

iscte

INSTITUTO
UNIVERSITÁRIO
DE LISBOA

Management Control models in SME's-A Bibliometric Review Analysis

Gonçalo Porto Pézinho Sousa da Conceição

Master in Business Administration

Supervisor:

PhD, Renato Jorge Lopes da Costa, Assistant Professor with Aggregation
Iscte-Iul

Co-supervisor

PhD, Rui Alexandre Henriques Gonçalves, Invited Assistant Professor
Iscte-Iul

Outubro, 2023

Department of Marketing, Strategy and Operations

Management Control models in SME's-A Bibliometric Review Analysis

Gonçalo Porto Pézinho Sousa da Conceição

Master in Business Administration

Supervisor:

PhD, Renato Jorge Lopes da Costa, Assistant Professor with Aggregation
Iscte-Iul

Co-supervisor

PhD, Rui Alexandre Henriques Gonçalves, Assistant Professor
Iscte-Iul

Outubro, 2023

Acknowledgements

This dissertation marks the conclusion of my master's degree which was an important and fundamental part of my academic life.

Thus, I would like to thank my family for their support during this year and the encouragement they have given me, and motivation needed.

To my colleagues and friends for the help and understanding that made this journey worthwhile.

Last but not least, to my supervisors for all the help and mentorship.

Resumo

O controlo e a gestão das pequenas e médias empresas é um tema que tem vindo a ser cada vez mais associado a uma gestão empresarial de sucesso, uma vez que vivemos num período de sociedades cada vez mais próximas e mercados cada vez mais influentes em todo o mundo. A análise bibliométrica que se segue sobre o controlo de gestão nas pequenas e médias empresas analisa palavras-chave e conceitos de artigos produzidos nos últimos 5 anos. Toda a informação encontrada foi submetida a um processo de escolha e análise, utilizando o software VOSviewer de forma a compreender a correlação entre dois temas: modelos de controlo de gestão (governance) e globalização e como a sua ligação conduz ao sucesso na gestão de uma empresa. Assim, este estudo contribui para uma melhor perceção de como é que a globalização impacta o controlo de gestão em todas as partes do globo. Estes dois temas afetam a tomada de decisão dos gestores, ajudando a criar uma vantagem competitiva para se manterem competitivos nos mercados internacionais e promoverem o crescimento económico e sustentável. Para investigações futuras, recomendo que os autores analisem também em profundidade o modelo de controlo de gestão das economias frágeis, a fim de aprender ou compreender que medidas podem ser aplicadas para alcançar um crescimento sustentável e económico

Palavras-chave: Modelos de controlo de gestão, Globalização, Governação, Análise bibliométrica, gestão.

Classificação JEL:

M00 – Business Administration and Business Economics; Marketing; Accounting; Personnel Economics: General

M16 - International Business Administration

Abstract

The control and management of small and medium-sized enterprises is a topic that is increasingly associated with successful business management, as we live in a period of even closer societies and even more influential markets around the world. The following bibliometric analysis of management control in small and medium-sized companies analyses keywords and concepts from articles produced in the last five years. All the information found was subjected to a process of selection and analysis, using VOSviewer software in order to understand the correlation between two themes: governance models and globalisation and how their connection leads to success in managing a company. Thus, this study contributes to a better understanding of how globalisation impacts governance in all parts of the world. These two themes affect managers' decision-making, helping to create a competitive advantage in order to remain competitive in international markets and promote sustainable economic growth. For future investigations, I would recommend that authors also provide an in-depth look at governance for fragile economies in order to learn from or understand what measures can be implemented to achieve sustainable and economic growth.

Keywords: Management control models, Globalization, Governance, bibliometric analysis, management,

JEL classification:

M00 - Business Administration and Business Economics; Marketing; Accounting; Personnel Economics: General

M16 - International Business Administration

Table of Contents

Acknowledgements	i
Resumo	iii
Abstract	v
Index of Figures	viii
Index of Tables	viii
Index of Acronyms	x
Chapter 1. Introduction	1
Chapter 2. Theoretical Background	4
Chapter 3. Methodology	6
3.1. Review Question	6
3.2. Identification of Research	6
3.3. Articles Selection	6
3.4. Data Criteria	7
Chapter 4. Overall Findings	9
4.1. Global Data Elsevier Scopus	9
4.1.1. Documents per year	9
4.1.2. Publications by Subject Area	10
4.1.3. Geographics	11
4.1.4. Type of Document	11
4.1.5. Top Publishing Sources	12
4.2. Key Concepts, Structures and Findings over the past 5 years	12
4.2.1. Cluster1 – Globalization	13
4.2.2. Cluster 2 – Governance	14
4.2.1. Cluster 3 and 4 – International trade International cooperation	14
Chapter 5. Data Synthesis	17

Chapter 6. Discussion & Findings	19
6.1. Q1: Which are the most relevant elements and characteristics of Governance?	23
6.2. How governance linked with globalization lead to companies' success?	25
Chapter 7. Conclusion	29
References	31

Index of Figures

Figure 1 - PRISMA method (Adapted from Pereira et. al., 2021)	8
Figure 4.1 - Total documents by year.....	10
Figure 4.2 - Total documents by subject area	10
Figure 4.3 - Total documents by country	11
Figure 4.4- Total documents by type.....	11
Figure 4.5- Total documents by source	12
Figure 4.6 - Network Visualization of keyword and co-occurrence	13

Index of Tables

Table 4.1 - Cluster division	13
Table 5.2 - Top articles.....	17

Index of acronyms

PRISMA - Preferred Reporting Items for Systematic reviews and Meta-analysis

GDP - Gross Domestic Product

MCM – Management control models

CHAPTER 1

Introduction

Nowadays we are facing a an increasingly closer society, that is becoming a commonplace in the modern international context. Therefore, the important is to know what is done and how it is done in the four corners of the world and having the mental availability to learn and to understand how the knowledge generated is managed, not only in the sense of guaranteeing a greater ability to compete, but also to embody or, at most know, the way others act, regardless of their location, culture, market or values (Lopes da Costa, 2017). Therefore, the current economic context created a need to better understand how to conduct a business in any part of the world once the economy effects in any part of the world will affect all the globe.

In accord with Jordan, Neves and Rodrigues (2015), the definition of management control has the prospects of stimulating and motivating managers, control instruments, and the focus on decentralization and delegation of the authority. Jordan et al. (2015), also add that management control is "a set of instruments that motivate decentralised managers to achieve the company's strategic objectives, focusing on action and decision-making in a timely manner and favouring the delegation of authority and accountability".So, management control aims to stimulate lower -level managers and employes to act in accordance with the strategies and goals of the organization and is the link between strategic management and control management, although it a clearly a different concept (Helden, J. V., 2019). Lopes (2019) also, refers to management control as a dynamic and multidimensional transformation of data in information and the consequent utilization as knowledge at in order to serve strategy of the company.

Companies and their management approach suffered several changes in several aspects like technology, cultural and socio-economic, due to the phenomenon globalization. So, with these changes the urge to control the performance of the business and their managers, became a key factor to improve the decision-making and achieve the organizational goals. Therefore, in order to exist management control, it is essential that there is information with which to obtain data that translate results that can support decision-making (Lopes, 2019).

Hence, the key to success is to study different ways of management, of cultural knowledge of different contexts worldwide. Therefore, the important is to know what is done and how it is done in the four corners of the world and having the mental availability to learn and to understand how the knowledge generated is managed, not only in the sense of guaranteeing a

greater ability to compete, but also to embody or, at most know, the way others act, regardless of their location, culture, market or values (Lopes da Costa, 2015).

