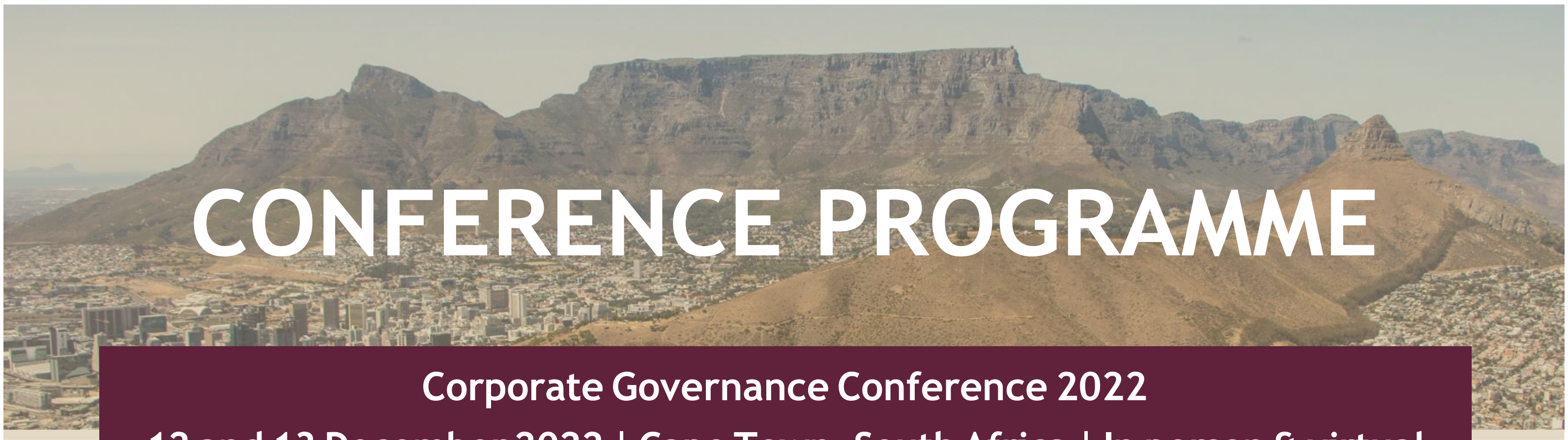

CONFERENCE PROGRAMME

Corporate Governance Conference 2022

12 and 13 December 2022 | Cape Town, South Africa | In person & virtual

12 DECEMBER COCKTAIL EVENT				
16h00 for 16h30	Cocktail event and keynote address by Dr Nicky Newton-King, facilitated by Prof Reggy Hooghiemstra			
13 DECEMBER CONFERENCE DAY				
08h30-09h00	Registration To join the conference online, open the link and enter the meeting code: https://usb.zoom.us/my/corporategovernance Passcode: 604030			
09h00-09h15	Welcome and administrative arrangements Venue: Yellowwood (210)			
	ETHICAL LEADERSHIP [1] Venue: Yellowwood Moderator: Dr Lee-Ann Steenkamp (Stellenbosch Business School)	CORPORATE GOVERNANCE AND FINANCIAL REPORTING [2] Venue: Marula Moderator: Prof Tankiso Moloi (University of Johannesburg)	ENVIRONMENTAL AND SOCIAL RESPONSIBILITY [3] Venue: Rooibos Moderator: Prof Reggy Hooghiemstra (Gruningen University, Netherlands)	ASSURANCE, RISK AND CORPORATE GOVERNANCE [4] Venue: Fynbos Moderator: Prof Riaan Rudman (School of Accountancy, Stellenbosch University)
09h15-09h45	Back from the brink – EOH and ethical leadership Daniël Malan (Trinity College, Dublin) Presenter: Daniël Malan Track: Work-in-progress	The joint impact of CEO and outside director long-term incentive compensation on a firm's non-financial performance Mieke Dingenen; Ann Gaeremynck & Dieter Smeulders (Faculty of Economics and Business, KU Leuven, Belgium) Presenter: Mieke Dingenen Track: Student	The moderating effect of CEO personality on the relationship between the CSR committee and social performance Lotte Smeets (Faculty of Economics and Business, KU Leuven, Belgium) Presenter: Lotte Smeets Track: Work-in-progress	Emotional intelligence as a key driver of the formation of professional skepticism in auditors Sonja Cilliers (Stellenbosch Business School) Presenter: Sonja Cilliers Track: Student [ONLINE]
09h45-10h15	Ethical leadership, corporate governance and accountability: A South African perspective Dion Poole & Jenika Gobind (Wits Business School, University of Witwatersrand) Presenter: Dion Poole Track: Student	Linking executive pay and performance to remuneration governance: A study of JSE listed firms Nomanyano Primrose Mnyaka-Rulwa & Cosmas M Ambe (University of South Africa & University of Free State) Presenter: Nomanyano Mnyaka-Rulwa Track: Student	Integration of the Social Development Goals – True commitment or mere window dressing? Elda du Toit (University of Pretoria) Presenter: Elda du Toit Track: Work-in-progress	Audit quality from a service perspective: A systematic literature review Lise Botha; Phillip de Jager; Ezelda Swanepoel & Francois Toerien (Department of Internal Auditing & FIS, Cape Peninsula University of Technology & Department of Finance and Tax, University of Cape Town) Presenter: Lise Botha Track: Student
10h15-10h45	Shared value as shared power: Business in South Africa's democratic transition in historical and contemporary perspectives Brian Ganson (Stellenbosch Business School) Presenter: Brian Ganson Track: Full-length	Investigating the link between board independence and dividend distributions for selected companies listed on the Johannesburg Stock Exchange Suzette Viviers; Nadia Mans-Kemp; Michael Ross Janse Van Vuuren & Tyler Shiel (Department of Business Management, Stellenbosch University) Presenter: Nadia Mans-Kemp Track: Full-length	Does board gender diversity improve ESG disclosure? Evidence from South Africa Francois Toerien; Chanel Breedt & Phillip De Jager (Department of Finance and Tax, University of Cape Town) Presenter: Francois Toerien Track: Full-length	An analysis of KAM disclosures, trends and insights in South African audit reports between 2016 - 2020 Dusan Ecim & Warren Maroun (School of Accountancy, University of Witwatersrand) Presenter: Warren Maroun Track: Full-length [ONLINE]

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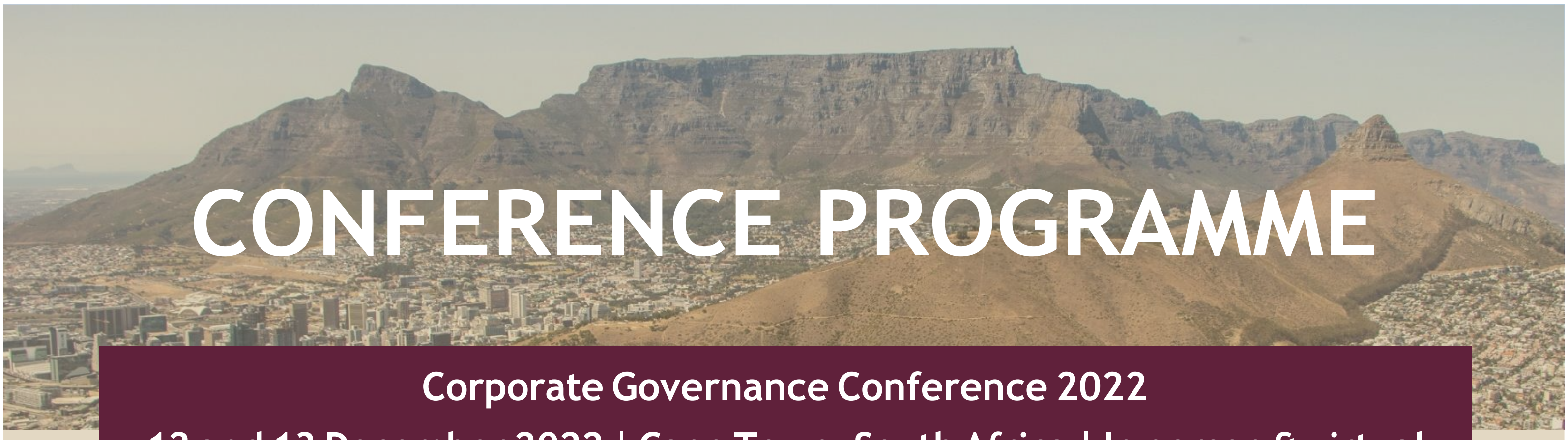

