JOURNAL OF INTERNATIONAL FINANCIAL MANAGEMENT & ACCOUNTING

Journal of International Financial Management and Accounting (JIFMA)

Special Issue
CSR, Financial Decisions, and Corporate Resilience

Overview

Resilience is often described as the ability to bend but not break, bounce back, and perhaps even grow in the face of severe adverse experiences. It is deemed to be influenced by a combination of biological, psychological, social, and cultural factors, all of which interact to shape an individual's response to challenging experiences (Southwick et al., 2014). The concept applies to individuals as well as organizations at large. Organizational resilience is the ability of an organization to anticipate, prepare for, respond, and adapt to incremental change and sudden disruptions to survive and prosper (Denyer, 2017). Focusing on resilience is crucial in times of multiple disruptions such as the Russia-Ukraine war, the resurgence of hyperinflation, the ongoing global pandemic, and the impacts of global climate change, for corporations and their stakeholders. Other major disruptions can stem from systemic banking crises and other unpredictable, high-impact, commonly referred to as Black Swans (Taleb, 2007). For instance, Levine et al. (2018) examine corporate resilience to systemic banking crises. They analyze whether social trust affects 1) the ability of firms to obtain financing through informal channels when crises reduce the flow of bank loans to firms and 2) the resilience of corporate profits and employment to systemic banking crises.

Nowadays, companies are facing the challenge of managing and reducing the impact of disruptions, such as by establishing more resilient supply chains and adopting sustainable or circular economy models. Flexibility, agility, and adaptability have also been recognized as critical characteristics of resilient organizations. Flexibility is the ability of organizations to change in a short time and at a low cost (Ghemawat & De Sol, 1998). Agility is the ability to develop and make faster decisions (McCann, 2004) and adaptability refers to the ability to fit in within the environment (Chakravarthy, 1982).

On the other hand, as defined by Aguinis and Glavas (2012), CSR covers "context-specific organizational actions and policies that take into account stakeholders' expectations and the triple bottom line of economic, social, and environmental performance." The definition emphasizes the inclusion of a broader set of "stakeholders" with social and environmental goals in addition to the objective of profit maximization. Prior literature examines firm- and country-level factors that are associated with, caused by, or outcomes of ESG/CSR attributes of a firm (Gillan et al., 2021). For instance, Liang and Renneboog (2017) investigate country-institutional factors that enhance firms' CSR commitment. Prior literature has also assessed whether CSR disclosure and sustainability indices improve firms' creditworthiness (Brogi et al., 2022) or are value-relevant to markets, investors, and analysts (e.g., Lu and Abeysekera, 2021). Pizzi et al. (2021) examine how institutional factors and organizational dynamics drive SDG disclosure and reporting. Moreover, exogenous shocks such as the COVID-19 pandemic and the Ukraine-Russia conflict can have both immediate and lasting impacts on firms, influencing their performance, decision-making processes, and overall behavior. From this perspective, some studies examine how the COVID–19 pandemic affected the European green bond market (Cicchiello et al., 2022), responsible banking (Kara et al., 2022), stock market returns, and the relationship between corporate social responsibility (CSR) (Bae et al., 2021; Ding et al., 2021). Additionally, the United Nations adopted in 2015 the Sustainable Development Goals (SDGs) as a means of achieving a transition to a more ecologically sound and inclusive society by 2030, with the overarching aim of eradicating poverty and inequality. Consequently, integrating some or all of the 17 SDGs has become a priority for many financial institutions, as they seek to balance social, economic, and environmental sustainability within their decision-making criteria.

Despite this burgeoning research, more work is still needed to fill the existing research void and better understand the remaining unexplored research questions. What are the implications of adopting the SDGs in financial decisions and do these contribute to greater resilience of these institutions and their client base? This special issue will focus on how financial decisions and CSR policies contribute to corporate resilience, for instance, by fostering flexibility, agility, and adaptability. These financial decisions can be standard corporate finance decisions and/or made by the banking industry (credit policies, social and development banking, investments in digital banking, use of blockchains, and other new technologies). Globally, the question addressed by this special issue may be summarized as: Are financial decisions made with (or without) a CSR vision allowing these organizations to be more resilient to different risk and shock types?

Guest Editors

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Rationale and Scope

With the increased challenges to our current financial and economic systems (ecological transition, Russia-Ukraine war, high inflation, systemic risk, and the global pandemic), it is important for decision-makers to have access to a roadmap for understanding which financial decisions taken in a corporate context can increase the resilience of their organizations, financial institutions and in non-financial corporations alike. This special issue aims at gathering some elements to help build this roadmap, leading to better decision-making.

About JIFMA

The Journal of International Financial Management and Accounting publishes original research dealing with international aspects of financial management and reporting, banking and financial services, and auditing and taxation. Providing a forum for the interaction of ideas from both academics and practitioners, the Journal of International Financial Management and Accounting keeps you up-to-date with new developments and emerging trends.

Submission

The special issue of the Journal of International Financial Management and Accounting (JIFMA) is associated with the 39th French Finance Association Annual Meeting (AFFI), which will be held at Kedge Business School, Bordeaux, France, on June 5th–7th, 2023. The conference website is: https://affi2023.eventsadmin.com/Home/Welcome

Authors of fully developed and high-quality papers presented at this conference will be invited to submit their papers to the special issue. However, attendance or presentation at such conferences is not a pre-requisite for submission. Articles for this special issue should be submitted to the journal by **September 30th, 2023** (early submissions are highly encouraged). Full paper submissions must be in accordance with the journal guidelines. All submissions will be subject to an initial screening by the Guest editors. All manuscripts will be subject to a double-blind reviewing process and must be submitted through the journal website (https://mc.manuscriptcentral.com/jifma). Each submission must indicate that the manuscript is intended for this Special Issue. All papers must have an original contribution and meet the high publishing quality standard of the journal.

Potential topics

Topics that interest the special issue include, but are not limited to:

- Benefits of implementing sound CSR policies during bad times (Covid–19 pandemic/ Ukraine-Russian War).
- Corporate financial decisions that foster resilience
- The financial implications of Sustainable Development Goals (SDGs)
- CSR/ESG: Antecedent, implications, and impact on resiliency
- Innovations in banking that foster resilience
- Social and development banking models: are they better for resilience?
- Mitigating physical risks and resilience
- CSR/ESG criteria and resilience
- Green investing and resilience
- Paris agreement 2% target congruence and resilience
- Stranded assets, risk management and resilience
- Financial decisions, risks, and resiliency

Important dates

Submission starts: July 1st, 2023
Submission deadline: September 30th, 2023

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