To conclude, this thesis is organized in seven chapters: Introduction, Theoretical Background, Methodology, Overall findings, Data Synthesis, Discussion and Findings and Conclusions and Limitations of the study. The introduction explains the thesis theme with some theoretical information. Second chapter refers to relevance of the research. The third chapter identifies the research methods used to select and filtered the information needed to the analysis. The fourth chapter represents the type of analysis selected (Bibliometric analysis) and the graphic of the indicators retrieved from the platform VOSviewer. Fifth chapter presents the articles with the stronger co-occurrence connection. The sixth chapter presents the results and discusses the bibliometric analysis and the research findings. In the seventh and last chapter exhibits the main conclusions of the research and describes the limitations of the study.

CHAPTER 2

THEORETICAL BACKGROUND

The following literature review, it was achieved a comprehensive analysis of several articles in with the purpose to identify how can impact management control.

Thus, firstly the objective of this research is to know how the strongest economies operate all over the world and their results and main characteristics that led them to success and competitive advantage. Once globalization is here to stay it becomes valuable a comprehensive understanding of how economies can take advantage of globalization to stay strong and competitive.

So, as we are living world with even more closer economies it is important to know how they operate in every part of the globe. Hence, the current research aims to understand how governance is made in the stronger economies and the impact globalization has towards a more competitive type of governance and management control of a countries.

CHAPTER 3

Methodology

3.1. Review questions

This dissertation links the existing models of management (governance) worldwide with Globalization, and how these helps the company obtain success having 2 research questions:

Q1: Which are the most relevant elements and characteristics of Governance?

Q2: How governance linked with globalization lead to companies' success?

3.2. Identification of research

This research is focused on the MCM and globalization a bibliographic literature analysis within the period between 2020 and 2023. A bibliometric analysis is now recognised as a scientific specialty and is part of the evaluation research within scientific and applied areas (Ellegaard & Wallin, 2015) and, according to Carmo (2022), the bibliometric analysis approach is very popular nowadays because it gives a structured representation of the papers published in each study field using objective criteria for examining and organizing publications.

The platform used was the VOSviewer that represents a scientific software that plays a role on the ecosystem of modern science, especially in processes related to retrieving, analysing, visualization and management of data, making possible scientific discoveries (Orduña-Malea and Costas, 2021).

3.3. Articles selection

To collect data for this research the database used was Elsevier Scopus. This database was chosen so a high-quality and pertinent literature could be collected to help respond to all review questions.

The PRISMA method – Preferred Reporting Items for Systematic reviews and Meta-analysis- is used in meta-analysis and systematic reviews, so the selection process for the literature review was carried out according to this method. Following the PRISMA methodology, Figure 1 shows all the steps according with that methodology, a selection process followed carefully, to ensure the reduction of bias and misleading results (Knobloch et al., 2011).

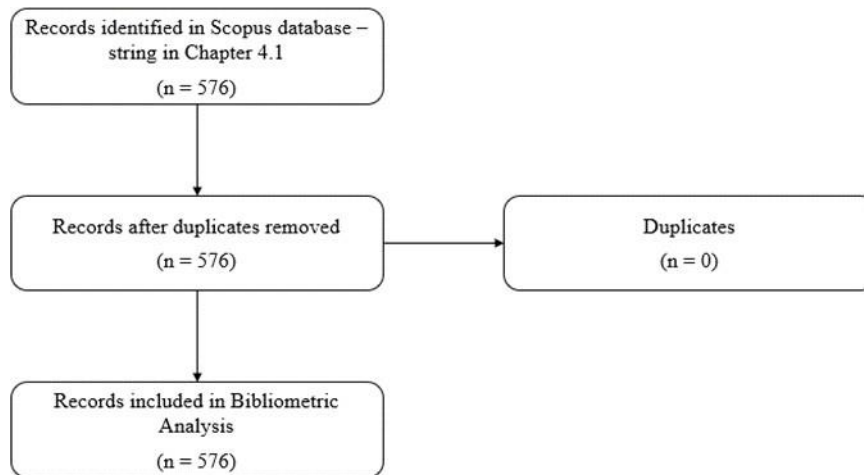


Figure 1 - PRISMA method (Adapted from Pereira et. al., 2021)

3.4. Data Criteria

The criteria considered to identify the relevant articles to be analyzed in this research were the following:

The process of search and identification of relevant information to be studied in the present research was carried out using the following criteria:

1. Included in the Elsevier Scopus database;
2. English academic articles, conference papers, or book chapters;
3. Published between the 1st of January of 2019 and the 30th of August of 2023 (date of the last database search).

CHAPTER 4

Overall findings

4.1. Global Data Elsevier Scopus

The initial keyword search in Elsevier Scopus focused on “Governance” and “Globalization”, which provided a limited number of articles. In order to gather a wider range of information, further synonyms were included.

For the keyword governance there were included terms as “management control”, “Anglo-Saxon management control model” and “European management control model”, “Economic growth” to furthermore explore and collect more elements regarding governance. Regarding the keyword globalization it weren’t included anymore keywords.

```
(TITLE-ABS-KEY ( "Governance" ) OR TITLE-ABS-KEY ( "Management control*" ) OR TITLE-ABS-KEY ( " Anglo-Saxon management control model *" ) OR TITLE-ABS-KEY ( "European management control mode*" ) OR TITLE-ABS-KEY ( "Economic Growth" ) OR TITLE-ABS-KEY ( "Globalization" ) ) AND AND PUBYEAR > 2019 AND PUBYEAR < 2024 AND ( LIMIT-TO ( LANGUAGE , "English" ) )
```

The filter presented above resulted in 1 447 documents.

4.1.1. Publications by year

Figure 2 exhibits the total number of records published between 2019 and 2023 regarding the topic of this thesis. As showed, (2020 and 2021) represents the years with most publications Regarding 2023, is the year with lowest number of publications due to, at the time of the analysis, we were still in the first semester.

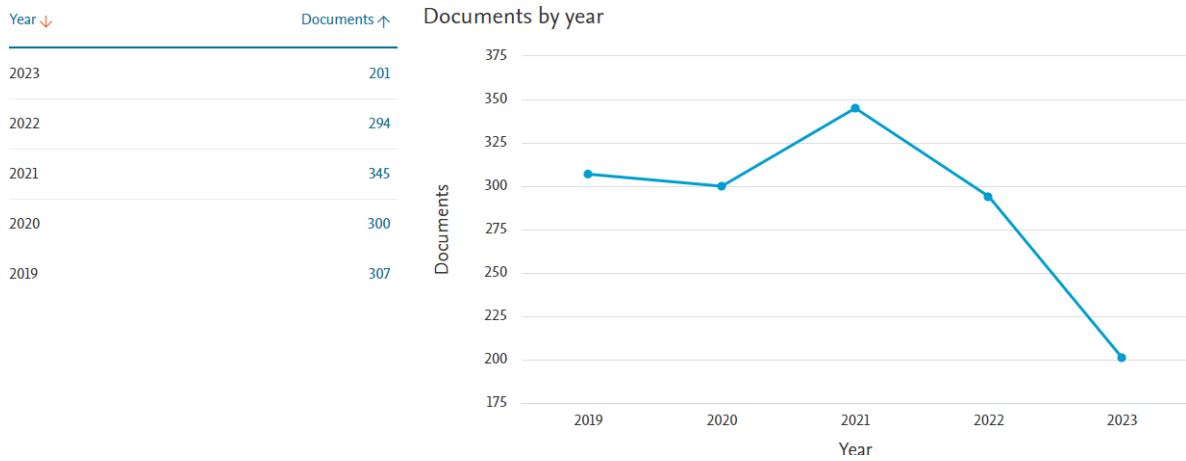


Figure 4.1 - Total documents by year

4.1.2. Publications by subject area

From the 1 447 documents retrieved, 40,9% belongs to the area of Social sciences, followed by the area of Economics, Econometrics and Finance with 13,5% of the records published.