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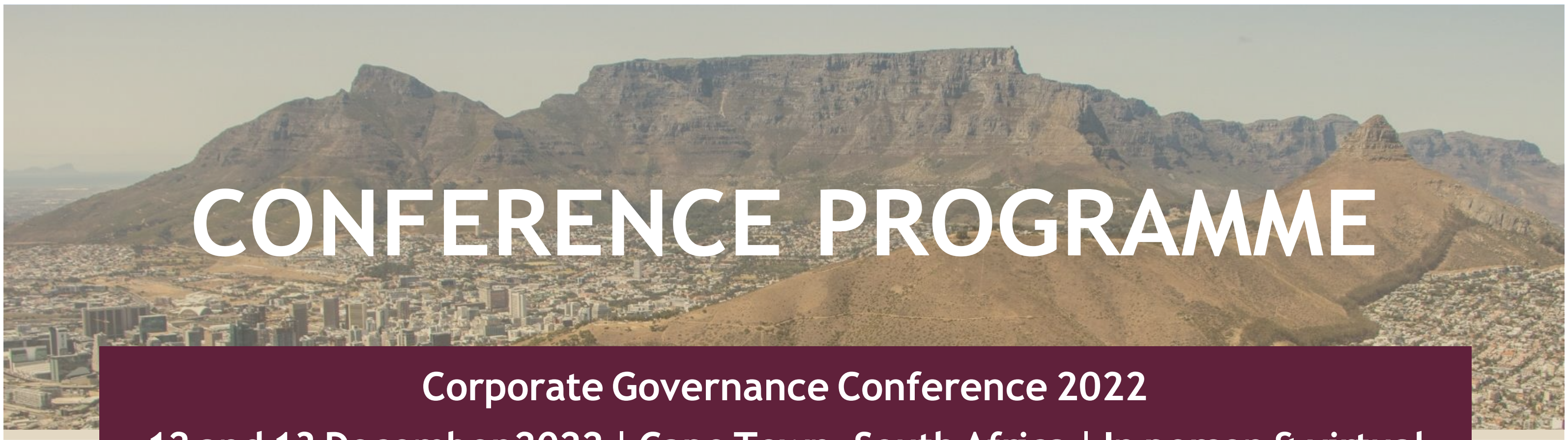
10h45-11h15	**Corporate leaders' insights on transforming an African business for effectiveness and enhanced value creation in a digital economy** Vusi M Vilakati (Standard Bank Group) Presenter: Vusi Vilakati Track: Work-in-progress [ONLINE]	**Accounting employees' geographic dispersion and financial restatements** Niklas Graumann; Kerstin Lopatta; Thomas Tammen & Sebastian A Tideman (University of Hamburg; City University of Hong Kong & University of Exeter Business School) Presenter: Niklas Graumann Track: Work-in-progress [ONLINE]	**Can a pro-social orientation explain the holding of capital by global systemically important banks?** Cindy Ndebele; Phillip De Jager & Francois Toerien (Department of Finance and Tax, University of Cape Town) Presenter: Phillip de Jager Track: Student	**Are auditors and legally enshrined disciplinary boards the answer to preventing fraud and corruption? Empirical evidence from South Africa and a doctrinal review** Bafo Khanyeza (University of South Africa) Presenter: Bafo Khanyeza Track: Work-in-progress
11h15-11h45	Tea break			
11h45-12h30	Keynote address: Prof Mervyn King [ONLINE]			
12h30-13h00	**Emerging strategic issues and novel skills acquisition: A learning-by-hiring perspective** Alexander Bassen; Niklas Graumann; Kerstin Lopatta; Thomas Tammen & Sebastian A Tideman (University ofHamburg; University ofExeter Business School) Presenter: Niklas Graumann Track: Work-in-progress [ONLINE]	**The effect of share repurchases on corporate investment decisions: A South African perspective** Gretha Steenkamp; Ruan Rautenbach; Sarah Conroy& Taine Reynolds (School of Accountancy, Stellenbosch University) Presenter: Gretha Steenkamp Track: Student	**EU competition law infringements and board characteristics: Do independence, gender diversity, CSR committees and size matter?** Jeroen De Ceuster (Department of Accounting, Corporate Finance and Taxation, Ghent University) Presenter: Jeroen De Ceuster Track: Full-length	**Audit meets Aristotle – On (burdened) professional virtue** Schalk Engelbrecht (Centre for Applied Ethics, Stellenbosch University) Presenter: Schalk Engelbrecht Track: Work-in-progress
13h00-13h30	**The underrepresentation of women in executive management positions in the South African banking sector** Pulane Modiha; Renee Horn & Jenika Gobind (Wits Business School, University of Witwatersrand) Presenter: Pulane Modiha Track: Student	**It takes two to tango: CEO-CFO dynamics and financial reporting quality** Lotte Smeets; Liesbeth Bruynseels & Eddy Cardinaels (Faculty of Economics and Business, KU Leuven, Belgium) Presenter: Lotte Smeets Track: Work-in-progress	**Sustainability elements reported on by JSE-listed companies that are affected by pandemics** Anneke Moolman; Jaco Fouché & Verona Leendertz (School of Accountancy, North-West University) Presenter: Anneke Moolman Track: Student	**An analysis of audit committee disclosure practices in South African metropolitan municipalities** Nadia Nadean Kganakga; Danie Schutte & LorraineErica Derbyshire (North-West University) Presenter: Nadia Kganakga Track: Student [ONLINE]
13h30-14h00	Lunch			
14h00-14h30	**Investigating an effective nomination process for the board of directors in South Africa's state-owned companies** Modi Hlobo; Tankiso Moloi & Ben Marx (Department of Accountancy, University of Johannesburg) Presenter: Modi Hlobo Track: Student	**Corporate governance and impact evaluation of national development banks** Joshua Yindenaba Abor (University of Ghana Business School, Legon) Presenter: Joshua Abor Track: Work-in-progress	**The role of CEO awarenessfor investments in digital inclusion** Ann Gaeremynck (Faculty of Economics and Business, KU Leuven, Belgium) Presenter: Ann Gaeremynck Track: Work-in-progress	**Corporate risk management powering sustainability reporting and corporate governance in South Africa** Thomas Mutsvene & Heinz Eckart Klingelhöfer (Tshwane University of Technology, Finance & Investment Department) Presenter: Thomas Mutsvene Track: Work-in-progress
14h30-15h00	**Measuring council good governance practices of South African universities** Cosmas M Ambe (Economic& Management Sciences,University of Free State) Presenter: Cosmas Ambe Track: Work-in-progress	**What drives performance among Tanzanian savings and credit cooperatives? Multiple case study approach** Nyankomo Marwa & Meshach Aziakpono (Stellenbosch Business School) Presenter: Nyankomo Marwa Track: Work-in-progress	**Role of firms' leadership in sustainability reporting for South African listed firms: A practitioners' perspective** Gabriel Ngorima & Pumela Msweli (Graduate School of Business Leadership, University of South Africa) Presenter: Gabriel Ngorima Track: Work-in-progress	**Corporate governance andthe internationalisation of African firms: An institutional investor perspective** Dominik Anderhofstadt; Nicolene Wesson & Suzette Viviers (Stellenbosch Business School & Department of Business Management, Stellenbosch University) Presenter: Dominik Anderhofstadt Track: Student



15h00-15h30	Tea break
15h30-16h00	Conclusion and prize giving

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ABSTRACTS (per track, in title alphabetical order and indicating stream number [1/2/3/4])

