



EDITORIAL

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One would have imagined that after the economic meltdown that shook the earth's tectonic plates, corporate governance ought to have become the bible for businesses. It may be the most demanded word in business diction but has failed to arouse action because so much of it seems unreal, artificial, fake and rhetoric. Regulation and governance as well as their compromise are one of the most important targets set by regulators as well as governors. Does corporate governance influence firm performance in crisis or not? Does corporate governance have an entire potential to contribute to preventing systemic risks? What are the corporate governance standards effectively contributing to improving financial institutions? Do financial institutions need more strict regulation nowadays? Will more regulation work? Should the financial

market regulation be unified worldwide? All these issues, and related ones, will be accurately explored by authors of the Volume. This Global Journal of Strategies & Governance issue is look at new perspectives on how to reform regulation and corporate governance nationally and globally to minimize systemic risks and improve financial institutions as well.

A total of 57 papers were submitted for the competitive tracks of this issue. That is a record breaking number over those last year's history showing how our Review is perceived as a premier outlet for academic research in strategies and Governance area. Out of the 57 submitted papers 8 were accepted into twenty tracks, deriving an acceptance rate of just 8,04%. This is indeed tough competition for an author to get a paper into GJSG, considering the standards of international review. So, thank you goes to our sponsors, for their exceptional work and support.

Introducing the volume Prof. Wei-Bin Zhang (Ritsumeikan Asia Pacific University, Jumonjibaru, Beppu-Shi, Oita-ken, Japan), builds a monetary growth model with home production and endogenous labor supply. The model synthesizes the main ideas in the neoclassical growth theory and the cash-in-advance approach in monetary theory in a compact framework. We show that the dynamics of the economy can be described by -dimensional differential equations. We simulate equilibrium and motion of the economy with specified

monetary policies, preference for education, efficiency of applying human capital and technology. As the monetary economic system is has a unique saddle point, the economy may either experience unlimited growth or economic crisis. We also study effects of changes in some parameters on the economic equilibrium.

And then through the second article questions about the future of banks as payment intermediaries by Dr Anna Iwańczuk coming from Poznan University of Economics, examines the payment systems in contemporary market economies and note that it have been built around the banking industries. Banks have always been prominent payment intermediaries. Their traditionally dominant position in retail payment systems and services is being increasingly challenged by various non-bank payment service providers. Moreover, non-bank entities provide services to banks in different stages of the payments within outsourcing. This has many implications for the market of payment services and raises questions about the future of banks as prominent intermediaries in payments. The paper presents the design of payment system in modern market economy and focuses on interconnections between payment and banking systems in their development. Then it discusses current role of banks in payments and identifies changes in the environment and inside payment systems affecting banks' position as payment intermediaries. It concludes with a summary and some questions related to the future role of banks in payments.

From a more local point of view, the third article (Pr. Maria L. Nathan from a School of Business and Economics Lynchburg College - USA) investigates the ways which are the strategic management practices within Asia and the West. In search of an answer to this question, she note that the researchers have given shape to three perspectives: (1) universal convergence suggests that for varied reasons there is general practice among Asian and Western firms; (2) contextualism focuses upon cross-national firm difference, and (3) crossvergence studies the synergistic effects of convergence and divergence upon Asian and Western firms. Research findings to date depict complex, countervailing forces operating both within and outside firms, nations, and across the globe. It is argued that rejection of any one perspective is not appropriate for various reasons and could deter progress toward a clearer understanding of difference, similarity, and hybridization between Asian and Western firms. Recommendations for future research are offered, including alternative frameworks for reconciling the three perspectives.

The fourth paper the department of economics and management - University of Ferrara (Italy) by Otuo Serebour Agyemang, PhD Candidate and Pr Monia Castellini, examine how board and shareholder controls result in good corporate governance in one of the major financial institutions in Ghana. A descriptive qualitative case study method was employed. The findings reveal that the company's major shareholder exerts shareholder control over the activities of management. The results also portray

that an effective and efficient board is a vital driver in determining good corporate governance. This usually happens when controlling equity holders do not deal with aspects of control which are vested in the board.

