Journal of Research in International Business and Management (ISSN: 2251-0028)
Vol. 12(5) pp.01-02, September, 2025
DOI: http:/dx.doi.org/10.14303//jribm.2025.041
Available online@ https://www.interesjournals.org/research-international-business-management.html

Rapid Communication

Global Corporate Governance Practices and Their Influence on International Business Sustainability

Andreas Müller

Department of Corporate Governance, Rhine Global Business School, Germany

E-mail: andreas.muellerweiss.rgbc@protonmail.com

Received: 01-Sep-2025, Manuscript No. JRIBM-25-177463; **Editor assigned:** 3-Sep-2025, PreQC No. JRIBM-25-177463 (PQ); **Reviewed:** 17-Sep-2025, QC No. JRIBM-25-177463; **Revised:** 22-Sep 2025, Manuscript No. JRIBM-25-177463(R); **Published:** 24-Sep-2025

Abstract

Global corporate governance practices refer to the systems, principles, and mechanisms through which multinational corporations are directed and controlled across international markets. This study examines the role of corporate governance in promoting transparency, accountability, and sustainable business performance in global organizations. It explores governance structures, board composition, shareholder rights, and regulatory compliance across different institutional environments. The paper highlights challenges related to regulatory diversity, ethical standards, and cross-border coordination. It also discusses the importance of governance frameworks in managing risk, enhancing stakeholder confidence, and supporting long-term value creation. By integrating corporate governance theory with international business perspectives, this study emphasizes that effective global corporate governance practices strengthen organizational credibility and sustainability in international markets.

Keywords: Global Corporate Governance Practices, International Business Sustainability, Board Structure, Regulatory Compliance, Stakeholder Accountability, Multinational Corporations.

INTRODUCTION

Global corporate governance practices have become a critical concern for multinational corporations operating in diverse institutional and regulatory environments. As firms expand across borders, they face varying governance expectations related to transparency, accountability, and ethical conduct. Effective corporate governance provides a framework that aligns managerial actions with organizational objectives and stakeholder interests. Strong governance practices enhance trust and legitimacy in international markets. Differences in national governance systems create complexity for global firms. Countries vary in legal traditions, shareholder protection, and enforcement mechanisms. Multinational enterprises must navigate these differences while maintaining consistent governance standards. Harmonizing global governance practices supports organizational coherence and control (Aguilera & Crespi-Cladera, 2016).

Board structure and composition play a vital role in global corporate governance. Diverse and independent boards enhance oversight and strategic guidance. International representation on boards

Citation: Andreas Müller (2025). Global Corporate Governance Practices and Their Influence on International Business Sustainability. JRIBM. 12: 041.

improves understanding of global markets. Board effectiveness strengthens governance outcomes (Aguilera & Jackson, 2010).

Shareholder rights and engagement are essential components of corporate governance. Global firms must balance the interests of domestic and international shareholders. Transparent communication and fair treatment enhance investor confidence (Praveen Bhasa, 2004). Shareholder engagement supports long-term value creation. Regulatory compliance is a major challenge in global corporate governance. Firms must comply with multiple regulatory frameworks related to disclosure, reporting, and corporate conduct. Non-compliance increases legal and reputational risk. Effective governance systems support compliance management.

Ethical standards influence corporate governance effectiveness. Ethical leadership promotes responsible decision-making and corporate integrity. Multinational firms must uphold ethical standards across diverse cultural contexts. Ethics-driven governance enhances corporate reputation. Risk management is closely linked to corporate governance practices. Governance frameworks define accountability for risk oversight and control. Strong governance supports proactive risk identification and mitigation. Risk-aware governance enhances resilience (Cornelius, 2005).

Stakeholder accountability is increasingly emphasized in global corporate governance. Firms are expected to consider the interests of employees, customers, communities, and the environment. Inclusive governance frameworks support sustainable business practices. Stakeholder engagement enhances legitimacy (Tricker, 2015).

Digital transformation has influenced corporate governance processes. Technology enables improved reporting, monitoring, and transparency. Digital governance tools enhance efficiency and oversight. Technology supports informed decision-making.

CONCLUSION

Global corporate governance practices play a vital role in ensuring transparency, accountability, and sustainability in international business. This study highlights that effective governance frameworks enhance risk management, stakeholder confidence, and organizational resilience. Multinational corporations that prioritize strong corporate governance are better positioned to achieve sustainable growth in global markets.

REFERENCES

Aguilera, R. V., & Crespi-Cladera, R. (2016). Global corporate governance: On the relevance of firms' ownership structure. *Journal of World Business*, 51(1), 50-57.

Aguilera, R. V., & Jackson, G. (2010). Comparative and international corporate governance. Academy of Management annals, 4(1), 485-556.

Cornelius, P. (2005). Good corporate practices in poor corporate governance systems: Some evidence from the Global Competitiveness Report. Corporate Governance: *The international journal of business in society*, 5(3), 12-23.

Praveen Bhasa, M. (2004). Global corporate governance: debates and challenges. *Corporate Governance: The international journal of business in society*, 4(2), 5-17.

Tricker, R. I. (2015). Corporate governance: Principles, policies, and practices. Oxford University Press, USA.

Citation: Andreas Müller (2025). Global Corporate Governance Practices and Their Influence on International Business Sustainability. JRIBM. 12: 041.