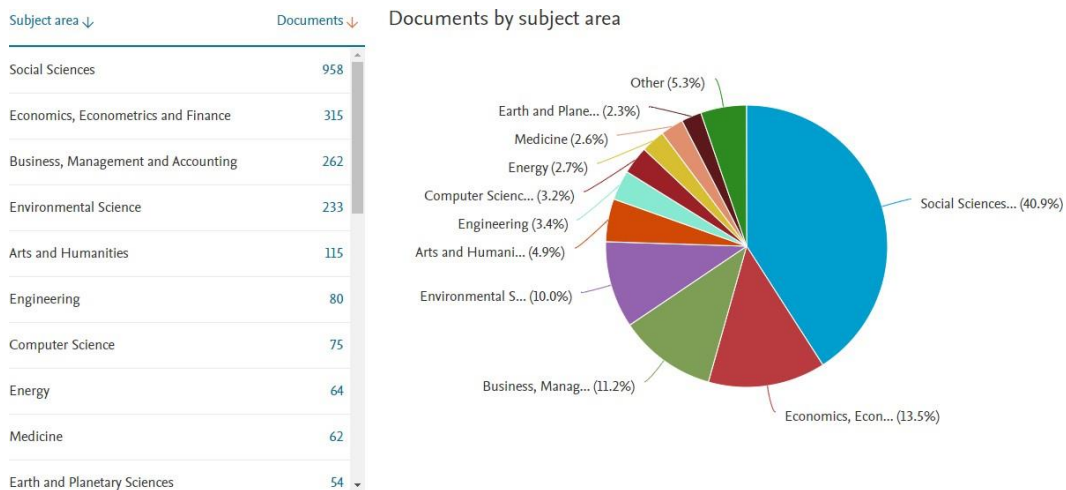


Figure 4.2 - Total documents by subject area

4.1.3. Geography

Regarding the country or territory, the publications are mostly from the United States, China and United Kingdom.

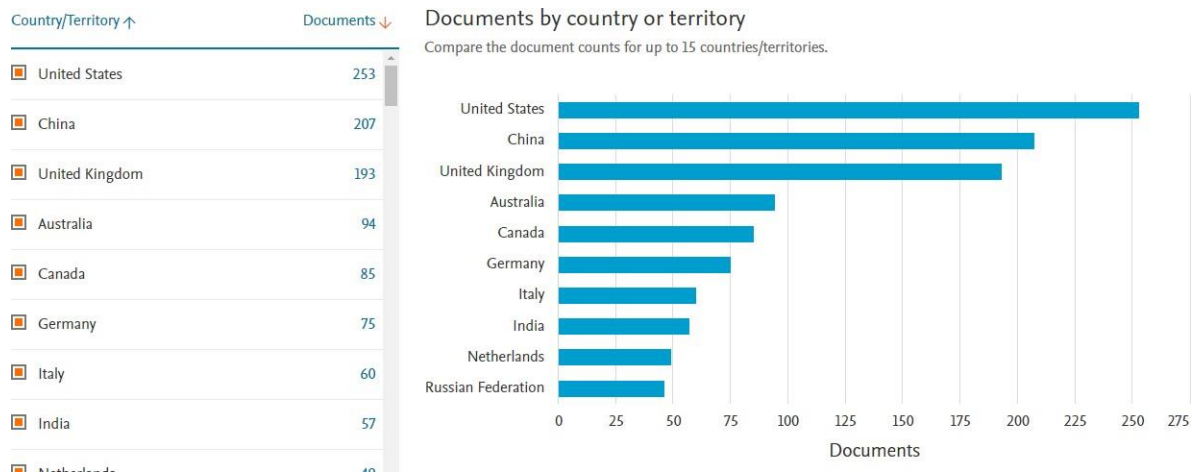


Figure 2.3 - Total documents by country

4.1.4. Type of document

As shown by the graph above the majority of publications were based on articles (58,7%), followed by book chapters (22,4%).

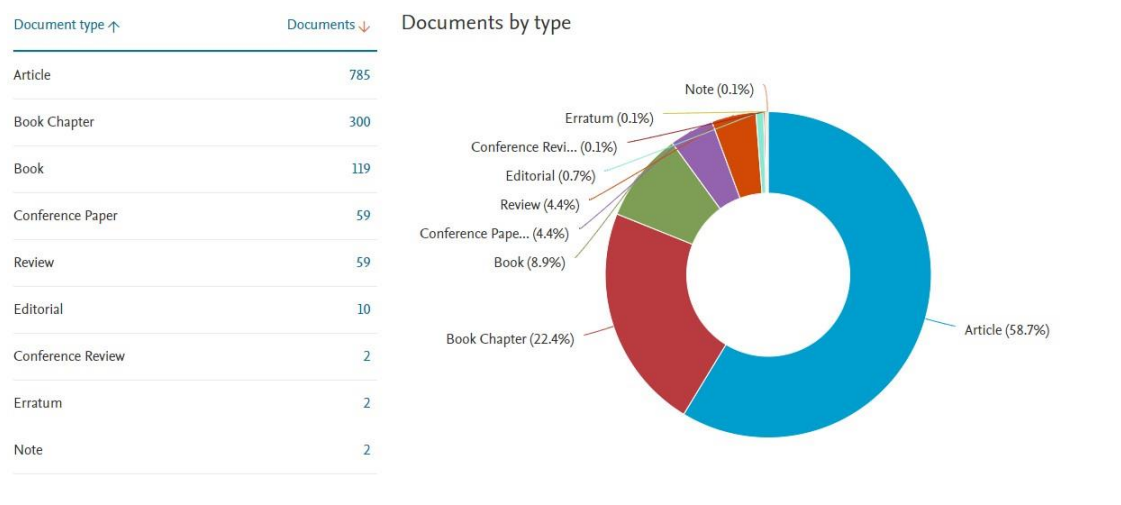


Figure 4.4 - Total documents by type

4.1.5. Top Publishing Sources

Regarding the subject in research, the source with most publications is from *Sustainability Switzerland journal*.

