Int. J. Mgmt. Hum. Sci. 2024; 8(1): 27-41

https://doi.org/10.31674/ijmhs.2024.v08i01.003

IJMHS

International Journal of Management and Human Science

www.ijmhs.org

Corporate Governance Policies under COVID-19 Pandemic: Experiences of Some Emerging Economies

Bello Yakubu Aminu[1], Amiya Bhaumik[2], Afolabi Abiodun Ademola[3]

[1]*Central Bank of Nigeria, Tafawa Balewa Way, P.M.B 0187, Abuja, Nigeria*

[2]*Lincoln University College, 47301 Petaling Jaya, Selangor D. E., Malaysia*

[3]*National Open University of Nigeria, Plot 91, Cadastral Zone Nnamdi Azikiwe Expressway Jabi, Abuja Nigeria*

[*]*Corresponding Author's E-Mail: belloyakub313@gmail.com*

Abstract

The COVID-19 pandemic surprised the global community, which led to the transformation of how the global economy conducts its day-to-day businesses. The primary purpose of this paper was to investigate the mitigating policies that countries put in place to curb the havoc caused by the pandemic. The study documented the impact of the pandemic on corporate governance outcomes (annual general meetings, audit committees, executive pay, and disclosure). The findings showed that governments in the emerging markets studied had implemented policies and regulations for business continuity in addition to the globally coordinated responses. The study also found that emerging countries must develop far-reaching policies and capabilities to deal with similar pandemics.

Keywords: *Corporate Governance; Global Economy; Policy Implementation; Crisis Management*

Introduction

The COVID-19 pandemic has wreaked havoc on society, affecting the lives of millions of people, their well-being, financial systems, and the global economy. This new reality has permeated every facet of human life. Governments in some emerging countries are releasing a variety of fiscal and financial policies as they deal with the crippling impacts of the pandemic outbreak on their population and economy, try to control recessions, and plan for a post-COVID-19 recovery. With the shocks and waves of uncertainty continuing, the effects have not been any less detrimental for corporations. Bankruptcy and liquidation rates for corporations during and after the pandemic are unknown, even though companies are fighting for their existence. COVID-19 had affected al the strata of individuals in the United States, however, the low-income were most vulnerable due to certain societal attributes that constrained their opportunities and suffered disproportionately (Ronaghi & Scorsone, 2023). However, it has long been known that contemporary companies play crucial strategic roles in the socioeconomic growth of society due to the sheer magnitude of their financial resources. This has led to certain firms becoming more economically prosperous than some governments. This paper aims to analyse the ramifications of COVID-19 for corporate governance practices in emerging economies, drawing on concepts from stakeholders' conceptions of corporate governance.

Nonetheless, as the pandemic affected emerging and industrialized economies, corporations in the area must be more flexible and apply sound governance standards, which are now more challenging. COVID-19 has had four effects on corporate governance: annual general meetings, executive pay, audit committees, and disclosure. Due to national shutdowns caused by the pandemic, holding Annual

Received: 30 July 2023; Received in revised form: 19 August 2023; Accepted: 7 September 2023

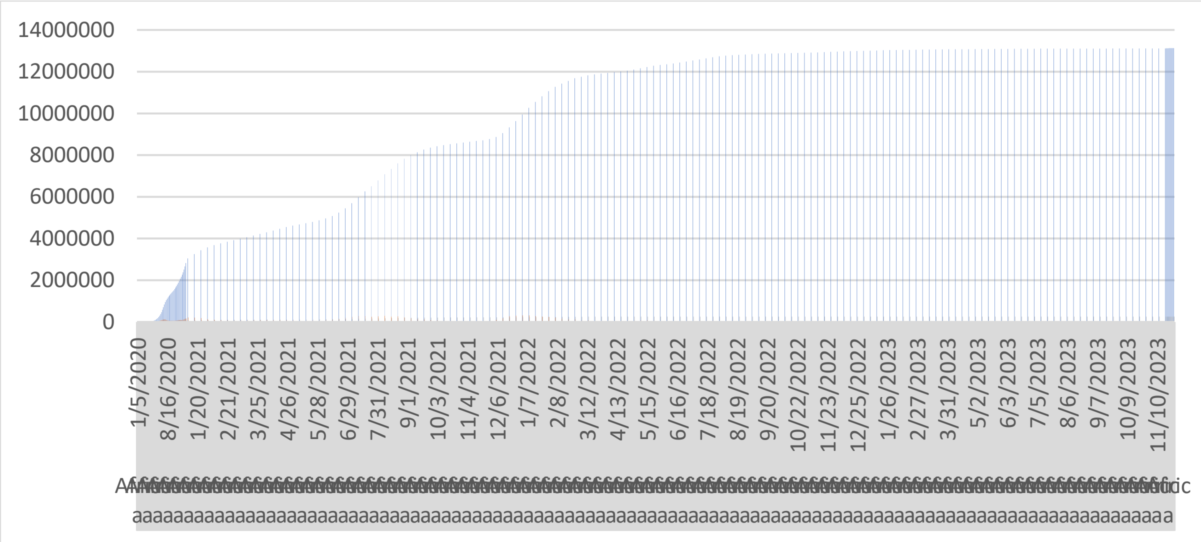
General Meetings has been challenging. Portugal, Russian Federation, and Singapore are the only countries that have extended these periods. Austria, the Czech Republic, and Poland also encouraged remote attendance at AGMs. The federal government and professional bodies in emerging economies should also provide standards and guidance on determining if a gathering has a quorum, who should preside over it, which executives are welcome or required to attend, and alternative locations if the initially scheduled area is inaccessible. When there is a sharp drop in business, shareholders may dispute the legitimacy of continuing CEO compensation. The compensation committee is responsible for re-evaluating the relative salaries of executives and staff. The Securities and Exchange Commission (SEC) needs to issue regulations that businesses in less developed nations may follow as models (Sturgeon, 2021). A crucial part of the standards is a procedure for evaluating the compensation and benefits of top-level executives. To bolster staff morale and win back the trust of shareholders, some corporations have lowered CEO salaries.

Regarding the pandemic, openness and uncertainty reduction are among the most pressing concerns that the audit committee of a company needs to address. There has been a significant delay in the presentation of financial accounts by many businesses. If audit committees can hold their meetings digitally, the effectiveness of evaluating internal control over financial reporting may be improved (Chalevas *et al.*, 2021). During this epidemic, some concerns should be addressed. It is essential to monitor the impact this will have on the bottom line, the capacity of the business to generate cash flow, the essentials of maintaining capital levels, and the balance sheets. It is essential to monitor any changes that may be made to internal reporting systems, such as risk, human resources, legal, and accountability. They must be informed to ensure the administration knows everything necessary. Keeping a close eye on things like financial distress, ongoing worries, accounting projections, and events that occur after the reporting period has ended is essential.

Global Accounting Guidelines 1: The presentation of Financial Statements poses the greatest obstacle to transparency because it mandates an evaluation of the company's viability for continued operations by the executive team. COVID-19 significantly impacts risk management, especially regarding anticipated credit loss measurements and evaluations under IFRS 9 Financial Instruments. The businesses will need to revise their projections and disclose enough information to make investors aware of the actual state of their finances. There is a greater demand than ever for high-quality accounting reporting because of the pandemic situation and its financial consequences, as stated by IFAC (2020). One reason is that investors have been pushing for more transparency and material that looks to the future.

