
The imperatives of corporate governance

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Purpose: The purpose of the text presented below is essentially to emphasise: (1) the dynamics and direction of the evolution of corporate governance principles as a guideline for the introduction of the global order in this area, (2) the importance of corporate governance for the sustainable development of business entities, and (3) the related reporting standard which, as a conceptual framework for the presentation of corporate governance reporting information of business organisations across the European Union, constitutes an important element of their policies.

Methodology/research approach: The presentation is based on the analysis of the official announcements and guidelines posted on the OECD website (and other cited institutions), which are collectively used here to provide a picture of the corporate governance framework/principles in global terms, followed by a confrontation with the legal regulation outlining the standard of corporate governance reporting in the European Union space.

Results: This text indicates the need to verify the functioning of corporate governance in practice, simultaneously at two levels: macroeconomic and microeconomic. It identifies the sustainable development imperative as a key premise. It presents six directional recommendations for improving organisational practice and corporate governance reporting from a microeconomic perspective.

Research limitations/implications: Due to the pace of change in global corporate governance guidelines, on the one hand, and EU law relating to sustainability reporting, on the other, this text focuses on the need to recognise the current shape of principles and rules occurring on both levels. This is because it will only be possible to study their impact on various areas of business organisations and carry out different comparative (and other) analyses in the future (from 2025 onwards), as they are implemented in practice.

Originality/value: The value of this study can be identified in the structuring of knowledge in the title area, in the presentation - through a historical outline - of

the global (OECD) approach and the institutional environment relevant to the formulation of the corporate governance framework. Its usefulness is supported by the provision of recommendations that can be considered as a guideline in reviewing - at the level of the business organisation - current practices in this area.

Key words: Corporate governance, OECD, reporting, sustainable development, epidemic, Covid-19, ESG.