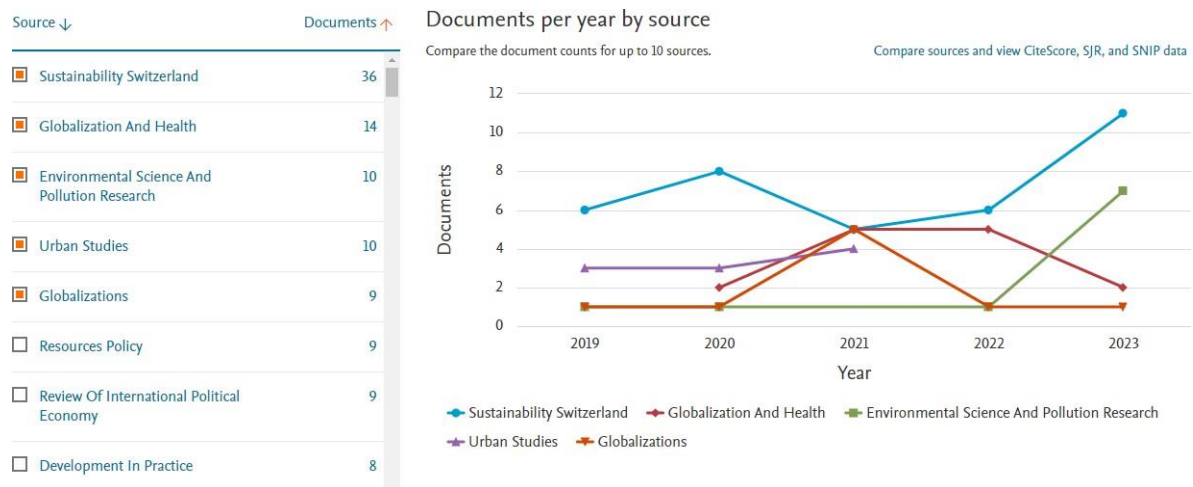


Figure 4.5 - Total documents by source

4.2. Key Concepts, Structures and Findings over the past 5 years

To identify the main clusters and key concepts it was performed a mapping of the data retrieve from the 1 447 documents, using the keyword co-occurrence analysis from the VOSviewer3 that presents a visualization oft main keywords and divided them in clusters.

It's important to highlight that the connection between the keywords is stronger when there is a higher number of occurrences in the dataset (Eck & Waltman, 2023). This approach will help to exclude keyword not relevant to this specific research. The key is to choose the number of keywords that ensures a significant number of occurrences.

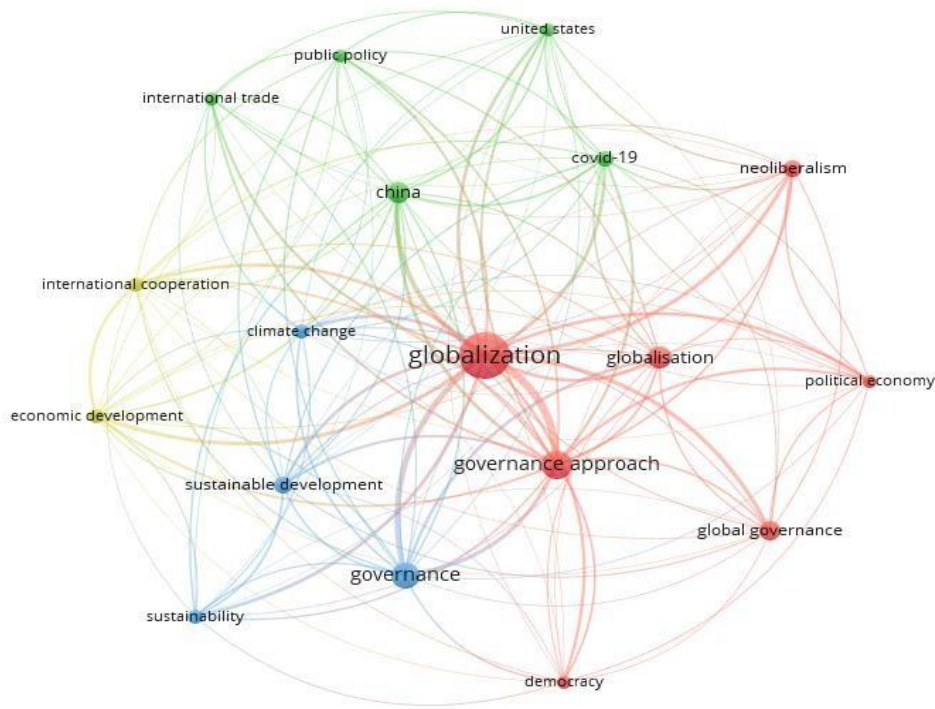


Figure 4.6 - Network Visualization of keyword and co-occurrence

Displayed in table 1 are the main clusters identified in after the co-occurrence analysis presented in figure x. In accordance with Eck & Waltman (2023), figure 1 is a map in which terms are located in a certain way that the distance between two terms provides an indication of the number of co-occurrences, the number of co-occurrences of the terms has a stronger relation if the distance between the keyword is shorter.

Table 4.1 - Cluster division

Globalization	Governance
Democracy, Global governance, Globalization, Governance approach, Neoliberalism, Political economy.	Climate change, Sustainability, Sustainable development, Governance.
Internatinal cooperation	International trade
International cooperation, Economic development.	China, Covid-19, International trade, Public policy, United States.

4.2.1. Cluster1 – Globalization

Globalization is an important factor in the social, economic, and political aspects of life. It connects economies through financial development and foreign direct investment GDP (Gross Domestic Product) (Shahbaz et al., 2015).

So, over the last few years, the role and importance of globalization to many social aspects, politics, economics, and especially environmental degradation have been highlighted by policy maker and scholars (Phong, 2019).

4.2.2. Cluster 2 – Governance

Theories of governance emerged in reaction to the perspective that social control was mobilized by and confined in states (Baldwin, 1993). But they took an entirely new dimension in the context of a globalization of economic activity associated with strong privatization and an ideological mistrust of state intervention (Djelic & Sahlin-Andersson, 2006).

Governance can be divided in two orientations, countries mainly dominated by shareholders or market-oriented systems like the United States and countries with stakeholders-oriented systems such as Germany or Japan (Watanabel, N., & Sakawa, H., 2019), although the presence of institutional shareholders increased under stakeholder-oriented corporate governance in Germany and Japan as part of the process of converging to the Anglo-American corporate governance system in the 1990s (Yoshimori, M. 1995).

4.2.3. Cluster 3 and 4 – International trade International cooperation

International trade is the exchange of capital, goods, and services across international borders or territories because there is a need or want of goods or services. In most countries, such trade represents a significant share of GDP. A study conducted by van Schalkwyk et al. (2021) reveals that the establishment of a new trade policy agenda calls for robust services of governance and its necessary to have a strong system of governance everywhere that can help seize the benefits of international trade and minimise its detriment impacts.

Systems with less trade, less fragmentation of production and less internationalization are characterised by a significant lower levels of economy activity and lower incomes and will result in economic slowdown and lower GDP and a shift towards a localized regime would reduce welfare and global real GDP by more than 5% on average. (Kersan-Škabić, I., 2021). Arriola et al. (2020) also point out that relocalization and reducing international linkages will result in less efficiency and less stability.

The process of locking down economies around the world in 2020 in response to the COVID-19 pandemic has put a question mark against the process of internationalization, with all its acknowledged benefits in relation to trade, capital, and investment liberalization, by showing up its weaknesses (Kersan-Škabić, I., 2021), but Gruszczynski (2020) makes a theoretical contribution to this topic by differentiating between the short-term and long-term impacts of the COVID-19 pandemic on international trade, where a decline can be expected in

the short term, while in the long term, business will behave as usual but with some structural changes as businesses adjust their activities in the process of economic globalization.

Internationalization will overcome the disruptions caused by the pandemic and will continue their activities with more resilient strategies and with continuous adjustments to new global market conditions. (Kersan-Škabić, I., 2021).

CHAPTER 5
Data synthesis

The articles presented below identify the articles with the stronger connection between the top keywords collected from the co-occurrence analysis. Also, was considered the number of citations from each article, resulting in the selection of 17 articles that are displayed in Table 1.