Corporate Governance Practices in Emerging Countries in Africa under COVID-19 Pandemic

Businesses' care for their stakeholders, the strength of governance practices (executive management and organizational), and commitment to Corporate Social Responsibility (CSR) are tested during financial and social turmoil. In the year 2020, COVID-19 continued to be a significant cause of socioeconomic upheavals across emerging African countries, from Egypt, where the initial virus was confirmed, to the South African Republic, which was the core of the epidemic in the area (Netswera & Moyo, 2022). The GDP growth average in emerging nations in Africa in 2020 plummeted from 3.2% to 1.8% because of the significant economic harm, social expenses, and impaired general well-being imposed by the COVID-19 epidemic, as reported by the United Nations Economic Commission for Africa (UNECA). The lockdown restrictions imposed by various governments and regions are a crucial alternative solution in the fight against the epidemic. Individuals and companies would have immediate and long-term fiscal impacts if a lockdown were maintained. These actions hampered international travel, commerce, business, and supply networks. A sudden global health epidemic severely restricted worldwide financial activities, causing the 2020 global economic crisis (Gamil & Alhagar, 2020; Licong, Hui & Bhaumik, 2023). The preceding worldwide financial crises were sparked by corporate collapses, financial disparities, and regulatory issues resulting in extreme vulnerabilities, among other causes. Four-fifths of the firms polled in the first thorough review on COVID-19 and its economic consequences on enterprises throughout Africa reported being considerably affected by the present COVID-19 issue, rating the impact as highly severe. Companies shut down due to a lack of available operating capital, a decline in demand, and a decline in the availability of marketing channels to reach new clients. In addition, it was predicted that under the worst-case scenario, economic activity for all of Africa could shrink by 2.6 percent, having an incredibly detrimental effect on job creation. As of June 12, 2020, the epidemic had claimed 8779 lives and spread to 520,373 people throughout 52 African nations. However, the economic situation was far worse. The whole continent's economy fell by as much as 3.4% in 2020, according to the African Development Bank (AfDB).



Source: https://github.com/owid/covid-19-data/tree/master/public/data

Figure 1: Africa COVID-19 Total Cases: 2020-2023

Local and international businesses throughout Africa saw the effects of the COVID-19 pandemic. In 2020, the pandemic will still significantly impact emerging African countries' social and economic stability. Diallo *et al.* (2023) in their study on some African countries reported that despite the implementation of non-medical intervention to COVID-19 outbreak, some countries experienced slowdown in economic activities, job losses, especially to the vulnerable, gender violence, and poor mental health conditions. Overall, local enterprises only used 43% of their potential, with only the most extensive using even that much (Addison, Sen & Tarp, 2020). Manufacturing, healthcare, entertainment, transportation, and commerce ran at or near their minimum capacity. The decline in demand for product lines; decreased organizational income; reduced chances of meeting new consumers; closing of businesses; problems with shifting corporate strategy and finding different products; decrease in workers' production and productivity from home-based work; incapability of many employees to revert to the workforce; difficulties in logistical issues and shipments of product lines; and troubles in obstructing competition are all issues that African enterprises were reported as being among the most difficult to overcome. Based on these dismal findings, it made sense for companies to focus on staying in business and avoiding collapse. This means that although cash flow forecasting was a top issue for micro, small, and medium-sized organizations (MSMEs), major corporations faced the problem of adjusting their business models to the recession. Because of the pressing need to ensure the company's long-term viability, philanthropic contributions from the few remaining businesses were often disorganized and insufficient. Critical decision-making back then was riddled with ambiguity, presenting its difficulties.

Despite these challenges, a wealth of information is available that documents how African businesses responded to the Ebola outbreak. These responses include the supply of food stocks, the distribution of test kits, the distribution of healthcare and safety kits, and many other responses (Manero *et al.*, 2020). Companies, banks, large corporations, and wealthy individuals in most African countries came forward to contribute only a short time after the epidemic. They have maintained this pattern to assist and supplement the government's efforts. Egypt and the Republic of South Africa are just two of the many countries that exhibit a striking pattern similar to this one. Some people are concerned that multinational corporations operating in mining, petroleum, gas, and chemical plants are using the catastrophic pandemic to push their pre-existing globalist agenda. This schedule includes reductions in environmental regulations, suspended environmental enforcement agencies, criminalizing ecological demonstrations, and specific government bailouts in many nations. Africa's regulatory authorities must maintain continual monitoring and insistence on doing the right thing to prevent premature corporate giving and manipulation.

Concurrently, authorities and organizations worldwide collaborated to improve the business community's awareness of the growing threats posed by the COVID-19 outbreak. The report entitled COVID-19 Risks Outlook: A Preliminary Mapping and its Implications was released by the World Economic Forum (Nam & Nam, 2021). The study served as a follow-up to the Forum's regular Global Risk Report. More specifically, they analyzed the responses of approximately 350 top risk experts worldwide who participated in the COVID-19 Risk Perceptions Survey. Experts in risk management were polled on their opinions about 31 potential threats, broken down into the following three groups: most likely for the globe, most troubling for the world, and most concerning for businesses. For businesses, in particular, two-thirds of participants stated the possibility of a lengthy recession. At the same time, half cited the possibility of insolvency and industry mergers, the inability of businesses to recover, and the disruption of supply networks. The research concluded that the best way to address the pressing commercial and economic difficulties brought on by the epidemic was for the public and private sectors to work together continually.

To the same end, PwC has developed a free online analysis tool called "COVID-19 Navigator" to assist organizations in gauging their vulnerability to the virus and planning for a response. This online resource helped businesses assess their preparedness for the COVID-19 pandemic in crisis preparation and mitigation, human resources, logistics and supply chain, banking and cash flow, taxes and commerce, and policy and brand. PwC also created another tool to monitor different nations' tax, legal, and financial responses to the epidemic. The emergence of the COVID-19 epidemic only served to shine a brighter light on the ineffective and poor regulation processes, ingrained inequality, and insufficient social security that permeate emerging African countries (O'Neil, 2022). In the same vein, regional corporate governance faces the same challenges. Corporate governance and CSR compliance problems were nebulous when the pandemic hit the region. This is especially true when considering the corporate laws of newly independent African states that have yet to shed their colonial legacies entirely. To overcome this difficulty, legislators needed to take appropriate measures on corporate governance problems such as the membership, autonomy, and salary of the board of trustees in share corporations and the segregation of oversight and management tasks. While it is true that much African corporate legislation currently fulfils this need, improvements to corporate law are still needed, especially in the areas of governance, transparency, responsibility, enforcement, and monitoring (Van Loo, 2020). For instance, opportunistic firms may manipulate a corrupt or lenient regulatory regime or a weak means of enforcement to further their ends. Zhang *et al.* (2023) in their study on economic crisis management during the COVID-19 pandemic stated that Nigerian government had lessened some restrictions to enhance ease of doing business, however unorthodox regulations still hindered business growth.

Moreover, emerging African countries require improvements to the underlying justice systems, the rule of law, and corruption. The rule of law, verifiable contracts, and a legal system are generally agreed upon as necessary components of an environment conducive to economic growth and the recruitment of foreign investment (Arcuri & Violi, 2021). For example, nations must show them that the legal system is fair and can uphold agreements when inevitable disagreements arise to attract and keep investors. Besides capital deficiency, corruption and inefficient government bureaucracy are among the most significant barriers to business expansion in emerging nations (Malanski & Póvoa, 2021). Without question, the strength of the rule of law inside a country's judicial system is one of the most crucial factors in ensuring good business behavior. Debates over maximizing a company's worth can only happen if the foundations of transparency and security from self-dealing have been established because investors will only put money into a country or participate in CSR initiatives if they can get a good return. Increasing intra-African commerce requires, among other things, that emerging African countries industrialize. To further innovate, control, and streamline governance practices, they must also capitalize on the possible role of the Fourth Industrial Revolution. With more intra-African trade, development, and employment generation leading to better socioeconomic development, the recently signed African Continental Free Trade Agreement offered an excellent chance to advance the Sustainable Development Goals quickly. Even if the delays caused by the epidemic prevented trade under the AfCFTA from beginning in July 2020, all was still possible because the legislation's potential would be realized if African states worked together to speed up the process of its execution. There is no denying the significance of corporate investors in federal partnerships.