FULL-LENGTH TRACK

An analysis of KAM disclosures, trends and insights in South African audit reports between 2016 – 2020 [4]
Dusan Ecim & Warren Maroun
(School of Accountancy, University of Witwatersrand)

Purpose: The aim of this study is to analyse the Key Audit Matters (KAMs) being reported in South Africa by assessing 356 JSE-listed entities' audit reports from 2017 – 2020, which entails 1 424 audit reports and 2 903 KAM disclosures.
Methodology: The study assesses the impact and interrelationship of three determinants (financial year, audit firm type and industry category) on the type of KAMs disclosed, total KAMs disclosed, the number of entity- and account-level KAMs and the readability of KAM disclosures. Qualitative content analysis is used to identify the core KAM themes and classifications.
Findings: The findings suggest the most common KAM disclosures are related to business combinations and impairments of goodwill, followed by measurement and impairment considerations for non-financial assets. KAMs disclosed predominantly have a micro-level focus on core account-level issues. Differences in KAM disclosures between Big 4 and Non-Big 4 firms are not that pronounced, which signals an increased market credibility perception for second-tier firms. The Flesch average reading score indicates that KAM disclosures are complex and difficult to read. This is concerning because the KAM disclosures are in place to facilitate greater transparency for stakeholders. However, the technical nature of financial statements may mean that only users with an understanding of accounting, finance and economics will derive value from KAM disclosures.
Practical implications: This research will be relevant for standard-setters, regulators and users of audit reports interested in how ISA 701 is being implemented and the state of KAM disclosures in an emerging economy.
Originality: Barring only some exceptions, relatively little is known about the auditors' expanded reporting requirements in a South African context.

Does board gender diversity improve ESG disclosure? Evidence from South Africa [3]
Francois Toerien; Chanel Breedt & Phillip De Jager
(Department of Finance and Tax, University of Cape Town)

Purpose: This study examines the effects of board gender diversity (measured by percentage of women on board) on the Environmental, Social and Governance (ESG) disclosure of companies listed on the Johannesburg Stock Exchange (JSE).
Design and Methodology: Panel regressions (both between and within companies) were used to analyse a sample of 92 companies listed on the JSE FTSE All Share Index at any time during 2011 to 2021 (totaling 725 company years). In line with international studies, board gender diversity was measured as the percentage of women on a board, and models regressed against both aggregate and individual component Bloomberg ESG disclosure scores. The "critical mass theory" was also tested using a 30%+ female board representation dummy variable.
Findings: Evidence of a positive correlation between female board representation and aggregate ESG disclosure, as well as to S-disclosure, is found. However, these results appear to indicate cross-sectional, rather than time-series, effects. Further, no statistically significant evidence is found in support of the critical mass theory.
Practical implications: Our results, although not conclusive, support arguments for greater female representation on South African corporate boards.
Originality/ value: Our research adds to the growing body of research on female board representation, as well as ESG, specifically in South Africa, which is an interesting case of an emerging economy with a well-developed governance and disclosure framework. Specifically, this relationship has not, to our knowledge, previously been examined in South Africa, where both more equitable gender board representation, as well as increasing ESG disclosure, are topics of great practical and academic importance.

EU competition law infringements and board characteristics: Do independence, gender diversity, CSR committees and size matter? [3]
Jeroen De Ceuster
(Department of Accounting, Corporate Governance and Taxation, Ghent University)

Purpose: Through the concept of an 'undertaking', the study of competition law infringements offers a unique opportunity to research the relationship between illegal corporate acts and the board characteristics of the entity that determines corporate policy, rather than the entity that was directly involved in the behaviour.
Design/methodology/approach: The study is a 1-1 matched peer study of undertakings with a listed parent company sanctioned for European Union (hereafter: EU) competition law infringements between 2005 and 2019. Conditional logistic regression was applied to analyse the differences within the 130 pairs.
Findings/results: The study finds that undertakings where the Chief Executive Officer (hereafter: 'CEO') is also chairperson of the board are five times more likely to violate EU competition law. It found no such link with the percentage of executive directors, the percentage of directors appointed after the CEO, the gender diversity, the presence of a corporate social responsibility (hereafter: CSR) committee and the size of the board.
Practical implications: The results inform both public and company policy on which board characteristics in undertakings with a listed parent company can help prevent competition law infringements, which typically have a high societal and private cost.
Originality/value: This study highlights an aspect of competition law infringements that has not yet received much academic attention and that may offer undertakings a structural instrument to reduce the risk of infringing on EU competition law. Insight in this relationship would prove valuable for undertakings seeking to avoid the generally sizeable EU competition law sanctions. From the point of corporate governance, EU competition law's holistic approach allows to take into account the board of firms that exert control over other firms.

ABSTRACTS

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Investigating the link between board independence and dividend distributions for selected companies listed on the Johannesburg Stock Exchange [2]

Suzette Viviers; Nadia Mans-Kemp; Michael Ross Janse Van Vuuren & Tyler Shiel
(Department of Business Management, Stellenbosch University)

Purpose: As shareholder-elected monitors, independent non-executive directors (INEDs) should ensure that managers do not retain earnings to promote their own interests. The relationship between board independence and dividend distributions was hence investigated for selected companies listed on the Johannesburg Stock Exchange (JSE). The country offers a well-developed corporate governance framework to listed companies.
Design/methodology/approach: Data on the considered companies' dividend payout ratios (DPRs), board independence, and six control variables were obtained from Bloomberg for the period 2007 to 2021. The significance of the observed trends in these variables were considered by conducting analysis of variance (ANOVA) and Fisher's Least Significant Difference (LSD) tests. The hypothesised relationship was assessed using a mixed-model regression.
Findings/results: The results are in line with prior research showing that dividends are often omitted or reduced during and after crisis periods i.e., the 2008/2009 global financial crisis and the COVID-19 pandemic (2020/2021). A negative but statistically insignificant relationship was reported between DPR and board independence.
Practical implications: Although board independence was not significantly related to dividend distributions for the sampled companies, INEDs still perform an important monitoring role. Shareholders are thus encouraged to play a more active role in the election of these directors.
Originality/value: This study extents and refines previous research in South Africa and reveals new insights regarding board independence and dividend distributions during three King regimes and distribution-related regulatory changes.

Shared value as shared power: Business in South Africa's democratic transition in historical and contemporary [1]

Brian Ganson
(Stellenbosch Business School)

Purpose: To better define the boundary conditions of voluntary business engagement for social and economic transformation.
Approach: Case study of the Consultative Business Movement in South Africa's democratic transition through historical narrative and analysis, applying both contemporaneous and contemporary lenses.
Findings: The analysis demonstrates that creating shared value requires shared power, an arrangement into which incumbent businesses may reluctantly enter, and from which they may quickly exit when their own political interests are met but before transformational economic goals have been achieved. Thus, exogenous forces are necessary to dependably shape a private sector that is fully aligned with economic transformation and peaceful development.
Practical implications: Economic and political carrots and sticks combined with the mandatory embedding of business actors in broader networks may be required to ensure that business strategies and operations are more directly the result of consensus reached with more progressive social and economic agents in ways that advance societal goals. Those managers who do want to lead change should take from the experience of CBM the imperative to take no unilateral decisions, but rather to share decision making power with civil society and community actors.
Originality/value: The paper challenges and refines discourse that assumes that business interests are broadly aligned with sustainable societal outcomes. It thus sheds light on the boundary conditions for a variety of propositions in the management literature that have been underexplored.