Table 5.1 - Top articles

Year	Author	Title	Keywords	Cited
2023	Bán, M.	The governance of history via law: An overview	Europe, History, Hungary, Law, Memory laws	0
2023	Pūķis, M., Bičevskis, J., Gendelis, S., Eihmanis, A., Sarmā, U.	Role of Local Governments in Green Deal Multilevel Governance: The Energy Context	Climate change, Local governments, Proportionality, Solidarity, Subsidiarity, Sustainability	0
2022	Liu H., Saleem, M. M., Al-Faryan, M. A. S., Khan, I., & Zafar, M. W.	Impact of governance and globalization on natural resources volatility: The role of financial development in the middle east north africa countries	Financial development, Globalization, Governance, Income, Natural resources volatility	61
2022	Sheraz, M., Deyi, X., Mumtaz,	Exploring the dynamic relationship between financial development, renewable energy, and carbon emissions: A new evidence from belt	Financial development, Carbon emissions, Renewable energy,	34

	M. Z., & Ullah, A.	and road countries. Environmental Science and Pollution Research	Globalization, Institutional quality	
2022	Kersan-Škabić, I..	The COVID-19 pandemic and the internationalization of production: A review of the literature. Development Policy Review	COVID-19 pandemic, internationalization, global value chains (GVCs), GVCs in COVID-19- related products, trade	5
2021	Terje Aven & Enrico Zio	Globalization and global risk: How risk analysis needs to be enhanced to be effective in confronting current threats	Global risk Coronavirus Risk science Resilience	26
2021	Steve J. Bickley; Ho Fai Chang; Ahmed Skali; David Stadelmann & Benno Torgler	How does globalization affect COVID-19 responses?	Coronavirus, COVID-19, SARS-CoV-2, Globalization, Travel restriction, Border closure, Health screening, Survival analysis	24
2021	Folorunso M. Ajide, Tolulope T. Osinubi, and James T. Dada	Economic Globalization, Entrepreneurship, and Inclusive Growth in Africa	Africa, causality, entrepreneurship, globalization, inclusive growth	20

2021	van Schalkwyk, M. C. I., Barlow, P., Siles-Brügge, G., Jarman, H., Hervey, T., & McKee, M.	Brexit and trade policy: An analysis of the governance of UK trade policy and what it means for health and social justice	Population health, Political determinants of health, Health policy, Social justice, Democracy, Trade policy, Governance, Brexit, Transparency, Participation	8
2020	Hoang Phong Le & Ilhan Tekin Ozturk	The impacts of globalization, financial development, government expenditures, and institutional quality on CO2 emissions in the presence of environmental kuznets curve. Environmental Science and Pollution Research	Globalization, Financial development, Government expenditures, Institutional quality, Environmental degradation	246
2020	Yaya, S., Yaya, S., Otu, A., Otu, A., Labonté, R.	Globalisation in the time of COVID-19: repositioning Africa to meet the immediate and remote challenges	Africa; COVID-19; Economic policies; Global health; Globalisation; Governance; Recession	49

2020	Sakawa, H., & Watanabe, N.	Institutional ownership and firm performance under stakeholder-oriented corporate governance. Sustainability	Agency theory, Institutional shareholder, Foreign shareholder, Stakeholder-oriented, Corporate governance	40
2020	Heeringa, J., Mutti, A., Furukawa, M.F., ... Maurer, K.A., Rich, E	Horizontal and Vertical Integration of Health Care Providers: A Framework for Understanding Various Provider Organizational Structures	Health systems; Horizontal integration; Integrated care; Vertical integration	38
2020	Dang, H.N., Pham, C.D., Nguyen, T.X., Nguyen, H.T.T.	Effects of Corporate Governance and Earning Quality on Listed Vietnamese Firm Value	Corporate governance, Earning quality, Firm value, Vietnam	20
2019	Olga Petricevic & David Teece	The structural reshaping of globalization: Implications for strategic sectors, profiting from innovation, and the multinational enterprise	Shaping globalization trajectories; MNE–host country relations; Profiting from innovation; Dynamic capabilities	138

2019	Kourula, A., Moon, J., Salles-Djelic, M., Wickert, C	New roles of government in the governance of business conduct: Implications for management and organizational research	Business conduct, CSR (corporate social responsibility), Governance, government, Law, Private regulation	61
2019	Filippaios, F., Annan-Diab, F., Hermidas, A., Theodoraki, C..	Omnichannel retailing: Digital transformation of a medium-sized retailer Political governance, civil liberties, and human capital: Evaluating their effect on foreign direct investment in emerging and developing economies	Civil liberties, Foreign direct investment, Human capital, Investment motivations, Political governance	24

CHAPTER 6

Discussion and findings

In the present bibliometric analysis, it was explained how globalization and governance are intrinsically connected to the success of a company and economic development and it is essential for companies to stay competitive in the current global markets. Furthermore, the following chapter presents and discusses the literature findings and respond to the research questions previously defined.

Q1: Which are the most relevant elements and characteristics of Governance?

Management scholars, organization theorists, political scientists, sociologists, development studies experts, anthropologists, and civil society researchers, among others, have all pitched in to understand these renewed dynamics of governance at global, national, and local levels, acknowledging that while this evolution is seemingly a global trend, regional differences do exist (Gond, J-P., Kang, N., & Moon, J. 2011).

In the context of international corporate governance research, shareholder-oriented and stakeholder-oriented systems might be characterized differently (Hall, P.A.; & Soskice, D., 2001). The United States are the largest economy in the world, and it's regulated by the Anglo-Saxon model and in Anglo-Saxon countries, effective monitoring by institutional shareholders with a shareholder-oriented scope is expected in publicly listed firms (Stuart L. Gillan & Laura T. Starks., 2003). Also, Anglo-Saxon model tell us that in most of the time the companies face a conflict of interests, because it's basically companies that buy companies (shareholders), impossible to identify who they are, causing a lack of interest on how they are going to be managed. Their main goal is to create mechanisms of control in order to get their part of the income that the company generates (Eisenhardt, 1989).

When controlling shareholders take full control of corporate boards and management teams, it is difficult for internal corporate governance to work effectively, as is also the case in the USA, where managers dominate corporate decisions and reduce the effectiveness of internal corporate governance (Allen & Gale, 2000). According to La Porta, Lopez-de-Silanes, and Shleifer (1999), it very likely that controlling shareholders use their power to expropriate wealth from minority shareholders, and, therefore, the conflict of interest between controlling and minority shareholders, while vertical agency problems are largely alleviated owing to effective discipline of managers by controlling shareholders has become the primary agency problem in China.

Meanwhile, external corporate governance mechanisms, like takeover threats, which are popular in the USA are ineffective in China, because the ownership structure is so concentrated that takeovers rarely occur. Thus, corporate governance in China is left with another external mechanism, namely, law and institutions. Since the early 1900's that we witness that China have grown alongside the trend with a spectacular economic growth and given rise to a large number of influential corporations operating worldwide and is now the second largest economy in the world, so corporate governance in China cannot be ignored. Hence, the underlying governance mechanisms and problems of Chinese corporations have garnered significant interest from researchers, and top journals have published a large body of work on this topic in recent years (Jiang, F., Kim, K.A., 2020).