Corporate Governance Practices in the Czech Republic under COVID-19 Pandemic

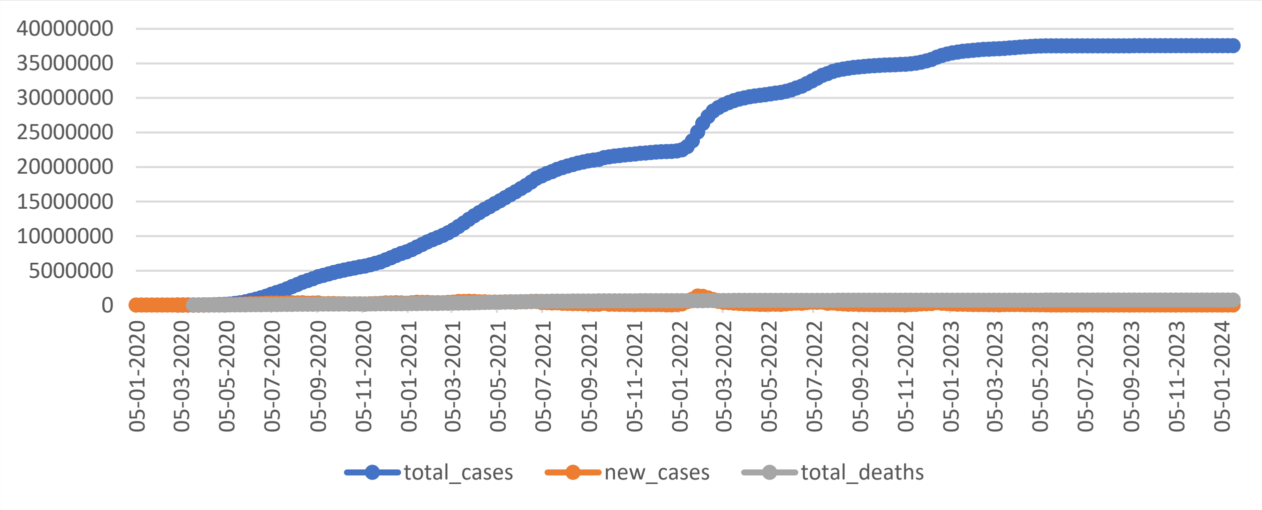
As the COVID-19 pandemic progressed, so did legislative responses in the Czech Republic. After passing the most imperative actions to safeguard the public's health, the Czech legislature and government turned their attention to the private sector, which had similarly remained harshly affected by the crisis. One of the initiatives adopted was crucial, meant to mitigate the effects of the coronavirus on those who participated in court proceedings, wounded individuals, victims of crimes, and administrative individuals. This law and other factors incorporated a particular foundation concerning policy by legal entities, terms of office of representatives of corporate entities, and debate within corporate entities. The significant constraints imposed due to the pandemic meant that holding in-person meetings of the necessary corporate body was either impossible or extremely difficult (Jurcik *et al.*, 2021). Nevertheless, this temporary structure under Lex COVID contained solutions such as:

The new meeting cycle began in late 2020. Under Lex COVID, the regular legislated cut-off date for carrying out annual general meetings of businesses, that is, half a year since the conclusion of the former financial year, to start addressing the financial statement of such a financial year was stretched until the expiration of 3 months after the revocation of the unique pandemic-associated constraint, but no longer than the end of December 2020. Conferences and general assemblies held in absentia by corporate entities or legal entities could have taken decisions under Lex COVID even if individual people were not physically present at a corporate body meeting amid constraints linked to a pandemic. Therefore, even if the business's charter does not permit it, general meetings, and conferences of designated bodies of legal persons (such as boards of executives or management boards) could have been held outside the gathering via letter or technical means.

The periods of office of representatives elected to elected bodies were either renewed or extended. If the office term of a participant in an appointed business body had expired throughout the existing pandemic-associated constraints or within one month of deferral, that participant's office term would be automatically renewed for three months beginning on the day when the constraints were suspended. This would be the case even if the participant's office term expired within one month of suspension. Members of elected bodies had until the end of their current terms to notify the corporation of their objections to the extension; otherwise, their terms would have been automatically renewed. If members of elected bodies disagreed with the extension, they had until the end of their current terms to do so. In addition, let us assume that the number of people participating in an executive assembly remained at least fifty percent. In that scenario, the body could have, following Lex COVID, appointed its replacement participants until the following conference that was obligated to appoint its participants, even if the founding principle did not permit doing so. This could have been done through an arrangement made between all the body's existing members. If the office term of a participant of the enterprise body was set to expire between the date of implementation of the unique pandemic-associated constraint and April 2020, and if no additional participant of such a body had been appointed by that time, then their office term would be automatically renewed if the member agreed to it (Trebilcock, 2021). However, this would only be the case if no additional participant in such a body had been appointed by the time of the expiration. A participant of an elected body whose term of office would have expired within three months after the lifting of pandemic-related constraints but for the shipping of their consent in conjunction with the regeneration of their office to the corporation had that term of office renewed as of the date of presentation of their consent had their term of office extended until the end of the three months after the lifting of the pandemic-related constraints.

Corporate Governance Practices in Brazil Under COVID-19 Pandemic

The previous several years have been trying for all nations, and Brazil is no exception. Over 700,000 businesses (mostly small ones) in Brazil were predicted to shut down in the first half of 2020 due to the financial catastrophe brought on by the COVID-19 outbreak (Cassells *et al.*, 2020). Due to the restricted availability of economic resources in Brazil, many significant corporations that needed funds to expand their operations were forced to list their shares on stock markets abroad (Gupta *et al.*, 2022). Corporations were put in an unusual position of having to innovate to survive. At the same time, the government was compelled to act and publish laws to improve corporate governance to entice investors and stimulate entrepreneurship amid the crisis.



Source: https://github.com/owid/COVID-19-data/tree/master/public/data

Figure 2: Brazil COVID-19 Cases: 2020-2023

Alshhadat and Al-Hajaya (2023) argued that constraints during COVID-19 on corporate governance weakens the ability for effective oversight, thus management had the liberty for all sort of manipulations. The authors suggested a new approach to corporate governance support, namely flexibility, IT infrastructure, risk management, and control policies. Brazilian shareholders were caught in the middle of a lockdown when the COVID-19 pandemic struck, right around the time of annual general meetings (Bozkurt *et al.*, 2020). Mandatory shareholder meetings are held annually to ratify the previous year's accounting information, management reports, strategic planning, fiscal council elections, and dividend payments (de Barros *et al.*, 2021; Emmanuel *et al.*, 2023). However, things were further complicated because Brazilian business law was extremely stringent about where annual general meetings could be held. It was expected that all employees would show up at the main office every day. In the case of unforeseen circumstances, such as a global epidemic, general conferences may be held somewhere other than the headquarters. Given the significance of annual general meetings (AGMs), the authority wisely amended the Corporate Entities Law (Law 6404), the Civil Code, and the law governing organizations in 2020 to permit privately held and publicly traded enterprises, corporate entities, and cooperative societies to carry their conferences in person, entirely virtually, or in a blended format. Many companies adopted blended and virtual formats for annual assemblies due to the reform's achievement and the reduced cost and increased shareholder engagement they provide (Walker Pekmezovic & Walker, 2019).