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WORK-IN-PROGRESS TRACK

Accounting employees' geographic dispersion and financial restatements [2]

Niklas Graumann; Kerstin Lopatta, Thomas Tammen & Sebastian A Tideman
(University of Hamburg; City University of Hong Kong; University of Exeter Business School)

Purpose: We investigate whether the geographic dispersion of accounting employees affects the probability of financial restatements. On the one hand, dispersion likely impedes headquarters' monitoring and control of accounting employees. On the other hand, accounting employee dispersion (AED) may facilitate accounting employees' access to local information, improving information quality and reducing the likelihood of restatement. We further analyze whether strong corporate governance (CG) can make up for possibly adverse effects of AED.
Design/methodology/approach: We regress the probability of a financial restatement on AED using a Probit model. We control for a battery of variables that prior literature connects to restatements, and validate our results in a two-step approach. We supplement our main model with an interaction term to test for a moderating effect of CG.
Findings/results: We find robust evidence for a positive association between AED and the probability of financial restatements, suggesting that AED harms the financial reporting processes. Furthermore, we find a moderating relationship between CG and AED: The beneficial effect of strong CG on financial restatement probability deteriorates in accounting employee dispersion.
Practical implications: Our results suggest that firms should consider the potential adverse effects on financial reporting outcomes when deciding on their accounting employees' geographic dispersion. For instance, firms that need to disperse accounting staff to complement more complex operations where local proximity is important should consider more intensive monitoring of their dispersed employees.
Originality/value: We are the first to relate accounting employees' geographic setup to financial restatements.

Are auditors and legally enshrined disciplinary boards the answer to preventing fraud and corruption? Empirical evidence from South Africa and a doctrinal review [4]

Bafo Khanyeza
(University of South Africa)

Purpose: The research objective of this study was to describe corruption that manifests through the non-implementation of the auditor's recommendations.
Methodology: The study employed deductive content analysis of the Auditor General's (AGSA) yearly audit outcomes to describe the corruption phenomenon that arises through the causal effect of non-implementation of the auditor's recommendations with negative audit outcomes. Furthermore; it made comparisons with other selected countries of the world; especially the courts of accounts from France.
Findings: Through a doctrinal methodology the unsuitability of the de-facto public accounts committee (PAC) accountability model, in prompting the public entities to implement the auditor's recommendation was interrogated.
Value: Thereafter; a novel de-jure model of governance model; meant to utilise the legally enshrined disciplinary boards were identified. To overcome the deficiencies of PAC's lack of legal power and authority in enforcing accountability and curbing corruption.

Audit meets Aristotle – On (burdened) professional virtue [4]

Schalk Engelbrecht
(Centre for Applied Ethics, Stellenbosch University)

Purpose: This paper attempts to address persistent ethical questions about contemporary audit practice in the language of ancient Greek philosophers. Put differently, I wish to see what happens when we try to answer the question "Why do audits fail?" with words like telos, arête and eudaimonia. To answer the related question "Who will guard the guardians?", I let loose concepts like "ordinary vice" and "burdened virtue".
Methodology / Approach: The research methodology is philosophical and entails critical engagement with seminal texts within a philosophical tradition. The tradition is virtue ethics, and the texts are by Alasdair MacIntyre and Lisa Tessman.
Findings / Results: A virtue approach provides a useful explanatory perspective for moral lapses in audit. Applying the work of MacIntyre and Tessman provides a nuanced picture of the moral experiences of auditors. MacIntyre helps to identify institutional dynamics that undermine the internal goods of audit;Tessman's work helps us identify "normal vices" and "burdened virtues" in the profession.
Practical implications: Auditors must demonstrate "ethics competence" and are required to attend ethics training regularly. For accounting firms to conduct audits, they need to meet specific requirements, some of which relate to the firm's ethical environment. The analyses and findings presented in this paper can help steer these interventions, including training content and approaches, and culture interventions. These interventions serve to promote audit quality, and ultimately good corporate governance.
Originality / Value: While a virtue approach has been applied to accounting by scholars, the value of this paper is the identification of situationist challenges to professional virtue through the work of MacIntyre and Tessman.

Back from the brink - EOH and ethical leadership [1]

Daniël Malan
(Trinity College, Dublin)

Purpose: This paper presents a qualitative case study on ethical leadership. An ethical leader is defined as someone who is honest, caring, and principled and who makes fair and balanced decisions. The research was performed to explore the impact of ethical leadership on the performance of EOH Limited (EOH), one of Africa's largest technology services providers. Following the resignation of the founder and CEO, Asher Bohbot, EOH appointed Stephen van Coller, a former banking executive, as its new CEO in 2018. Soon after his appointment Van Coller discovered that the concerns were far more serious than originally thought. He initiated a wide range of corporate governance and integrity reforms and communicated openly with stakeholders.
Methodology: Research methods comprised interviews, confidential employee surveys and document reviews.
Findings: The research points to a marked improvement in both the ethical climate as well as the financial performance of the company. Over a period of less than three years, the company regained profitability, Van Coller received the "Business Person of the Year" award and EOH was singled out by the South African deputy chief justice for its assistance to the work of the State Capture Commission.
Practical implications: The article is useful as an empirical case that supports the business case for sound corporate governance and comprehensive integrity management.
Originality: The case study is additionally useful within the context of ongoing discussions about the purpose of business, with specific reference to the theoretical concept of collective value, as opposed to shared value.

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ABSTRACTS

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Corporate governance and impact evaluation of national development banks [2]
Joshua Yindenaba Abor
(University of Ghana Business School, Legon)

Purpose: The importance of instituting good governance practices and an effective monitoring and evaluation systems for national development banks (NDBs) cannot be overemphasised. However, the use of vigorous and effective tools to monitor and evaluate the activities and policies of NDBs is still at its early stage, partly due to the fact that there are no international benchmarks that guide corporate governance and the impact evaluation of NDBs. It is againstthis backdrop that this study investigates the issues of corporate governance and the impact evaluation practices of NDBs.
Method: The study employs a literature survey approach. Descriptive statistics based on published annual reports of 20 NDBs (period 2014-2019) were also applied in understanding the corporate governance characteristics of NDBs.
Findings/ results: The study reveals that good governance practices and effective banking operations of NDBs lead to an increase in the performance of the bank. It also highlights that NDBs have strong governance system that support the country's development strategies and mandates. However, they face greater political interference and weak independent governance system that dampen their operations and performance. Thus, employing an impact evaluation framework helps to minimise possible risks and mitigate any negative influence that may affect the outcome of NDBs' projects, programmes and policies.
Practical implications and Originality/value: Effective evaluation systems are necessary to ensure that NDBs fulfill their mandate. In addition, to have effective monitoring and evaluation systems, it is imperative for policymakers and regulators to tailor such frameworks to the specific features and business activities of each NDB.

Corporate leaders' insights on transforming an African business for effectiveness and enhanced value creation in a digital economy [1]
Vusi M Vilakati
(Standard Bank Group)

Orientation: The study explores corporate leaders' experiences and perceptions of leading the strategic business transformation of a financial services business in Africa.
Research purpose: The study has twofold purposes: (1) to unravel and describe the experiences and perceptions of business leaders in the financial services in South Africa, (2) to integrate the leaders' first-order conceptualisations with scholarly insights to construct a substantive framework for leading business transformation in Africa.
Motivation for the study: To explore contextual experiences and insights that may assist corporate leaders and governance to navigate the strategic transformation of businesses in the context of the recent pandemic and the growing need for the adoption of digital technologies.
Research approach/design and method: This is an explorative qualitative-constructivist case study of South African leaders' experiences and perceptions regarding leading the transformation of a financial services business in Africa.
Main findings: The findings reveal that each of the participants identify key strategic, operational and change management issues involved in leading the strategic transformation of an African financial institution.
Practical/managerial implications: board members, business leaders, strategists, regulators, and managers should explore strategies for leading through the complex ethical and strategic governance issues of organisational digital transformation.
Contributions/value-add: The findings suggest that the business leaders' perspectives into the ethical and strategic issues involved in the governance organisational transformation offer strategic insights into the process of business transformation in African organisations and thereby improving businesses' financial and social performance in the African setting.