Stakeholder-oriented systems are found in economies such as those in Japan and continental European countries (Watanabel, N., & Sakawa, H., 2019). The significant characteristics of stakeholder-oriented corporate governance include internal monitoring systems via concentrated ownership and tight inter-firm relationships that substitute for the effective monitoring mechanisms in shareholder-oriented systems (Aguilera, R.V.; et al., 2008). Furthermore, Watanabel and Sakawa (2019), states the Japanese stakeholder-oriented corporate governance is characterized by business groups with financial, human, and transactional ties and cross-shareholdings.

Regarding European countries, the Germanic management model is the most relevant one and is based on the combination of the development and implementation of management information technology and the qualifications of its human resources, social responsibility towards the environment, monitoring of business performance by stakeholders, costs of operations supported by stakeholders, and the recognition of group relationships in a logistics term, strong concentration of the individual company, reputation for quality in the relationship between stakeholders, suppliers, customers and employees, focus on the product rather than the market and a cooperative and innovative management of companies (Watanabel, N., & Sakawa, H., 2019).

Hence, when corporate governance is effectively implemented, it can decrease the inclination of unalignment between managers behaviours and shareholders interest which led to improved company operations (Salehi et al., 2020; Jantadej et al, 2020; Dang et al., 2020) and, according to Nguyen (2021) Governance is the primary cause of economic growth. The growth that different forms of governance of business conduct has showed has been evident at different levels and whether it's from public or private nature (Kourula, A., et al., 2019). Transnational initiatives—including intergovernmental accords and agreements, networked

multi-stakeholder negotiated rules, private and market-based standards, and self-governance processes—have received increasing attention within organization studies (Djelic & Quack, 2018). Also, a study conducted by Ozturk and Phong (2020) indicates implications for policy makers, which recommend governments to consider the role of finance and governance in order to ensure that financial development and sustainable economic growth are in harmony with the environment in the globalization era.

Until recently, a popular view was that cross-border activities had become so common and growing so significantly that the world was becoming ‘flat’ (Rugman & Oh, 2008). As the process of increasing cross-border integration accelerated during the 1990s, it highlighted the potential for ‘diminished national autonomy’ in the presence of growing globalism (Ostry & Nelson, 1995). It supposedly also created conditions for the emergence of enterprises (Lessard, Teece, & Leih, 2016.) neo-global corporations (Mees-Buss, Welch, & Westney, 2019), and the view that the MNE could be an integrator of knowledge and activities across multiple internal and external boundaries (Narula, 2017). This view assumed the continuation of an open or ‘liberal’ world economic order with low or no tariffs and investment controls, and respect for the rule-of-law in governance arrangements (Witt, 2019). Cooperation, mutual interdependence, and openness were hallmarks of the global system (Petricevic, O., & Teece, D. J. 2019).

Q2: How governance linked with globalization lead to companies’ success?

Globalization has been used to explain why there have emerged new forms of private, intergovernmental, or multi-stakeholder governance in issue areas (Kourula, A., et al., 2019). Indeed, a wealth of literature has argued that the last decades have seen an impressive shift of regulatory authority over business conduct from governments towards multi-stakeholder arenas (Scherer & Palazzo, 2011).

Globalization is an inevitable and irresistible process because many regional integrations emerged in the modern era. A global integration analysis, employing a country’s governance practices, offers various economic benefits, and exerts socio-economic pressures on different economies (Liu, H., et al. 2022).

The rapid reshaping of the global economic order requires fundamental shifts in international business scholarship and management practice. As the world economy’s globalization trajectory becomes increasingly uncertain, enterprises face pressures to re-examine their own ‘global’ value chains, re-evaluate their cross-border investments strategies, re-assess their innovation and technology flows, and re-consider their strategic partnerships

from a new perspective. (Petricevic, O., & Teece, D. J. 2019). and while globalization has made geographic distance less significant, the economic, political, structural, and especially technological, distances and boundaries between and amongst countries and regions are complex and continue to persist (Filippaios, Annan-Diab, Theodoraki, & Hermidas, 2019).

After all, Globalization is known to promote growth and does so via a combination of three main dimensions: economic integration (i.e., flow of goods, capital and services, economic information, and market perceptions), social integration (i.e., proliferation of ideas, information, culture, and people), and political integration (i.e., diffusion of governance and participation in international coordination efforts) (Gygli S, Haelg F, Potrafke N, Sturm JE., 2019).

The study conducted by Liu et al. (2022), moreover presents a concrete example as it concludes that some economic and governance recommendations strengthen struggling Asian economies by addressing the globalization tactfully and also showed positive outcomes regarding the impact of globalization on economic growth. According to Folorunsho et al. (2020) growth can be achieved through increased entrepreneurial activities and economic globalization. Economic globalization affects both the lifestyle and consumption preferences of economic agents and affects regional interactions and benefits everyone in a society by moving the gains from the most-developed countries to the least-developed ones such as African countries (Ifeakachukwu, 2020). It also affects technology, innovation, and socio-political structures of an economy through intensive increases in cross-border trade, information exchange, and foreign direct investment. It strengthens the relationships between developed and developing countries, turning the world into “a big global village” (Coulibaly et al., 2017).

Although, globalization aligned with governance may generate economic growth, are also the essential factors that raise carbon emission and leading to global warming and climate change, the most severe threats the world is facing today. (Muhammad Sheraz, Xu Deyi, Muhammad Zubair Mumtaz & Atta Ullah, 2022). Globalization accelerates financial activities by increasing the demand for goods and services (Gökmenoğlu & Taspınar, 2016) and consequently, economic activities increase energy consumption, leading to environmental degradation (Ozatac et al., 2017).

Nonetheless globalization and governance can also play a part in changing this scenario. So, according to Sheraz et al (2022), while making an environmental strategy that can reduce carbon emissions, it is essential to consider several policy options. Mainly, from the macro-

economic, ecological, energy, governance, and global perspectives, the following propositions are of particular interest:

- Development of the financial sector,
- Switching towards renewable energy,
- Promotion globalization,
- Improving institutional quality
- Interaction between financial development and renewable energy, globalization, institutional quality and GDP.

Therefore, according to (Rachinger et al., 2019), due to the current Globalization and expansion of markets it is vital for the organizations to continually reinvent their business to continue competitive on global markets. Moreover, organizations that already have dominated the market are all the time confronted by new competitors, that change established industries.

CHAPTER 7

Conclusion

This following research presents a general outlook that the key to success start by studying the different ways of governance and cultural knowledge worldwide. Taking into consideration the data collected and analysed this chapter presents the key conclusions from this bibliometric analysis and discussions from numerous authors. Governance has become a subject that is bringing more awareness to companies, and alongside with globalization it enhances their competitiveness by studying the different ways of management and cultural knowledge of the diverse context worldwide and learning what is done and how it's done in every part of the world, proofing that both subjects are intrinsically connected, strongly correlated and with a great importance in how to apply management control.

Therefore, the present research has a strong contribution to the corporate world once displays two concepts that need to be considered while managing a company and explains how companies can encourage sustainable economic growth and stay strong and competitive in the international markets. Further, this research also contributes to the research community, since this bibliometric review presents information and data retrieved from articles from the past 5 years which help to understand what has been written and made, recently.

While the present research provides relevant data, it is important to recognize that some limitations were present. The fact that it can only be used one research platform to collect the data or filtering the data only from English language may be limiting and shortening the range of information to analyse.

However, a bibliometric review provides an updated data on governance and globalization and can be used by future managers and authors to further pursue this subject by knowing what information already exists. Future studies can be explored by globalization impact on socio-economic development by taking regional integration as a moderation's effects, controlling factors such as governance. Considering the importance of these two topics in the decision-making of managers while managing their companies its important be aware of the international market, by create a global map and recognize how governance can be used so they can formulate a strategy to stay competitive and stimulate economic and sustainable growth.