Beginning an enterprise in Brazil is now easier than ever, thanks to amendments made to the country's corporate governance regulations by Law 14195/2021, also known as the "Business Environment Improvement Law." When comparing the rate of new business formation across 190 nations, the World Bank ranks Brazil at position 124 this year (Thukral & Ratten, 2022). By standardizing the organization and trying to make it simpler to get permits and authorizations for the execution of new entities, the new law massively diminished the bureaucracy involved in launching a new Brazilian enterprise (Stuber *et al.*, 2008).

Outstanding voting stock. Before Law 14195/2021, shareholders of a Brazilian firm only had one vote per share. Under the new rules, publicly traded and individually owned businesses can issue ordinary stock of varying classes, with as many as ten votes attached to each common stock (super-voting shares) (Hirst & Kastiel, 2019). Stocks of public and corporate entities can only embrace super-voting stocks before they are traded publicly; a competently qualified majority is required for the granting of different voting shares; the term of the super-voting stocks is capped at seven years (though it can be extended under certain circumstances); and in the event of an instantaneous conversion, the super-voting stocks will be converted into stocks even without additional voting rights (Westbrook, 2020).

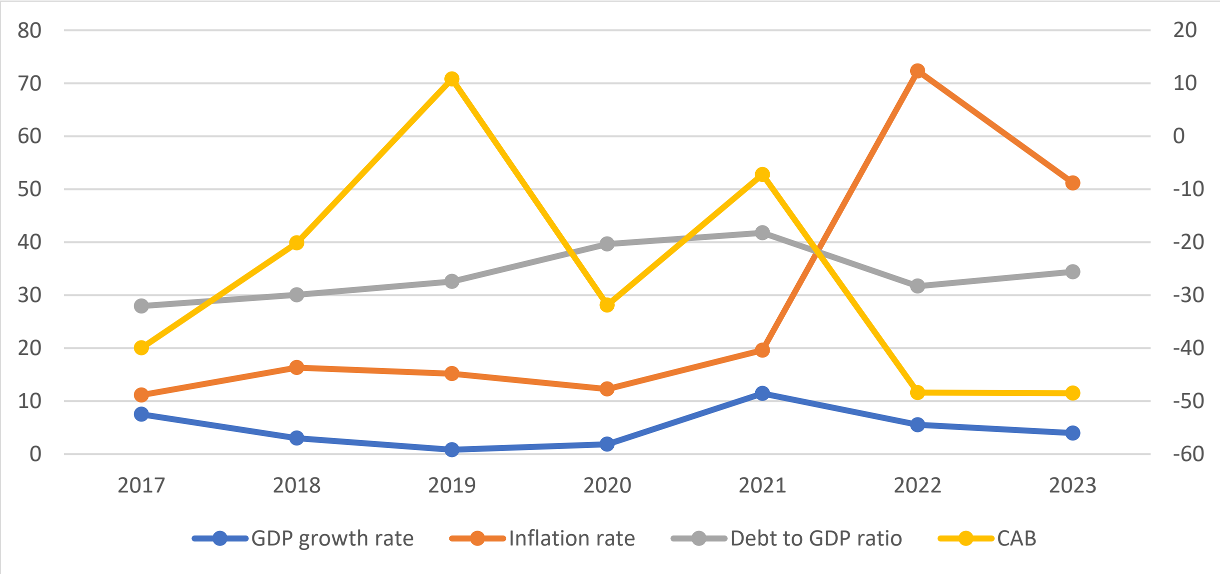
International officer appointment. Another significant amendment allows foreign nationals to be appointed as statutory officials, so long as they have an attorney-in-fact in Brazil authorized to accept service of process on their behalf (Brazil). Until then, only senior executives may be non-residents, while officers (those in charge of the day-to-day operations of Brazilian corporations) had to be Brazilian citizens or permanent residents. The Chief Executive Officer and the Board Chairman should have separate roles. The dual roles of CEO and head of the board of directors are illegal in publicly traded firms as part of an effort to improve corporate governance (Heo, 2018). Enterprises with yearly gross sales of less than BRL500 million may be excused from this requirement by the Brazilian Securities and Exchange Commission (CVM). Members of the board who were not affiliated with the company are now required to be appointed to the forums of publicly traded companies in conformity with rules to be approved by CVM.

Corporate Governance Practices in Turkey Under COVID-19 Pandemic

The low percentage of workers in official labour and barriers to company development were already problems, but the COVID-19 crisis compounded them. Reforms to enhance competition and labour laws, organizations, and enterprises would assist in developing an enduring recovery, as would well-designed assistance to consumers and enterprises that were matched with a recovery to fiscal consolidation. Given the reduction in tourism and the unknown future of the epidemic, as well as Turkey's weak social assets and high levels of business and family debt, the OECD Economic Survey of Turkey forecast that a recovery period from the COVID-19 crisis could very well take time. Casual labourers, women, migrants, and young people were struck especially hard by the crisis, which stressed the profitability of many enterprises and community stability (Singer & Rylko-Bauer, 2021). Policy aid during the second batch of the epidemic should be tailored to the specific needs of sectors, employees, homes, and businesses, as opposed to the generalized approach that was appropriate during the initial phase of constrictions. As a result of efforts to restore economic growth, bank liquidity, and the Lira currency, hyperinflation soared significantly over Turkey's declared objective of 5%, adding to the difficulties of fiscal policy (Kazziha, 2020). Investor sentiment may be bolstered, and the volatility of capital flows can be reduced, if aid is disbursed openly and reliably to individuals and businesses. In contrast to concessional loans and one-time transfers, tailored allowances for a certain period proved the most efficient. Aside from restocking its foreign currency reserves, Turkey wanted to give the Central Bank its independence back.

In addition to the pandemic, Turkey faced geopolitical and commercial threats, such as the fallout from the United Kingdom's decision to leave the European Union. The survey predicted a 2.6% GDP rebound for Turkey in 2021, followed by 3.5% in 2020, despite challenges from the second batch of the outbreak. According to Alvaro Pereira, coordinator of macroeconomic sample countries at the OECD, Turkey saw a slow recovery from the COVID-19 catastrophe, and risks linger for development and well-being. Maintaining economic growth and seizing the post-crisis time to strengthen public governance, attract international and domestic investment, and enable companies to expand and create quality employment should be top priorities (Uvalić, Cerović & Atanasijević, 2020). The survey predicted that if the economy is back on track and investment opportunities are high again, a mix of market, regulatory, and schooling changes may increase GDP per capita by 1% annually. Structural reforms would enhance public administration and the formalization of commercial operations. At the same time, market liberalization changes would eliminate anticompetitive regulatory obstacles in market segments, increase the flexibility of the labour force, and lower corporate income taxes.