Corporate risk management powering sustainability reporting and corporate governance in South Africa [4]
Thomas Mutsvene & Heinz Eckart Klingelhöfer
(Tshwane University of Technology, Finance & Investment Department)

Purpose: Corporate governance has been jeopardised by the ignorance of non-financial risks. Sustainability reporting communicates these risks to companies. However, serious attention should be given to such risks also from a risk management perspective. While many corporate risk management and governance processes concentrate more on financial risks and the relationships between company boards and shareholders, non-financial risks like carbon emissions are posing significant environmental, social, and governance risks. This may lead to corporate governance and reputational issues since striking the balance between the interests of the different stakeholders of a company become challenging. Therefore, after deriving the impact of sustainability reporting of companies on the level of corporate risk management and governance, this paper develops an integrated Corporate Risk Management model that takes the different forms of risk into account.
Design/Methodology: The research follows a desktop story. Drawing lessons from studying literature, it develops a corporate risk management model (CRM model) that incorporates non-financial risks, managing hazards, and third-party actions as well as holistic regulatory systems.
Findings/results: The model shows how corporate risk management, sustainability reporting, corporate governance, and compliance committees can link up to promote CRM-based company reports in companies through risk compliance and analytic metrics. CRM may enhance strategy formulation and implementation, reputation, and value creation. Applying CRM in a company's sustainability and financial reporting improves corporate governance and understanding of the risk universe.
Practical implications: The CRM model helps ensuring compliance by fostering risk-informed decision-making, specific financial standards, set operational and strategic goals. It also assists in managing stakeholders' perceptions and participation as well as the corporate image. It further demonstrates how corporate risk management drives decision-making processes in sustainability reporting (SR) and corporate governance.

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Emerging strategic issues and novel skills acquisition: A learning-by-hiring perspective [1]

Alexander Bassen; Niklas Graumann; Kerstin Lopatta; Thomas Tammen & Sebastian A Tideman
(University of Hamburg & University of Exeter Business School)

Purpose: Our study sheds light on how firms respond to emerging strategic issues (ESIs) through hiring. Empirically, we focus on the ESI of environmental sustainability, and investigate whether firms that hire people with environmental skills are effective in improving their environmental performance.
Design/methodology/approach: We run a fixed effects regression with panel data from 2011-2020. In our main analysis, we regress firm-level environmental sustainability on the number of hires with environmental skills in a given year t. In further analyses, we consider formal hierarchical rank and R&D affiliation of new hires, and the nature of their environmental skills. To this end, we utilize variables which capture only a certain fraction of hires.
Findings/results: We find a statistically significant and positive association in our main analysis, and validate this result with an instrumental variable approach. Interestingly, we do not find a statistically significant coefficient for the presence of a Chief Sustainability Officer. In our further analyses, we find a significantly positive effect of lower-level hires with environmental skills but not for lower managers. Both R&D and non-R&D hires with environmental skills seem to be relevant for the firm-level outcome. Lastly, new hires seem to contribute to the firm-level with their environmental skills even if these skills are not part of their core skill endowments.
Practical implications: Our study informs managers about the importance of lower-level employees' novel skills when addressing ESIs.
Originality/value: We advance learning-by-hiring literature by shifting the focus away from transfers of technological knowledge, and by expanding the scope to near all industries and job groups. We add to strategic human capital literature by highlighting the relevance of general human capital when firms face ESIs.

Integration of the Social Development Goals – True commitment or mere window dressing? [3]

Elda du Toit
(University of Pretoria)

Purpose: This exploratory study investigates the level of integrated thinking in the integrated reports of South African companies, using the Social Development Goals (SDGs) as a measure. The research objective is to establish whether companies follow the true essence of integrated thinking.
Design/Methodology/Approach: The study makes use of the integrated reports of companies listed on the Johannesburg Stock Exchange from 2016 to 2020 to measure the extent of reporting on and integration of the SDGs in the activities of companies. Content analysis is conducted through a checklist.
Findings/Results: The results show that companies do not apply integrated thinking, especially not where the SDGs are concerned. This brings to question the companies' commitment to the SDGs and sustainability and their willingness to communicate their activities to stakeholders.
Practical implications: There is a lack of understanding of integrated thinking and how important it is for companies to communicate their activities to stakeholders and demonstrate through reporting their commitment to the SDGs. The integrated report does not stand separate from the company – for stakeholders, the integrated report is the company. More guidance is required to ensure that companies understand and properly implement integrated thinking.
Originality/Value: Several papers have been written on integrated reporting and integrated thinking. However, few have investigated whether companies do apply integrated thinking. Companies must understand what is expected of them. Standard setters should be aware that companies are still failing in this important aspect of integrated reporting.

It takes two to tango: CEO- CFO dynamics and financial reporting quality [2]

Lotte Smeets; Liesbeth Bruynseels & Eddy Cardinaels
(Faculty of Economics and Business, KU Leuven, Belgium)

Purpose: This study examines whether the CFO's unconscious verbal mimicry of the CEO is associated with the company's financial reporting quality (FRQ). We expect this relationship to materialize as CFOs engaging in mimicry of the CEO may be less willing to take up an active monitoring role and challenge the CEO on decisions affecting FRQ.
Design/Methodology/Approach: The variable of interest is measured using language style matching (LSM) between the CEO and the CFO and FRQ is proxied by restatements. A logistic regression with year and industry fixed effects, clustered around the CEO-CFO duo is performed.
Findings/Results: Results show that the likelihood of restatements is higher for CEO-CFO pairs with more similar language use. These effects are more pronounced for cases involving severe restatements (i.e. income-decreasing restatements, irregularity restatements and material restatements). We also find a stronger association between LSM and restatements when firms have weaker corporate governance, when the CEO is overconfident and when the CEO also serves as the chair of the board. Our results furthermore show that CFOs at firms with high CEO-CFO LSM tend to receive more compensation.
Practical Implications: Results highlight the importance of the combination of the CEO and CFO. To be more specific, external parties should be aware of the potential ongoing dynamics between them and should bear in mind that because of this the firm may be at risk of manipulative behavior.
Originality/Value:This paper provides insights on the interplay between the CEO and CFO rather than on their separate roles by using a more direct measure for social dynamics. Further, it also touches the negligence of executives' responsibilities and contributes to the literature on language style matching.

Measuring council good governance practices of South African universities [1]

Cosmas M Ambe
(Economic & Management Sciences, University of Free State)

Purpose: The paper evaluated the implementation of the Council's good governance practice and indicators guidelines for South African Public Universities.
Design/methodology/approach: A council good governance index (CGGI) was developed using qualitative content analysis and magnitude coding. The CGGI was used to assess the extent of the Council's good governance practice implementation using annual reports as a proxy for three years from 2018 to 2020. The T-test statistics and Post-Hoc Kruskal Wallis Test were conducted to compare the Council's good governance practice mean performance for Universities.
Findings/results: The result indicates a less than adequate Council good governance practice over the three years. Whereas governance of core function and strategic leadership categories indicate adequate disclosure, governance of resources, institutional accountability, and the conduct of council and committee meetings require improvement. Further, Universities that have not been investigated and or put under administration outperformed universities that have been. Finally, traditional and comprehensive universities performed better than universities of technology.
Practical implications: The CGGI should serve as a benchmark for the sector. The regulation for reporting should be revised to reflect good governance guidelines. The regulator should consider cluster-specific council good governance practice interventions.
Originality/value: This is the first paper to assess the implementation of guidelines for good governance practice and indicators for councils of public universities and conduct a cluster comparison.

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Role of flrms' leadership in sustainability reporting for South African listed flrms: A practitioners' perspective [3]

Gabriel Ngorima & Pumela Msweli
(Graduate School of Business Leadership & University of South Africa)

Purpose: Sustainability reporting has become entrenched in organisations across the whole world. In South Africa, this is done within the context of integrated reporting. There is however not enough research on role of firm's leadership on sustainability reporting. The overall purpose of this study was to determine the role of firm's leaders for the sustainability reporting quality for JSE listed firms in South Africa using a Multi-theoretical approach of Transactional, Transformation, Sustainable and Ethical leadership approaches.
Design/methodology/approach: Semi-structured interviews were conducted with 30 participants, which were all sustainability practitioners and part of the sustainability reporting value chain of JSE listed firms. The researcher reviewed the information, probed and then summarised the main themes that emerged from the qualitative research.
Findings/results: A criteria of categorising leadership traits was developed from a systematic literature review. The criteria were used to categorise leadership traits that emerged from the semi-structured interviews with the sampled sustainability practitioners. The findings suggested that, the leadership on the JSE exhibit a wide range of leadership traits including transformational leadership, transactional leadership, sustainable leadership and ethical leadership. These traits have contributed to the quality of sustainability reporting for the JSE listed firms. Both "sustainable leadership" and "ethical leadership" were confirmed in the current study and confirm their addition to the contemporary leadership approaches.
Practical implications: This study contributes to the growing area of research on sustainability by examining the link between sustainability reporting, transformational leadership, sustainable leadership, transactional leadership, and ethical leadership using a qualitative approach. The developed criteria can also be used under different circumstances to confirm the findings and contribute to knowledge in the growing field of sustainable development.
Originality/value: This research is novel and support previous literature on emergence of Sustainable leadership and Ethical leadership theories that haver similar or related assumptions.