For future investigations, I would recommend that authors also provide an in-depth look at governance for fragile economies in order to learn from or understand what measures can be implemented to achieve sustainable and economic growth.

References

- Aguilera, R.V.; Filatotchev, I.; Gospel, H.; Jackson, G. An Organizational Approach to Comparative Corporate Governance: Costs, Contingencies, and Complementarities. *Organ. Sci.* 2008, 19, 475–492.
- Alvarez-Romero, C., Martínez-García, A., Bernabeu-Wittel, M., & Parra-Calderón, C. L. (2023). Health data hubs: An analysis of existing data governance features for research. *Health Research Policy and Systems*, 21(1) doi:10.1186/s12961-023-01026-1
- Ajide, F. M., Osinubi, T. T., & Dada, J. T. (2021). Economic globalization, entrepreneurship, and inclusive growth in africa. *Journal of Economic Integration*, 36(4), 689-717. doi:10.11130/jei.2021.36.4.689
- Arriola, C., Guilloux-Nefussi, S., Koh, S.-H., Kowalski, P., Rusticelli, E., & van Tongeren, F. (2020). Efficiency and risks in global value chains in the context of COVID-19 (OECD Economics Department Working Paper No. 1637). OECD Publishing. <https://doi.org/10.1787/3e4b7ecf-en>
- Aven, T., & Zio, E. (2021). Globalization and global risk: How risk analysis needs to be enhanced to be effective in confronting current threats. *Reliability Engineering and System Safety*, 205 doi:10.1016/j.ress.2020.107270
- Baldwin, D. (Ed.) (1993). *Neorealism and neoliberalism*. New York: Columbia University Press.
- Carmo, R. J. V. do (2022). State-of-the-art of business models: a bibliometric analysis from 2017 to 2022 [Dissertação de mestrado, Iscte - Instituto Universitário de Lisboa]. Repositório Iscte. <http://hdl.handle.net/10071/28069>
- Coulibaly, S. K., Erbao, C., & Mekongcho, M. T. (2017). Economic globalization, entrepreneurship, and development. *Technological Forecasting & Social Change*, 127(C), 271-280
- Dang, H. N., Pham, C.D., Nguyen, T.X., & Nguyen, H.T.T. (2020). Effects of Corporate Governance and Earning Quality on Listed Vietnamese Firm Value. *Journal of Asian Finance, Economics and Business*, 7(4), 71-80. <https://doi.org/10.13106/jafeb.2020.vol7.no4.71>
- Desender, K.; Aguilera, R.V.; López-Puertas Lamy, M.; Crespí, R. A clash of governance logics: Foreign ownership and board monitoring. *Strateg. Manag. J.* 2016, 37, 349–369.
- Djelic, M.-L., & Sahlin-Andersson, K. (2006). *Transnational governance: Institutional dynamics of regulation*. Cambridge: Cambridge University Press.

- Djelic, M. L., & Quack, S. (2018). Globalization and business regulation. *Annual Review of Sociology*, 44,123–143
- Dore, R. *Stock Market Capitalism: Welfare Capitalism: Japan and Germany Versus the Anglo-Saxons*; Oxford University Press: Oxford, UK, 2000.
- Eisenhardt, K. (1989). Agency theory: an assessment and review. *Academy of Management Review*, Vol.14, pp.57-74
- Ellegaard, O., & Wallin, J. A. (2015). The bibliometric analysis of scholarly production: How great is the impact? *Scientometrics*, 105(3), 1809–1831. <https://doi.org/10.1007/s11192-015-1645-z>
- Filippaios, F., Annan-Diab, F., Hermidas, A., & Theodoraki, C. 2019. Political governance, civil liberties, and human capital: Evaluating their effect on foreign direct investment in emerging and developing economies. *Journal of International Business Studies*, 59(7): 1103–1129
- Gillan, Stuart L. and Starks, Laura T., *Corporate Governance, Corporate Ownership, and the Role of Institutional Investors: A Global Perspective* (August 2003). Weinberg Center for Corporate Governance Working Paper No. 2003-01, Available at SSRN: <https://ssrn.com/abstract=439500> or <http://dx.doi.org/10.2139/ssrn.439500>
- Gökmenoğlu K, Taspınar N (2016) The relationship between CO2 emissions, energy consumption, economic growth and FDI: the case of Turkey. *Journal of International Trade and Economic Development* 25(5):706–723. <https://doi.org/10.1080/09638199.2015.1119876>
- Gond, J-P., Kang, N., & Moon, J. (2011). The government of self-regulation: On the comparative dynamics of corporate social responsibility. *Economy and Society*, 40, 640–671
- Gruszczynski, L. (2020). The COVID-19 pandemic and international trade: Temporary turbulence or paradigm shift? [Special issue]. *European Journal of Risk Regulation*, 11(2), 337– 342. <https://doi.org/10.1017/err.2020.29>
- Gygli S, Haelg F, Potrafke N, Sturm JE. The KOF globalisation index–revisited. *Rev Int Organ*. 2019;14:543–74.
- Hall, P.A.; Soskice, D. *An Introduction to Varieties of Capitalism*; Oxford University Press (OUP): Oxford, UK, 2001; pp. 1–68
- Heeringa, J, et al. Horizontal and Vertical Integration of Health Care Providers: A Framework for Understanding Various Provider Organizational Structures. *International Journal of Integrated Care*, 2020; 20(1): 2, 1–10. DOI: <https://doi.org/10.5334/ijic.4635>

- Ifeakachukwu, N. P. (2020). Globalisation, economic growth and income inequality in Nigeria. *Indian Journal of Human Development*, 14(2), 202-212.
- Jantadej, K., & Wattanatorn, W. (2020). The Effect of Corporate Governance on the Cost of Debt: Evidence from Thailand. *Journal of Asian Finance, Economics and Business*, 7(9), 283-291. <https://doi.org/10.13106/jafeb.2020.vol7.no9.283>
- Jiang, F., Kim, K.A. Corporate governance in China: A survey (2020) *Review of Finance*, 24 (4), pp. 733-772. Cited 179 times.
- Kersan-Škabić, I. (2022). The COVID-19 pandemic and the internationalization of production: A review of the literature. *Development Policy Review*, 40(2) doi:10.1111/dpr.12560
- Knill, C., & Lehmkuhl, D. (2002). Private actors and the state: Internationalization and changing patterns of governance. *Governance*, 15(1), 41–63.
- Knobloch, K., Yoon, U., & Vogt, P. M. (2011). Preferred reporting items for systematic reviews and meta-analyses (PRISMA) statement and publication bias. *Journal of Cranio-Maxillofacial Surgery*, 39(2), 91–92. <https://doi.org/10.1016/j.jcms.2010.11.001>
- Kourula, A., Moon, J., Salles-Djelic, M. -, & Wickert, C. (2019). New roles of government in the governance of business conduct: Implications for management and organizational research. *Organization Studies*, 40(8), 1101-1123. doi:10.1177/0170840619852142
- Kyere, M., Ausloos, M. Corporate governance and firms financial performance in the United Kingdom. *Int J Fin Econ*. 2021; 26: 1871– 1885. <https://doi.org/10.1002/ijfe.1883>
- La Porta, R.; Lopez-De-Silanes, F.; Shleifer, A.; Vishny, R.W. Agency Problems and Dividend Policies around the World. *J. Finance* 2000, 55, 1–33.
- Le, H. P., & Ozturk, I. (2020). The impacts of globalization, financial development, government expenditures, and institutional quality on CO2 emissions in the presence of environmental kuznets curve. *Environmental Science and Pollution Research*, 27(18), 22680-22697. doi:10.1007/s11356-020-08812-2
- Lemos, M. C., & Agrawal, A. (2006). Environmental governance doi:10.1146/annurev.energy.31.042605.135621 Retrieved from www.scopus.com
- Lessard, D., Teece, D. J., & Leih, S. 2016. The dynamic capabilities of meta-multinationals. *Global Strategy Journal*, 6(3): 211–224.
- Liu, H., Saleem, M. M., Al-Faryan, M. A. S., Khan, I., & Zafar, M. W. (2022). Impact of governance and globalization on natural resources volatility: The role of financial development in the middle east north africa countries. *Resources Policy*, 78 doi:10.1016/j.resourpol.2022.102881