Even though the COVID-19 outbreak had benefited Turkey's business sector, the nation's entrepreneurial qualities, energy, and youthful labour left the majority of Turkish firms with limited capacity to sustain a lengthy recession. The business sector relies significantly on informal and semi-formal procedures in a variety of domains, including recruitment, corporate governance, financial reporting, and taxpayer compliance, to name a few. If regulations placed on the marketplaces for products and labour were loosened and the economic and taxation systems were simplified, it would be less complicated for new businesses to grow and transition into the formal sector. If the business sector is modernized and made more effective, it can get through the current economic downturn more easily (Gourinchas, 2020). Some examples of financial reforms that could help boost the formation of the formal sector once the restoration has taken hold are the reduction of non-wage labour costs, the redistributing of some of the expense of social safety away from salary accomplishments, the attempt to make legal minimum wages cheap for low-productivity companies, and the updating of regulatory requirements for transitory and permanent agreements. All these reforms could boost the formation of the formal sector. Education programs should increase adult capacities in a country where 43% of the employed population is either over-qualified (29%) or under-qualified (14%).



Note: CAB = Current Account Balance in $billion (RHS)
Source: https://imf.org/en/countries/TUR

Figure 3: Turkey Selected Economic Indicators, 2017-2023

Compared to other OECD members, Turkey has a high score for credential mismatch (Mahmut & Suna, 2020). The long-term prognosis of the economy will also be improved by increased investment in research and development, digital technology, and transportation. Even though the COVID-19 outbreak had benefited Turkey's business sector, the nation's entrepreneurial qualities, energy, and youthful labour left the majority of Turkish firms with limited capacity to sustain a lengthy recession. The business sector relies significantly on informal and semi-formal procedures in a variety of domains, including recruitment, corporate governance, financial reporting, and taxpayer compliance, to name a few. If regulations placed on the marketplaces for products and labour were loosened and the economic and taxation systems were simplified, it would be less complicated for new businesses to grow and transition into the formal sector (Kirchner & Schüßler, 2020). If the business sector is modernized and made more effective, it can get through the current economic downturn more easily. Some examples of financial reforms that could help boost the formation of the formal sector once the restoration has taken hold are the reduction of non-wage labour costs, the redistributing of some of the expense of social safety away from salary accomplishments, the attempt to make legal minimum wages cheap for low-productivity companies, and the updating of regulatory requirements for transitory and permanent agreements. All of these reforms could boost the formation of the formal sector. Education programs should increase adult capacities in a country where 43% of the employed population is over-qualified (29%) or under-qualified (14%). Compared to other OECD members, this nation has a high score for credential mismatch. The long-term prognosis of the economy will also be improved by increased investment in research and development, digital technology, and transportation. Similarly, Musova *et al.* (2023) studied corporate governance principles in the wake of COVID-19 in Slovakia. The authors findings revealed an improvement in the reporting of the overall corporate governance index, however certain indicators concerning management of corporations were not disclosed adequately.

Corporate Governance Practices in Indonesia under COVID-19 Pandemic

According to Article 13 of MOH Regulation 9/2020, areas where PSBB is in effect were required to temporarily close schools and workplaces, restrict religious activities, restrict public areas and amenities, restrict recreational and cultural activities, restrict shipping, and restrict other operations not directly related to defense and safety.

PSBB

After receiving PSBB, an area is subject to the limitations outlined in MOH Regulation 9/2020. The necessary steps to execute PSBB in a given jurisdiction were laid forth in a rule issued by the governor, regent, or mayor. Jakarta, Surabaya South, and Tangerang are just a few of the many Indonesian cities where PSBB has been implemented. Many businesses now provide remote work options as a result of societal constraints. However, it is essential to remember that some industries, such as those that serve the public interest, are free from having to close their doors to employees (Brunner & Smallwood, 2019). Companies in the medical, food and beverage, power, communications, financial services, logistics, and business development sectors are pivotal in satisfying people's basic requirements. To keep their doors open, businesses had to adhere to government-mandated COVID-19 workplace protocols, such as limiting employee interaction, barring those with pre-existing conditions, being more susceptible to COVID-19 from entering the workplace, maintaining a clean and sanitary work environment, providing adequate health insurance, maintaining a distance of at least one meter between workers, and, in the case of eateries, offering on-site cooking facilities.

Conducting Corporate Governance

Companies, primarily publicly traded ones, are impacted by the limits mentioned in corporate governance. The Financial Services Authority released OJK Regulatory oversight recorded in April 2020 concerning the preparation and carrying of the General Meeting of Shareholders of Civic Corporations, and OJK Regulatory oversight, dated the very same, implemented digital General Meetings of Stakeholders of Public Corporations. The digital GMS Operational System is formally introduced in OJK Regulatory Oversight 15/2020 and OJK Regulatory Oversight 16/2020. The term "e-GMS" refers to a program or digital media that may facilitate the carrying and accounting of GMS for publicly traded corporations.

Electronic General Meeting of Shareholders

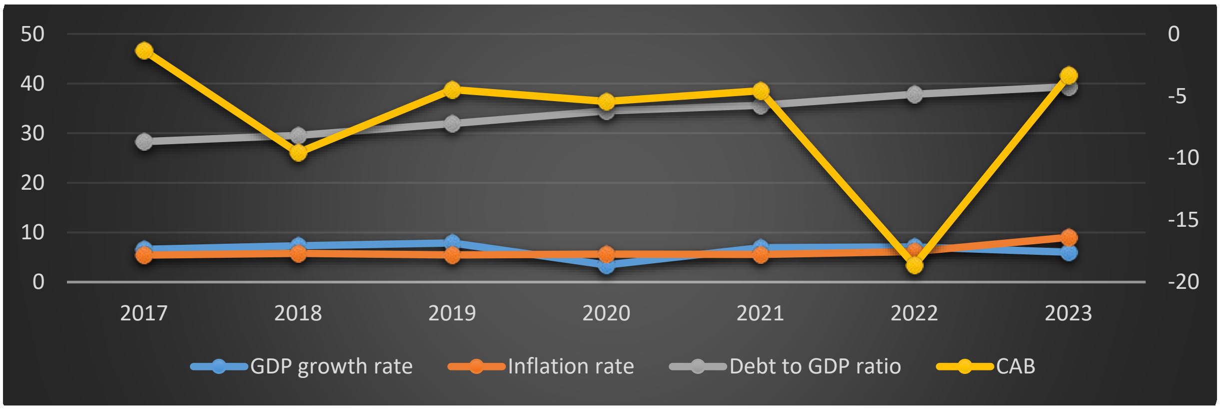
Following Article 4 of OJK Regulatory Oversight 16/2020, a public business may use either the digital GMS Operational System of an Electronic GMS Operational System operator or its digital scheme to conduct a GMS that is conducted entirely online. E-GMS suppliers include the OJK-designated Depository, Settlement Agency, and other organizations that have approved OJK. For a digital GMS to be successful, either the digital GMS Operational System supplier or the public corporation holding it must be linked to the Depository and Settlement Agency and the shares administrative bureau. The statement of the GM's plan submitted to the OJK, the GM's proclamation, and the GMS summoning all need to designate that the GMS would be held online. The public corporation should have the GM's chairperson, one or additional members of senior executives, and financial market supportive specialists present to help execute the GMS if it is to be conducted electronically. Voting in a digital

GMS may begin at any moment after the GMS summons has been given to shareholders and may continue until the presentation of each subject at the review meeting that needs voting. This is per Article 11 of OJK Regulation 16/2020. All votes cast through the e-GMS were to be kept secret until the final tally was made. Investors who cast their ballots online before the GMS's electronic convening could attend in person. Tjahjadi *et al.* (2023) found-out that the fight against the pandemic in Indonesia was successful as a result of flow of information that influenced behavioural change and attitude of the citizens.