The board gender gap in Zimbabwe [3]

Nzwirashe Magomana & Tafirei Mashamba
(Great Zimbabwe University, Masvingo, Zimbabwe)

Purpose: The study examines factors behind the low representation of women on corporate boards in Zimbabwe and suggests ways to increase women's inclusion on corporate boards.
Design/Methodology/Approach: The study uses a survey to collect data from existing and aspiring board members from listed and non-listed entities. The data were collected using a questionnaire. The sample comprised forty respondents and descriptive analysis was used for the analysis using SPSS and Excel. Preliminary findings/results: Pure discrimination ranks as the least important factor that determines the low female board inclusion, while cultural issues, and saturation once the quota system is reached had a neutral response overall. Experience in both leadership positions and board membership, firm size, level of education, professional membership, and public visibility were ranked important. Factors considered to be very important were business acumenship, recruitment method, and the feeder pipeline. Interestingly, character was ranked as the most important factor for female board appointment. The study finds all the suggested strategies that can be adopted to close the board gender gap in Zimbabwe as important. The factors are mandatory quotas, voluntary targets, voluntary government initiatives, shareholder activism, gender activism, and diversity in nomination committees.
Practical implications: The study highlights factors hindering women to secure board appointments and proffers strategies that women can employ to break down the barriers to board appointments.
Originality/value: The paper provides empirical evidence on the determinants of the board gender gap from Zimbabwe's perspective, an African and developing economy.

The moderating effect of CEO personality on the relationship between the CSR committee and social performance [3]

Lotte Smeets
(Faculty of Economics and Business, KU Leuven, Belgium)

Purpose: This study tries to uncover which personality traits of the CEO can increase or mitigate the effect of installing a CSR committee. On the one hand, we expect that in presence of a more agreeable CEO, the positive association between having a CSR committee and a firm's social performance is enhanced. On the other hand, we predict that a more neurotic CEO will detract from this positive relationship. In other words, we investigate the boundary conditions of the link between CSR committees and social performance.
Design/Methodology/Approach: Using a sample of S&P1500 companies from 2007-2018, we conduct an empirical analysis. In order to obtain personality scores of the CEO, linguistic data is obtained from conference call transcripts. Social performance is measured using strengths and concerns from the MSCI KLD database.
Findings/Results: The results provide support for our predictions. We find that an agreeable CEO boosts the positive relationship of having a CSR committee and a neurotic CEO mitigates it.
Practical Implications: In addition to demonstrating that installing a CSR committee fosters corporate social performance, this study emphasizes that appointing a specific type of CEO can make a big difference for the firm's social performance. More specifically, one should bear in mind that different personalities can lead to different social outcomes.
Originality/Value: This paper contributes to the literature on board committees and more specifically, the emerging CSR committees. It is not only reaffirmed that the presence of a CSR committee improves a firm's social performance, but it also provides insights on how top managers can influence this.

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ABSTRACTS

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The role of CEO awareness for investments in digital inclusion [1]
Ann Gaeremynck
(Faculty of Economics and Business, KU Leuven, Belgium)

Purpose: This paper especially examines the role of the CEO in the willingness to invest in digital inclusion. Based on previous literature, we first test the main hypothesis, whether the CEO's digital inclusion awareness is positively associated with willingness to invest in digital inclusion. Furthermore, we investigate the impact of the context, i.e. the CEO's leadership style and the firm's target audience on the association between CEO awareness and willingness to invest in digital inclusion.
Findings: Based on a sample of 117 questionnaires from Belgian CEOs of firms with at least 100 employees we find a positive and significant relationship between the digital inclusion awareness and CEOs' willingness to invest in digital inclusion. In addition to the first observation, we find that a transformational leadership style of the CEO accentuates the association between digital awareness and willingness to invest in digital inclusion. Furthermore, results do not show that the target audience matters in accentuating the association between a CEO's digital inclusion awareness and willingness to invest in digital inclusion. Finally, a CEO who has a higher education level, i.e. master degree, is less willing to invest in digital inclusion.
Practitioner/Policy Implications: From a policy perspective these results should be of interest to policy makers. It shows that governments should focus on awareness of top managers within firms to create a more digital included world as awareness results to more willingness to invest in digital inclusion.
Originality/value: Up until now, ESG research has mainly focused on explaining quite broad ESG scores and focused on CEO characteristics, such as CEO duality or CEO power. This paper adds to the current literature in two ways: 1. Adding a behavioral aspect of the CEO, the awareness, and 2. investigating anunderlying driver of ESG performance, the willingness to invest. Furthermore, little research has been done on digital inclusion and especially the role of firmsin making a more digital included world, even though it becomes more relevant to them given the digital world of doing business today. This paper shows that the CEO fulfills a key role in this process, not only by his awareness but also his leadership style and his educational level. Results suggest that the boardmatters less in explaining the willingness to invest in digital inclusion.

What drives performance among Tanzanian savings and credit cooperatives? Multiple case study approach [2]
Nyankomo Marwa & Meshach Aziakpono
(Stellenbosch Business School)

Purpose: The study explored the perception of regulators, board members and managers about what drives the performance of Tanzanian Saving and Credit Cooperatives (SACCOs) using a multiple case studies approach.
Design/methodology/approach: Case study research deign was deployed for the study. We collected data from 18 SACCOs which were selected according to their performance index based on efficiency, sustainability and profitability. We used descriptive content analysis to analyse the data.
Findings/results; Quality governance, quality management, capital availability and members' education emerge as the top drivers of performance across the industry. Delayed disbursement of members' automatic payroll deductions by employers was cited as a major setback for employer-based SACCOS. Sporadic and unpredictable payments, high transaction costs, high rate of intra and interregional mobility of members and high default rates were cited as major setbacks for community-based SACCOs (non-workers SACCOS).
Practical implications: Overall, the industry appears to be capital-constrained, suffering from weak governance and dealing with a risky (lower income) segment of the population. A more conservative growth strategy which leverages internal capital mobilisation, members' education and training and effective oversight of management could foster the prosperity of the industry.

Originality/value: The paper has generated significant empirical insights which could play significant roles in shaping public policy and improving the performance of saving and Credit Cooperatives. Understanding performance drivers more accurately can help regulators and managers of these institutions to steer the industry in appropriate directions, enhance members' welfare and bolster the country's economic development. It is also an important addition to existing empirical literature on the performance of the industry in developing countries.

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STUDENT TRACK

An analysis of audit committee disclosure practices in South African metropolitan municipalities [4]

Nadia Nadean Kganakga; Danie Schutte & Lorraine Erica Derbyshire
(North-West University)

Purpose: The aim of this article is to analyse the disclosure practices of selected municipal audit committees. Audit committees are important governance structures that assist in improving governance and restoring stakeholder confidence in financial reporting. Municipalities provide basic services to the public, and it is important for the public to understand the role the audit committee plays in the municipal environment. The public can gain insight through the review of audit committee disclosures in annual reports.
Design/methodology/approach: Content analysis was used to analyse the disclosure practices of the municipal audit committees. Coding was used to identify patterns contained in the disclosure practices. The disclosure practices were compared among the municipalities and with the King IV Code audit committee disclosure requirements. The researcher examined whether there is a link between compliance with the King IV Code disclosure requirements and the audit opinion obtained.
Findings/results: Various patterns were identified in the disclosure practices of the audit committees. Furthermore, no apparent link could be established between compliance with the King IV Code and the audit opinion obtained.
Practical implications: The non-uniform disclosure practices possibly imply that there is no common understanding among municipal audit committees on aspects that should be disclosed in annual reports.
Originality/value: Limited research has been conducted on the reporting of public sector audit committees and the implementation of the King IV Code. This study shows that there are inconsistencies among municipal audit committee disclosure practices. The King IV Code can be used to reduce these inconsistencies.