In the fifth paper, Dr Fabio Franch (West Virginia University, USA) & Dr Andrei Nesterov (St. Petersburg University, Russia) empirically investigates how relevant elections are even from an economic point of view. paper examines the outcome of the election on the stock market in Russia, a country that has not completed its transition to a democratic system and it is actually reverting to a more authoritarian regime; we have found no research investigating this aspect of Russia's elections (or even elections in Russia in general) and it is in this small niche where we would like to contribute with our work. The research allows comparing the effects of elections in Russia with the well-covered field of elections in democratic countries, thus enriching the field with observations relative to whether there are universal laws for elections that apply worldwide.

The sixth article's author Dr Murya Habbash (Assistant Professor, King Khalid University, Abha, Saudi Arabia) & Dr Ehsan Al-Moataz, (Professor, Umm Al-Qura University, Makkah, Saudi Arabia), postulates that provides empirical evidence that audit committee effectiveness is associated with economic factors, audit committee effectiveness increases with board independence and board diligence and decreases with the firm's leverage and state ownership. Moreover, there are a positive association between audit

committee effectiveness and audit quality and large firm size. At the same time, a substitution effect is observed among internal control mechanisms, ownership types and audit committee effectiveness. Audit committee effectiveness increases with the supply of active and independent directors and with the demand for monitoring, and decreases with the availability of substitute monitoring mechanisms.

The seventh topic is an Expert Opinion about the relationship between perspective managers and "sticky costs" in the stock exchange. An Interview with Dr Zhang Jianguo, Vice Chairman, Executive Director and President of China Construction Bank (CCB) conducted and Documented by Dr Bradley O'bred and Dr Kelly McJames, University of Oxford. They note that, recent research conducted on the behavior of costs shows that costs do not change in proportion to changes in sales. To describe it Dr Zhang Jianguo say, costs will increase in proportion to the sales increase, but will not decrease in proportion to the decrease in sales, this disproportionate costs, called sticky cost. There are two theories concerning the causes of sticky costs: One suggests that costs become sticky as a result of the deliberate decision of managers (hereafter referred to as the - deliberate decision theory -). Other theory points out those costs may become sticky as a result of costs decline being unable to keep up with sales declines (hereafter referred to as the - cost adjustment delay theory -). Up to now comment of conscious decision and management's expectations from sales in the future



has not been tested directly. Therefore in this interview, comment of conscious decisions using predict management from sales in the future has been tested. The opinions of our Expert are based on firms listed in Stock Exchange for the 5 year period from 2005 to 2010: he shows when managers are optimistic about future sales the stickiness of cost increased.

In the last position, a book review by Joo Eng Lee-Partridge, Department of MIS, Central Connecticut State University, USA. The book (Competitives strategies & organizational crisis: the public decision adaptation by Prof Amedzro St-Hilaire published in 2013, by Lambert Academic Publishing, 549 pages) tries to revive the public debate on the challenges and difficulties exposed by market competition by raising in effect, the absence of international regulation and the weaknesses of the international economy, which together, risk accelerating the international crisis and thus destroying entrepreneurial tools. The author however, addresses this topic in one regard: he intends to limit analysis to challenges posed by the new international economic policies in political economy which, in general opinion, seems to have suffered particularly from the phenomenon of organizational crisis. The book therefore pursues two main goals: firstly, to define and evaluate the nature and extend of the current crisis so as to prevent a certain conformism but a simplification, from leading to a misunderstanding on the availability of

economic policy to reform and public support in strengthening entrepreneurial while simultaneously ensuring a societal development.

I want to warmly thank our scientific committee's superb effort again on careful detailed selection of the works published in this issue from works received since the beginning. We would like to thank also all the authors who prepared and submitted their papers and warm thank you goes also to all the reviewers who despite their time constraints were highly committed to put their expertise into the reviewing process. They needed to put a lot of effort in managing their tracks namely taking into account the staggering number of submission they were faced with. Global Journal of Strategies & Governance furthers the objective of excellence in research by publishing worldwide; we make it a point of honour to answer the authors really quickly to allow them to redirect their paper towards other Journals in case it was not accepted. Congratulations again on your successful acceptance, and thank you for allowing the Global Journal of Strategies & Governance to publish your research.

Finally, it's my honor to invite you to contribute manuscripts to our journal. Please find the journal's profile at our website <http://www.review-gjsg.com/> for our forthcoming events (conference) and send your manuscripts to publication@review-gjsg.com It is appreciated if you could share this information with your colleagues and associates.

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