Corporate Governance Practices in Bangladesh under COVID-19 Pandemic

It is highlighted how adhering to good corporate governance standards helped some companies recover from the consequences of COVID-19 and keep operating. Therefore, corporate governance plays an important part in ensuring that the company continues operations in a way that is both effective and sustainable considering the new and more difficult environment. This is not stipulated by law, but it is done to fulfil their responsibilities to stakeholders and ensure the company's long-term viability. Most of the business enterprises acknowledged financial issues, mainly as most of the companies in Bangladesh experienced enormous losses throughout this COVID-19 pandemic, primarily owing to the rigorous lockdown time and limited mobility of the people (Rasul *et al.*, 2021). Terminating business entities has a significant effect on an institution's financial condition. Twelve weeks of rigorous lockdown and nine weeks of limited mobility in Bangladesh prompted numerous enterprises to shut down their activity owing to poor overall sales, reduced revenue collection, and higher exposure to default risk.

Moreover, companies might be impacted owing to the termination of any future work or commitments that were not accepted since the epidemic. Local and international accounting associations placed more emphasis on mitigating risks to promote business within this pandemic. The prompt disclosure of stimulus programs from the Government of Bangladesh and cooperation with other authorities strengthened trust and enhanced the business climate, which led to a negligible connection (Pu *et al.*, 2021). The COVID-19 outbreak could not have a considerable influence on the market value. Hence, it did not have any meaningful influence on the value of monetary assets owned by firms.



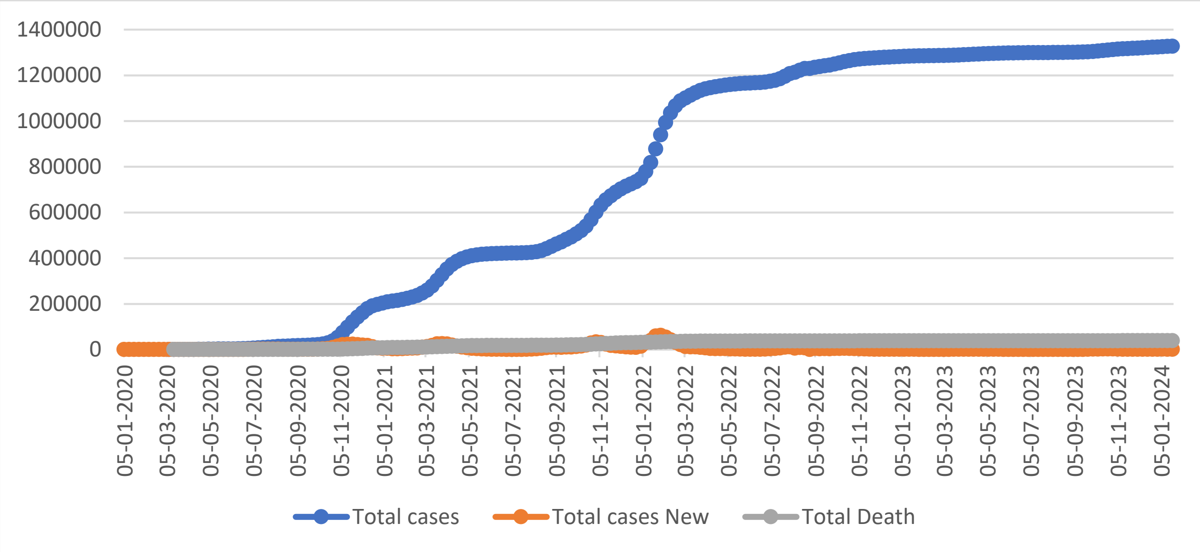
Note: CAB=Current Account Balance in $billion (RHS)
Source: https://imf.org/en/Countries/BGD

Figure 4: Bangladesh Selected Economic Indicators

Additionally, the Bangladeshi financial sector prospered during this epidemic. The outbreak's influence on Bangladesh's financial market was low compared to other Asian and industrialized nations. Firms that publish relevant details very rapidly might confirm with shareholders the alterations to the terms and circumstances of any commercial deal established previously. For debt consolidation, Bangladesh Bank approved loan moratorium terms numerous times so that business enterprises may have ample time to repay their loans (Sa'ad *et al.*, 2022). Enterprises should thus firmly reveal all the advantages the firms are collecting and offering. This is so because of the accounting estimates of the impact such perks have on a company's financial statements. The chance of tax deferment, the high reward for workers for functioning during the epidemic, and the declaration and delivery of economic stimulus should be offered. For the simple reason that it will make the corporation more transparent and accountable, making its operations more defensible.

Corporate Governance Practices in Bulgaria under COVID-19 Pandemic

When the economy of Bulgaria was doing well, the COVID-19 pandemic struck. Initiatives to modernize the economy and the commercial climate and develop labor capabilities would assist the nation's revival with continuing aid to help people and enterprises weather the disaster. It took some time for the economy to recover from the blow that COVID-19 dealt to it. Despite being in a solid situation to keep providing support, Bulgaria is nonetheless vulnerable as an expanding economy specializing in industrial exports. The recovery might be jolted by investing in sectors like transportation, energy, and electronic services. The COVID-19 crisis struck during Bulgaria's robust economic expansion and growing living standards. Development and changes to boost production and living conditions for all Bulgarians are needed to emerge from this crisis in better shape.



Source: https://github.com/owid/COVID-19-data/tree/master/public/data

Figure 5: Bulgaria COVID-19 Cases: 2020-2023

Before the epidemic, the economy had been booming for five years, with productivity growth above 3%, real incomes rising quickly, and joblessness at record lows, thanks to a combination of intelligent macroeconomic stability and bold structural changes. In 2020, the evaluation expected GDP to shrink by 4.1%, with growth resuming at 3.3% in 2021 and 3.7% in 2022. The government's wage subsidy program cushioned employment and family incomes in Bulgaria, but the COVID-19 shock has reduced production since the 1996–97 financial crisis (Benczúr & Kónya, 2022). Youth unemployment has been especially harsh in a nation struggling with severe economic disparity and absolute deprivation. The aging and quickly diminishing population due to young individuals leaving to search for jobs was a significant problem in Bulgaria before the epidemic, especially in rural regions. Raising living standards will require a significant uptick in productivity. The evaluation suggests retraining programs for the jobless to assist them in finding new employment and other measures to boost the business climate, education quality, and professional skills. Infrastructure spending should prioritize expanding access to the Internet, transportation, and other essential services in underserved areas. As the need to relocate for new opportunities rises, so does the need to enact housing reform to meet that demand and ensure people can afford to live in cities.

The industry would benefit from reducing legal requirements and corporate red tape, modernizing competition policy, and improving the administration of state-owned firms. About a third of public government procurement is awarded without a call for tender. Non-viable businesses are less likely to withhold needed resources and bank lending if the insolvency process can be sped up. Recuperation resources should be utilized to hasten the shift to a low-carbon economy, which may involve tapping into EU budget reserves. Another recommendation from the evaluation is that Bulgaria keep up its war on corruption and organized crime. While significant progress has been made toward legal review, further work must be done to ensure that the judiciary is held accountable, that judicial power is protected, and that a comprehensive public system of integrity is established. Equally important is the need for increased efforts to control lobbying and safeguard press freedom (Lamba & Jain, 2022).