Audit quality from a service perspective: A systematic literature review [4]

Lise Botha; Phillip de Jager; Ezelda Swanepoel & Francois Toerien
(Department of Internal Auditing, Cape Peninsula University of Technology & Department of Finance and Tax, University of Cape Town)

Purpose: This paper systematically reviews recent audit quality literature through a service quality perspective. Kang and James (2004)'s service quality model was amended to propose the following audit quality dimensions: technical quality, image, functional quality, client attributes, and the audit market. The paper positions recent audit quality literature within this service quality model to identify neglected areas that require further research.
Methodology: We followed a systematic literature review methodology that was informed by the 2020 PRISMA statement and supported by software tools Biblioshiny and Rayan.
Findings: Our review shows that the technical quality and image dimensions have been well-researched. In contrast, only one aspect of client attributes (earnings management) is well developed. The audit market dimension is rarely considered in the literature, other than from an audit fee perspective. Furthermore, the functional quality dimension is the area with the most potential for future insight into audit quality. Few studies have, indirectly, touched on this dimension by investigating audit timeliness and auditor personal characteristics. However, a more focused and direct approach, informed by functional quality factors identified from the service literature, is likely to deepen our understanding of the audit quality construct. Lastly, only a few studies empirically tested the audit quality construct in a multidimensional sense as most focused on one or two dimensions only, using proxies.
Practical implications: The findings, methodology and software applications used could be of interest to other researchers.
Originality: This study contributes to the literature by providing a different perspective to current audit quality research.

Can a pro-social orientation explain the holding of capital by global systemically important banks? [3]

Cindy Ndebele; Phillip De Jager & Francois Toerien
(Department of Finance and Tax, University of Cape Town)

Purpose: We investigate the correlation between capital structure and a set of, mostly, standard capital structure determinants for a unique sample: Global Systemically Important Banks (G-SIBs). These banks are important players in the world economy (as evidenced during the recent Global Financial Crisis). Their stability, or not, impacts everyone, which questions the usual practice of excluding banks from capital structure studies.
Design/methodology/approach: We augment the standard set of regression determinants with a proxy measure of pro-social orientation (DataStream's Refinitiv ESG scores) which has become more important recently. We expect to find that more pro-social banks hold more capital. This is because a bank with more capital is a safer bank which benefits most stakeholders. Shareholders of a safer bank suffer due to lower profitability. The sample is for the ten years immediately after the Global Financial Crisis (2009-2018) and contains 28 G-SIBs.
Findings/results: Initial results indicated no relation between pro-social orientation and bank leverage; however, further analysis showed that bank leverage decreases as the governance score increases. This suggests that the governance of G-SIBs is important for financial stability. Bank size was found to have no intermediation effect on the relationships, implying that our results are not due to a clustering amongst the largest banks. Correlations between the control variables and bank leverage provides support for the argument that bank leverage is not solely determined by regulations.
Practical implications: The findings from this study have important implications that are particularly relevant in today's financial environment as calls for the restoration of public trust in banking institutions accelerate. Bank capital structure is not fully determined by regulations with better governed banks likely to have more capital.

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Corporate governance and the internationalization of African flrms: An institutional investor perspective [4]
Dominik Anderhofstadt; Nicolene Wesson & Suzette Viviers
(Stellenbosch Business School & Department of Business Management, Stellenbosch University)

Purpose: Several practical examples illustrate that the successful international expansion of African firms is related to their sound corporate governance practices. In particular, a firm's ownership structure plays an important role to align the objectives of management and shareholders. Institutional investors, who are among the most influential shareholders worldwide, have also increased their African footprint. The purpose of the study is to gain insights into the relevance of corporate governance from an institutional investor perspective.
Design/methodology/approach: Semi-structured interviews were conducted with representatives of institutional investors from South Africa, Botswana, Zambia, Mauritius, Ghana, and Nigeria. Thematic analysis will be used to develop common themes from the collected data.
Preliminary findings/results: Participants saw differences in formal and informal country-level corporate governance systems, such as the regulatory and cultural environment, as a major challenge for African firms expanding abroad. Therefore, shared ownership with a local partner was considered the preferred entry mode. Additionally, interviewees highlighted the importance of maintaining control and sound firm-level corporate governance mechanisms as critical success factors. Success was predominantly measured by the shareholder value created by the international activities, with increasing importance of the shared value concept.
Practical implications: The study could provide a frame of reference for institutional investors on specific corporate governance aspects to address the agency problem related to their African portfolio firms' internationalisation activities.
Originality/value: The analysis contributes toward developing a comprehensive theoretical framework, which combines the concepts of internationalisation, corporate governance, and shareholder value in an African context.

Emotional intelligence as a key driver of the formation of professional skepticism in auditors [4]
Sonja Cilliers
(Stellenbosch Business School)

Purpose: Litigation against auditors has augmented as the number of corporate failures increased over the past decades. A failure to exercise professional skepticism has been cited as one of the main contributing factors to audit failure. This research establishes a link between professional skepticism and emotional intelligence. Credence is given to the design of interventions promoting the development of auditor emotional intelligence with the view of combating the incidence of audit failure.
Design/methodology/approach: A sample of judicial opinions was examined where professional skepticism of auditors was considered. A dual coding system was applied where process elements of professional skepticism and components of emotional intelligence were identified and linked.
Findings: A significant overlap between elements of professional skepticism and facets of emotional intelligence was indicated, especially those of self-assessment, conscientiousness, organisational awareness, communication skills, leadership, and managing influence.
Practical implications: Emotional intelligence competencies become part of the resources available to the auditor which may be used to exercise their professional skepticism. Interventions designed to enhance auditor emotional intelligence may positively impact the levels of professional skepticism demonstrated, ultimately aiding in lowering the incidence of audit failure.
Originality/value: This research offers a new process perspective of professional skepticism which has been adapted from the works of seminal authors in the field. Using the data sample, the incidences of overlap between emotional intelligence and the process steps of professional skepticism are identified and categorised within this framework. This research contributes to the body of empirical research on emotional intelligence in the auditing field.

Ethical leadership, corporate governance and accountability: A South African perspective [1]
Dion Poole & Jenika Gobind
(Wits Business School, University of Witwatersrand)

Purpose: This research aimed to explore ethical Leadership, Corporate Governance and Accountability in corporate South Africa. This study focused on three broad research questions that commenced with the first that examined the link between unethical Leadership and Corporate Governance, what was the cause for the lack of accountability, and how accountability improves corporate governance. South Africa has examples of leaders who have deviated from the path of ethical behaviour and corporate governance, without being held accountable. This paper intends to investigate the cause of the deviation.
Design/methodology/approach: The study, which followed a qualitative based approach, used a combination of Opportunity and Stratified Sampling. Data was collected by way of semi-structured interviews.
Findings/results: There is a clear difference and inter-dependence between Ethical Leadership and Corporate Governance. Grey areas in Ethical Leadership, suggest that there should not be a threshold when applying accountability, not holding people accountable is a form of unethical leadership, and strict accountability can improve organisations.
Practical implications: These are areas for further studies. The grey areas in ethical leadership, even though overwhelmingly agreed on by participants in terms of its existence, need to be explored.
Originality/value: The originality or value of the study stems from the boldness in approaching the topic to understand the link between unethical leadership and corporate governance and the gathering of the views and findings shared by the participants.