- Lopes, I. T. (2019). *Controlo de Gestão: Uma Visão Integrada do Desempenho Empresarial*. Coimbra: Actual
- Lopes da Costa, R. & Nelson António (2015). *Os Modelos de Gestão Global e os Meios e Técnicas de Fazer o Controlo de Gestão nas PMEs*. Coimbra: Actual Editora, Edição Atualizada.
- Mees-Buss, J., Welch, C., & Westney, D. E. 2019. What happened to the transnational? The emergence of the neoglobal corporation. *Journal of International Business Studies*. <https://doi.org/10.1057/s41267-019-00253-5>.
- Melo Araujo BA. UK post-Brexit trade agreements and devolution. *Leg Stud*. 2019;39(4):555–78.
- Merchant KA, Van der Stede WA (2017) *Management control systems: performance measurement, evaluation and incentives*, 4th edn. Pearson, Harlow
- Mishkin FS (2009) Globalization and financial development. *Journal of Development Economics* 89(2):164–169. <https://doi.org/10.1016/j.jdeveco.2007.11.004>
- Nguyen, V. B. (2021). The digitalization - economic growth relationship in developing countries and the role of governance. *Scientific Annals of Economics and Business*, 68(4), 481-493. doi:10.47743/SAEB-2021-0028
- Orduña-Malea, E., & Costas, R. (2021). Link-based approach to study scientific software usage: the case of VOSviewer. In *Scientometrics* (Vol. 126, Issue 9). Springer
- Ostry, S., & Nelson, R. R. 1995. *Techno-nationalism and Techno-globalism: Conflict and Cooperation*. Washington, D.C.: Brookings Institution Press.
- Ozatac N, Gokmenoglu KK, Taspinar N (2017) Testing the EKC hypothesis by considering trade openness, urbanization, and financial development: the case of Turkey. *Environmental Science and Pollution Research* 24(20):16690–16701. <https://doi.org/10.1007/s11356-017-9317-6>
- Pavlovskaja, O., & Kuzmina-Merlino, I. (2013). Evolution of management controlling framework: Literature review. *Procedia - Social and Behavioral Sciences*, 99, 1044–1053. <https://doi.org/10.1016/j.sbspro.2013.10.578>
- Petricevic, O., & Teece, D. J. (2019). The structural reshaping of globalization: Implications for strategic sectors, profiting from innovation, and the multinational enterprise. *Journal of International Business Studies*, 50(9), 1487-1512. doi:10.1057/s41267-019-00269-x
- Phong LH (2019) Globalization, financial development, and environmental degradation in the presence of environmental Kuznets curve: evidence from ASEAN-5 countries. *Int J Energy Econ Policy* 9: 40–50

- Pound, J. Proxy contests and the efficiency of shareholder oversight. *J. Financial Econ.* 1988, 20, 237–265.
- Puk, M.; Bičevskis, J.; Gendelis, S.; Karnītis, E.; Karnītis, G.; Eihmanis, A.; Sarma, U. Role of Local Governments in Green Deal Multilevel Governance: The Energy Context. *Energies* 2023, 16, 4759. <https://doi.org/10.3390/en16124759>
- Rachinger, M., Rauter, R., Müller, C., Vorraber, W., & Schirgi, E. (2019). Digitalization and its influence on business model innovation. *Journal of Manufacturing Technology Management*, 30(8), 1143–1160. <https://doi.org/10.1108/JMTM-01-2018-0020>
- Rugman, A., & Oh, C. H. 2008. Friedman’s follies: Insights on the globalization/regionalization debate. *Business and politics*, 10(2): 1–14.
- Sakawa, H., & Watanabel, N. (2020). Institutional ownership and firm performance under stakeholder-oriented corporate governance. *Sustainability (Switzerland)*, 12(3) doi:10.3390/su12031021
- Salehi, M., Arianpoor, A., & Dalwai, T. (2020). Corporate Governance and Cost of Equity: Evidence from Tehran Stock Exchange. *Journal of Asian Finance, Economics and Business*, 7(9), 149-158. <https://doi.org/10.13106/jafeb.2020.vol7.no7.149>
- Shahbaz M, Shahzad SJH, Mahalik MK (2018a) Is globalization detrimental to CO2 emissions in Japan? New threshold analysis. *Environ Model Assess* 23:557–568
- Scherer, A. G., & Palazzo, G. (2011). The new political role of business in a globalized world: A review of a new perspective on CSR and its implications for the firm, governance and democracy. *Journal of Management Studies*, 48, 899–931.
- Shahbaz M, Mallick H, Mahalik MK, Loganathan N (2015) Does globalization impede environmental quality in India? *Ecological Indicators* 52:379–393. <https://doi.org/10.1016/j.ecolind.2014.12.025>
- Sheraz, M., Deyi, X., Mumtaz, M. Z., & Ullah, A. (2022). Exploring the dynamic relationship between financial development, renewable energy, and carbon emissions: A new evidence from belt and road countries. *Environmental Science and Pollution Research*, 29(10), 14930-14947. doi:10.1007/s11356-021-16641-0
- Shleifer, A.; Vishny, R.W. A survey of corporate governance. *J. Financ.* 1997, 52, 737–783.
- van Schalkwyk, M. C. I., Barlow, P., Siles-Brügge, G., Jarman, H., Hervey, T., & McKee, M. (2021). Brexit and trade policy: An analysis of the governance of UK trade policy and what it means for health and social justice. *Globalization and Health*, 17(1) doi:10.1186/s12992-021-00697-1

- van Helden, J. and Reichard, C. (2019), "Management control and public sector performance management", *Baltic Journal of Management*, Vol. 14 No. 1, pp. 158-176.
<https://doi.org/10.1108/BJM-01-2018-0021>
- van Eck, N. J., & Waltman, L. (2013). {VOSviewer} manual. Leiden: Univeriteit Leiden, January. http://www.vosviewer.com/documentation/Manual_VOSviewer_1.6.1.pdf
- Witt, M. A. 2019. De-globalization: Theories, predictions, and opportunities for international Business research. *Journal of International Business Studies*, 50(7): 1053–1077
- Xu, X., Abbas, H. S. M., Sun, C., Gillani, S., Ullah, A., & Raza, M. A. A. (2021). Impact of globalization and governance determinants on economic growth: An empirical analysis of asian economies. *Growth and Change*, 52(2), 1137-1154. doi:10.1111/grow.12475
- Yoshimori, M. Whose company is it? The concept of the corporation in Japan and the west. *Long Range Plan.* 1995, 28, 2–44.