Bulgaria desires to begin the OECD admission process with six other nations. Since the early 1990s, the nation has collaborated with the OECD via theme projects and a nation-specific plan; therefore, the Governing Council of the Organization is now examining these demands. As a member of the OECD's South-East Europe continental strategy, Bulgaria participates in the organization's statistical accounting and information management, comparative activities, publishing, and policy evaluations. Bulgaria's 2019 OECD Action Plan includes an analytical perspective on the country. Strategy studies, such as a Public Governance Review and an Investment Policy Analysis, are being conducted as part of this plan and OECD assistance for Bulgaria's reform targets across 21 policy areas. Following the Action Plan, Bulgaria will increase its involvement in corporate democratic accountability, emerging digital strategy, and public administration in OECD task forces. It will adopt and enforce global norms, such as the OECD Codes of Liberalisation of Capital Movements and Current Invisible Operational Processes (Aghaei, Sahebi & Kordheydari. 2021).

Corporate Governance Practices in India under COVID-19 Pandemic

Steps were taken by the Ministry of Corporate Affairs (MCA)

Since conducting a general meeting necessitates the attendance of representatives at a shared place, the Ministry of Corporate Affairs has urged enterprises to take any choice of an immediate concern requiring subscribers' consent by postal ballot or e-voting rather than calling a meeting. When an extraordinary general meeting must be called, stockholders do not have to be in the same place at the same time, thanks to MCA regulations allowing listed firms and other enterprises that must provide e-voting to conduct them virtually using video conferencing and other audio-visual means (OAVM) with e-voting or streamlined voting via authorized emails. Instructions for holding electronic general meetings (EGMs) via video conferencing or an online alternative virtual meeting (OAVM) facility are spelled out, including the need for complete transparency regarding meeting inclusion and equity, the provision of two-way videoconferencing or Webex, and so forth. Large shareholders with 2% or more holdings, founders, investment firms, chairpersons of boards, governors, KMPs, and accountants are not subject to this limit. Still, the video conferencing or OAVM facilities must accommodate at least 1000 participants as they come.

A transcript of the whole meeting must be kept safe by any business using teleconferencing or the OAVM facility. Additionally, public firms were mandated to post this transcript on their webpages to boost their degree of openness. As part of the effort to ensure transparency, integrity, and the safeguarding of investor concerns, the earlier directives were also revised to include several new safeguards. According to a notification issued by the MCA on May 5, 2020, businesses were no longer required to print, and ship printed copies of financial statements to shareholders annually; instead, they could send digital copies to shareholders' email accounts only in digital modes. These regulations on holding a meeting via teleconferencing or OAVM facilities also applied to AGMs of corporations held in 2020. These rules for holding conferences through teleconferencing or OAVM services were also applicable to AGMs under the MCA.

In contrast, SEBI's actions included holding annual general meetings. Annual General Meetings (AGMs) for the 100 largest listed corporations by market capitalization were required to be held five months after the end of the fiscal year, according to the SEBI Regulations, 2015. SEBI has granted these organizations a one-month extension on their AGMs, considering the global COVID-19 outbreak. Additionally, AGMs for listed companies whose fiscal year concluded on December 31, 2019, were extended until September 30, 2020.

Conclusion

The study showed that some corporate governance outcomes that borders on financial account disclosure need to be addressed. Also, executive compensation should be tailored to productivity, and in such cases, cutting costs is essential to improve cash flow and the balance sheet position. It is crucial to strengthen the internal reporting system, such as risk, accountability, and productivity, due to the new-normal business model. The policies embarked upon by various governments during the pandemic are critical alternative situations for business continuity.

Although the study documented the globally coordinated response to the pandemic, especially in the health sector, different countries had developed strategies peculiar to their environment in curbing the crises. The findings of this study could be informative and a guide to other jurisdictions that would like to adopt strategies for curbing unforeseen situations like the COVID-19 pandemic.

Conflict of Interests

The authors affirm that they do not have any conflicting objectives.

Acknowledgement

The authors are thankful to the institutional authority for completion of the work.

References

Addison, T., Sen, K., & Tarp, F. (2020). *COVID-19: Macroeconomic dimensions in the developing world* (No. 2020/74). WIDER Working Paper. https://doi.org/10.35188/UNU-WIDER/2020/831-3

Aghaei, M., Sahebi, A. G., & Kordheydari, R. (2021). The Effect of COVID-19 on Sustainable Consumption Behavior in Chain Stores. *Asia-Pacific Journal of Management and Technology (AJMT), 2*(2), 35-51. https://doi.org/10.46977/apjmt.2021v02i02.005

Alshhadat, Q. M., & Al-Hajaya, K. (2023). Corporate governance in the COVID-19 pandemic: current practices and potential improvement. *Corporate Governance,* 1-16. https://doi.org/10.1108/CG-05-2022-0203

Arcuri, A., & Violi, F. (2021). Public Interest and International Investment Law: A Critical Perspective on Three Mainstream Narratives. In *Handbook of International Investment Law and Policy* (pp. 1-27). Singapore: Springer Singapore.

Benczúr, P., & Kónya, I. (2022). Convergence to the Centre. In *Emerging European Economies after the pandemic* (pp. 1-51). Springer, Cham. https://doi.org/10.1007/978-3-030-93963-2_1

Bozkurt, A., Jung, I., Xiao, J., Vladimirschi, V., Schuwer, R., Egorov, G., ... & Paskevicius, M. (2020). A global outlook to the interruption of education due to COVID-19 pandemic: Navigating in a time of uncertainty and crisis. *Asian Journal of Distance Education*, *15*(1), 1-126. https://doi.org/10.5281/zenodo.3878572

Brunner, B. R., & Smallwood, A. M. (2019). Prioritizing public interest in public relations: Public interest relations. *Public Relations Inquiry*, *8*(3), 245–264. https://doi.org/10.1177/2046147X19870275

Cassells, R., Duncan, A., Dockery, M., Kiely, D., & Mavisakalyan, A. (2020). Potential job losses in the COVID-19 pandemic. *Bankwest Curtin Econ. Cent. COVID-19 Res. Brief*, *2*, 1–5. http://hdl.voced.edu.au/10707/539052

Chalevas, C., Giannopoulos, P., Koutoupis, A., & Samara, A. (2021). Evaluating the role and effectiveness of the audit committee on the quality of financial reporting: evidence from Greek PIEs. *International Journal of Banking, Accounting, and Finance*, *12*(4), 368-388.

de Barros, F. E. E., dos Santos, R. C., Orso, L. E., & Sousa, A. M. R. (2021). The evolution of corporate governance and agency control: the effectiveness of mechanisms in creating value for companies with IPO on the Brazilian stock Exchange. *Corporate Governance: The International Journal of Business in Society*. http://dx.doi.org/10.1108/CG-11-2019-0355

Diallo, I., Ndejjo, R., Leye, M. M. M., Egbende, L., Tusubira, A., Bamgboye, E. A., ... & Seck, I. (2023). Unintended consequences of implementing non-pharmaceutical interventions for the COVID-19 response in Africa: experiences from DRC, Nigeria, Senegal, and Uganda. *Globalization and Health, 19*(1), 1-16. https://doi.org/10.1186/s12992-023-00937-6

Emmanuel, I. E., Esther, L.-O. O., Attayi, I. F., & Taiwo, O. S. (2023). Strategic Management and Performance of Information Technology Firms in Nigeria. *Asia-Pacific Journal of Management and Technology (AJMT), 3*(3), 38-49. https://doi.org/10.46977/apjmt.2023.v03i03.005

Gamil, Y., & Alhagar, A. (2020). The impact of the pandemic crisis on the survival of the construction industry: a case of COVID-19. *Mediterranean Journal of Social Sciences*, *11*(4), 122-122. https://doi.org/10.36941/mjss-2020-0047

Gourinchas, P. O. (2020). Flattening the pandemic and recession curves. *Mitigating the COVID economic crisis: Act fast and do whatever*, *31*(2), 57–62.