Investigating an effective nomination process for the board of directors in South Africa's state-owned companies [1]
Modi Hlobo; Tankiso Moloi & Ben Marx
(Department of Accountancy, University of Johannesburg)

Orientation: The primary challenge facing the majority of South Africa's State Owned Companies (SOCs) is the implementation of an ineffective nomination process used to appoint directors which often results to the appointment of incompetent executives and boards of directors. As a result, this paper provides an effective process that can be used by SOC when appointing directors.
Research Purpose: This research paper aims to identify an effective nomination process for non-executive directors overseeing SOCs.
Research method: This study conducted a systematic literature review as well as a two-round Delphi process where experts provided their input on the most effective nomination process for non-executive directors serving on SOCs.
Findings: The research study has identified the most effective nomination process that can be used when appointing non-executive directors in SOC
Practical implications: The research study's findings suggest an effective nomination process that SOCs can use to select non-executive directors for SOCs.
Contribution/value-add: This study contributes to the scant research on corporate governance in SOC, especially on research focusing on the nomination process of non-executive directors, as the majority of research has been concentrated on listed companies.

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Linking executive pay and performance to remuneration governance: A study of JSE listed firms [2]
Nomanyano Primrose Mnyaka-Rulwa & Cosmas M Ambe
(University of South Africa & University of Free State)

Purpose: This study investigated if greater compliance with remuneration governance (CRG) can constrain executive pay while improving firm performance.
Design/methodology/approach: A remuneration governance index was constructed on a sample of 77 JSE-listed firms between 2011 and 2020. Headline earnings per share and share price were selected as performance measures, while executives' fixed pay and short-term incentives were used as executive pay measures. Pearson's and Spearman's correlation and ordinary least squares (OLS) regression with time effects were conducted using SPSS version 28.
Findings/results: The results show a positive and statistically significant connection of CRG to both executive pay and firm performance. Greater CRG does not constrain executive pay but tends to escalate it, and CRG improves the firm's accounting and market values to a small extent.
Research implications: The article provides new empirical evidence on the CRG, executive pay and firm performance link that stimulates future research in considering alternative performance measures, thus minimising the effects of endogeneity.
Practical implications: The results imply that firms seem to use remuneration governance as an opportunity to escalate executive pay than to reduce the agency problem. Policymakers should find innovative ways or incentivise firms to strengthen remuneration governance.
Originality/value: The specific study of CRG and its link to executive pay and firm performance bridges the gap, extends previous literature and advances knowledge by adopting performance measures more aligned to key performance indicators preferred by most selected JSE-listed firms, not witnessed in previous studies.

Sustainability elements reported on by JSE-listed companies that are affected by pandemics [3]
Anneke Moolman; Jaco Fouché & Verona Leendertz
(School of Accountancy, North-West University)

Purpose: COVID-19 exemplified how pandemics cause major shocks to companies' sustainability, a vital matter to stakeholders. This study aimed to determine the sustainability elements reported on by companies listed on the Johannesburg Stock Exchange (JSE) that are affected by pandemics.
Design/methodology/approach: The study followed a qualitative approach, whereby the annual reports were thematically analysed in Atlas.ti 9™. This study comprised 45 JSE-listed companies' annual reports one year prior and one year into COVID-19.
Findings: A comprehensive list of 54 elements affected by pandemics from all four components of sustainability (financial, environmental, social and governance) is provided. Companies comprehensively included pandemic-related disclosure during an outbreak, but prior to such an outbreak, disclosure is inadequate.
Research implications: Companies are encouraged towards comprehensive pandemic-related disclosure regarding current, but also future pandemics, given its likelihood. Pandemic-related disclosure regarding future pandemics would inform companies' stakeholders of companies' preparedness for such a pervasive risk, further informing the stakeholders of sustainability.
Originality/value: While previous literature on pandemics' effect on companies' sustainability is limited to a pandemic's effect within a specific industry, this study considers annual report disclosures from all JSE-listed industries. The list can be used by companies as a pandemic-related reporting guideline to inform stakeholders of their sustainability, especially as current sustainability frameworks do not specify pandemic-related disclosure requirements.

The effect of share repurchases on corporate investment decisions: A South African perspective [2]
Gretha Steenkamp; Ruan Rautenbach; Sarah Conroy & Taine Reynolds
(School of Accountancy, Stellenbosch University)

Purpose: In South Africa, it is important to determine whether share repurchases impact companies' investment in their employees, research and development-, and capital expenditure – which could affect long-term company growth. This study focused on the relationship between share repurchases and corporate investment during the entire period that share repurchases were legalised in South Africa.
Methodology: An ordinary least squares regression analysis was applied to evaluate the relationship between share repurchases and corporate investment (investment in employment, research and development, and capital expenditure) for companies listed on the main board of the Johannesburg Stock Exchange (JSE) during the 2000-2021 period.
Results: The results showed a significant negative relationship between share repurchases and capital expenditure. Insignificant relationships between share repurchases and employment as well as research and development expenditure were found.
Practical implications: The finding that increased share repurchases was associated with decreased capital expenditure implies that share repurchases in South Africa should be subject to appropriate corporate governance measures. It is recommended that the JSE amend their announcement rule for open-market share repurchases to require more timely announcements of share repurchases. JSE-listed companies should provide increased disclosure regarding the reasons for engaging in share repurchases in integrated reports. Moreover, shareholder activists should question the impact of share repurchases on the long-term growth of companies.
Value: Increased corporate governance and shareholder activism relating to share repurchases are required in South Africa to mitigate the risk that share repurchase activity impacts the long-term growth of companies.

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The joint impact of CEO and outside director long-term incentive compensation on a flrm's non-flnancial performance [2]
Mieke Dingenen; Ann Gaeremynck & Dieter Smeulders
(Faculty of Economics and Business, KU Leuven, Belgium)

Purpose: Following dual agency theory, we expect that not only managers, but board members as well are agents who should be incentivized accordingly to take on a more long-term view and invest in sustainable matters. Hence, we aim to investigate how director long-term incentive compensation (LTIC) influences a firm's non-financial performance, and consider how the CEO's and outside directors' incentive mechanisms interact.
Methodology: We run an OLS regression using a sample of large U.S. listed firms between 2010 and 2018 to test our predictions.
Findings: We find that outside director LTIC is positively associated with a firm's non-financial performance, even when controlling for CEO LTIC. We further find that outside director and CEO LTIC seem to work in isolation for influencing a firm's environmental performance, while we find some modest evidence of a substituting relation between the two incentive mechanisms and a firm's social performance. Lastly, we identify CEO power as an important contextual factor.
Practical implications: Understanding the relation between outside director LTIC should be of interest to firms and regulators alike to optimally design compensation schemes to promote long-term sustainable value creation. We encourage firms to reward their outside directors with LTIC, especially when CEO power is low.
Originality: Boards are increasingly expected to take charge of firms' ESG performance. However, while prior research has mainly focused on CEO incentives to induce more sustainable business practices, outside directors' incentives have been largely ignored in this regard. Nonetheless, our findings indicate the importance of awarding outside directors with LTIC.

The underrepresentation of women in executive management positions in the South African banking sector [1]
Pulane Modiha; Renee Horn & Jenika Gobind
(Wits Business School, University of Witwatersrand)

Purpose: This study explored factors that contribute towards the significant and continued underrepresentation of women in executive management positions within the South African banking sector, specifically the interplay between first line roles, career progression and gender equality.
Design: This phenomenological qualitative study collected data through semi-structured interviews from a non-probability sample of 25 participants who are all banks' executives.
Findings: Key findings were; it is important to choose roles that provide future career acceleration to executive positions early in career planning. Lack of suitable role models in key positions such as CEOs can lead to compression of women in support roles. Sponsors play important part in women careers developments. Finally, there is a connection between first-line roles and advancement to executive management positions.
Practical implications: Women should acquire skills in first line roles early in their careers. When developing transformation plans and policies, banks and the government should consider and address internal (personal) and external (organisational and societal) factors affecting women career mobilities.
Originality: A contribution was made by developing a theoretical framework on internal and external factors women should consider in their career growths. The framework provides insights on strategies that may be adopted to navigate through barriers and challenges emanating from, amongst other, gender biases, organisational cultures, and women lack of self-belief. This study insights could benefit banks executives, human resources specialists and government in advancing their gender equality initiatives.