Gupta, V., Santosh, K. C., Arora, R., Ciano, T., Kalid, K. S., & Mohan, S. (2022). Socioeconomic impact due to COVID-19: An empirical assessment. *Information Processing & Management*, *59*(2), 102810. https://doi.org/10.1016%2Fj.ipm.2021.102810

Heo, K. (2018). Effects of corporate governance on the performance of state-owned enterprises. World Bank Policy Research Working Paper, (8555). http://dx.doi.org/10.1596/1813-9450-8555

Hirst, S., & Kastiel, K. (2019). Corporate governance by index exclusion. *BUL Rev.*, *99*, 1229.

IMF (2023). *IMF Country Information*. https://imf.org/en/Countries/

Jurcik, T., Jarvis, G. E., Zeleskov Doric, J., Krasavtseva, Y., Yaltonskaya, A., Ogiwara, K., ... & Grigoryan, K. (2021). Adapting mental health services to the COVID-19 pandemic: reflections from professionals in four countries. *Counselling Psychology Quarterly*, *34*(3-4), 649-675. https://doi.org/10.1080/09515070.2020.1785846

Kazziha, M. K. (2020). *The Effects of Macroeconomic Policies Interaction & Macro-Prudential and Monetary Policies Coordination on Financial Stability: Evidence from Turkey* (Doctoral dissertation, Anadolu University (Turkey)).

Kirchner, S., & Schüßler, E. (2020). Regulating the sharing economy: a field perspective. In *Theorizing the sharing economy: Variety and trajectories of new forms of organizing*. Emerald Publishing Limited.

Lamba, J. & Jain, E. (2022). The Emerging Need for Corporate Social Responsibility and Sustainable Investment in the Healthcare Sector during COVID 19. *International Journal on Recent Trends in Business and Tourism (IJRTBT), 6*(3), 10-26. https://doi.org/10.31674/ijrtbt.2022.v06i03.002

Licong, H., Hui, Y., & Bhaumik, A. (2023). Economic Globalization and Income Inequality. *International Journal on Recent Trends in Business and Tourism (IJRTBT), 7*(3), 108-117. https://doi.org/10.31674/ijrtbt.2021.v07i03.008

Mahmut, Ö. Z. E. R., & Suna, H. E. (2020). The linkage between vocational education and the labor market in Turkey: Employability and skill mismatch. *Kastamonu Eğitim Dergisi*, *28*(2), 558-569. https://doi.org/10.24106/kefdergi.704878

Malanski, L. K., & Póvoa, A. C. S. (2021). Economic growth and corruption in emerging markets: Does economic freedom matter? *International Economics*, *166*, 58-70. https://doi.org/10.1016/j.inteco.2021.02.001

Manero, A., Smith, P., Koontz, A., Dombrowski, M., Sparkman, J., Courbin, D., & Chi, A. (2020). Leveraging 3D printing capacity in times of crisis: recommendations for COVID-19 distributed manufacturing for medical equipment rapid response. *International journal of environmental research and public health*, *17*(13), 4634. https://doi.org/10.3390%2Fijerph17134634

Nam, H., & Nam, T. (2021). Exploring Strategic Directions of Pandemic Crisis Management: A Text Analysis of World Economic Forum COVID-19 Reports. *Sustainability*, *13*(8), 4123. https://doi.org/10.3390/su13084123

Netswera, F., & Moyo, S. (2022). Making Sense of the Role of the State: Managing the South African Higher Education Sector during the COVID-19 Pandemic Crisis Times. In *Higher Education and the COVID-19 Pandemic* (pp. 280-299). Brill. https://doi.org/10.1163/9789004520554_017

O'Neil, S. (2022). *Policing, Prejudice, and Policies: The Shaping of The COVID-19 Pandemic Behind Bars* (Doctoral dissertation, University of Oregon).

Our World in Data (2023). *COVID-19-Data*. https://github.com/owid/COVID-19-data/tree/master/public/data

Pu, G., Qamruzzaman, M., Mehta, A. M., Naqvi, F. N., & Karim, S. (2021). Innovative finance, technological adaptation, and SMEs sustainability: the mediating role of government support during COVID-19 pandemic. *Sustainability*, *13*(16), 9218. https://doi.org/10.3390/su13169218

Rasul, G., Nepal, A. K., Hussain, A., Maharjan, A., Joshi, S., Lama, A., ... & Sharma, E. (2021). Socioeconomic implications of COVID-19 pandemic in South Asia: emerging risks and growing challenges. *Frontiers in sociology*, *6*, 629693. https://doi.org/10.3389/fsoc.2021.629693

Ronaghi, M., & Scorsone, E. (2023). The impact of governance on poverty and unemployment control before and after the COVID outbreak in the United States. *Journal of Poverty.* 1-25. https://doi.org/10.1080/10875549.2023.2173708

Sa'ad, A. A., Muneeza, A., Haron, R., & Othman, A. H. A. (2022). Ṣukūk structure for deficit financing during the COVID-19 crisis. *Islamic Economic Studies*, (ahead-of-print). https://doi.org/10.1108/IES-01-2021-0007

Singer, M., & Rylko-Bauer, B. (2021). The syndemics and structural violence of the COVID pandemic: anthropological insights on a crisis. *Open Anthropological Research*, *1*(1), 7-32. https://doi.org/10.1515/opan-2020-0100

Stuber, W., Stuber, A. M. G., Rios, M., Rodriguez, S. M., Herrera, J., Sharma, A., ... & Ferrer, M. (2008). International Investment and Development Committee. *The International Lawyer*, 511-527.

Sturgeon, T. J. (2021). Upgrading strategies for the digital economy. *Global Strategy Journal, 11*(1), 34-57. http://dx.doi.org/10.1002/gsj.1364

Thukral, E., & Ratten, V. (2022). Entrepreneurial Framework Conditions in Brazil. In *Brazilian Entrepreneurship* (pp. 63-73). Springer, Cham. http://dx.doi.org/10.1007/978-3-031-09392-0_5

Trebilcock, A. (2021). Governance Challenges and Opportunities for the International Labour Organization in the Wake of the COVID-19 Pandemic. *International Organizations Law Review, 18*(3), 370-396. https://dx.doi.org/10.2139/ssrn.3993648

Uvalić, M., Cerović, B., & Atanasijević, J. (2020). The Serbian economy ten years after the global economic crisis. *Economic Annals*, *65*(225), 33-71. https://doi.org/10.2298/EKA2025033U

Van Loo, R. (2020). The New Gatekeepers. *Virginia Law Review*, *106*(2), 467–522.

Walker, J., Pekmezovic, A., & Walker, G. (2019). *Sustainable development goals: harnessing business to achieve the SDGs through finance, technology, and law reform*. John Wiley & Sons.

Westbrook, A. D. (2020). We ('re) Working on Corporate Governance: Stakeholder Vulnerability in Unicorn Companies. *U. Pa. J. Bus. L.*, *23*, 505. https://dx.doi.org/10.2139/ssrn.3703995

Zhang, L., Sindakis, S., Dhaulta, N., & Asongu, S. (2023). Economic crisis management during the COVID-19 pandemic the role of entrepreneurship for improving the Nigerian mono-economy. *Journal of the Knowledge Economy,* 1-8. https://doi.org/10.1007/s13132-023-01117-y