

## Introduction by the Editor

The Philippine Management Review (PMR) is the academic journal publication of the University of the Philippines Cesar E.A. Virata School of Business. It is a venue where academics from the various business and economics disciplines share the respective rigorous researches and commentaries on relevant issues in their respective domains. In keeping with this long-standing tradition of delivering diverse scientific and logical perspectives and recommendations involving major business and economic issues, the 2024 edition of the PMR presents five articles on regional economics, corporate governance, corporate finance, government audit practices, and government project management. Each of these articles also present their own versions of scientific and logical rigor, demonstrating the variety of academic approaches that can be applied to these real-world issues. However, beyond these domains, each of these studies also present significant social implications that can impact not only the Philippine environment, but also its regional neighbors. Each of these studies advocate that in the world that is changing and challenging existing norms, private and public organizations should keep up with the times and adopt new perspectives on management and economics.

To further scrutinize regional value chains, Mariasingham, Rahnema, and Jabagat (2024) builds on Baris, et al. (2022) to present what is currently happening in terms of the input-output dynamics within a select group of economies that includes Bangladesh, Fiji, Hong Kong, Indonesia, Kazakhstan, Lao PDR, Malaysia, Singapore, South Korea, and Taiwan. Aside from their rigorous demonstration in the application of the concept of agglomeration, their results present valuable insights that can contribute to better planning and decision-making towards a national-level agenda on economic development. These insights include differentiating between export-oriented and import-oriented economies, among economies that are dominated by processes facilitating initial (e.g. mining and raw materials processing), intermediate (e.g. fabrication and manufacturing), or final steps (e.g. assembly and distribution) towards manufacturing products for end consumption, and between economies that have certain degrees of reliance on technologies. In the end, Mariasingham et al. (2024) reminds readers the importance of this level of scrutiny when it comes to proposing and implementing policy measures towards economic development.

In her continued academic push towards better corporate governance practices, Lizares (2024) turns her attention towards examining which CEO characteristics can potentially influence CEO duality. This study is set in an environment where C-suite individuals tend to hold multiple leadership and management positions within the same organization, highlighting the dilemma between agency and stewardship. On the one hand, there is the instinctive and commonsensical reason on tapping on an executive's long and insightful experience and wisdom to appoint him or her into multiple positions – such as being the CEO and at the same time being the chair of the board of directors. On the other hand, this is contrary to Philippine regulations on the separation of these two positions to improve overall corporate governance. The results emphasize the value of genuine human capital development, pointing out its important contribution to overcome this dilemma and still enforce good corporate governance practices. What is also interesting is that CEO gender, which is shown to have the strongest impact among CEO characteristics, provides further discussions on the current experiences between males and females. This then opens up future avenues on the issue of gender impacting decisions on appointments to executive-level positions within organizations.

Aratea and Sayson (2024)'s study on real estate companies' approaches to profitability not only demonstrates the value of applying rigorous methods to formulate and execute quantitative methods towards corporate finance, but it also provides science-backed recommendations on which approach to pursue depending on certain real-world contexts. Noting the national-level developments on infrastructure

and land use before, during, and after the COVID-19 pandemic, this study recognizes their respective impacts on the real estate industry. Thus, this study is timely in the sense that the industry needs to take a hard second look on how these external changes in the environment have ultimately impacted the way it does business, and later on perceive what is good or bad performance. Combining both external and internal factors, this study highlights the importance of paying attention to specific factors that can have more influence compared to others, namely policies on working capital, practices on asset utilization, and decisions on leverage opportunities. To this end, Aratea and Sayson (2024) reminds decision-makers the value of prioritizing certain business decisions over others towards achieving better profitability.

Moving over to the public sector, the first of two studies included in this issue focuses on the effects of being scrutinized by the Commission on Audit (COA). Placido (2024) examined the relationship between the quality of the audit opinion issued by the COA and the government's decisions on budget appropriations for the following fiscal year. In yet another demonstration of the value of applying rigorous scientific methods towards making recommendations, this study points out the weaknesses in this current setup on government audit practices vis-à-vis determination of budget allocations, backed by empirical evidences. Hence, despite the non-significance of correlations and effects in a number of cases found in this study, Placido (2024) still advocates to better define the role of COA in budget deliberations, and at the same time making the general public more aware about the importance of these control mechanisms on governance. Furthermore, this study opens up a very valuable direction for future research in terms of applying rigorous academic approaching in scrutinizing public sector activities, such as, in this case, fiscal management.

Lastly, Patalinghug (2024)'s assessment of the Build, Build, Build infrastructure program sheds light on this ambitious project that is the centerpiece of the Duterte Administration's economic agenda. Comparing it with its regional neighbors and measuring its value against what previous academic works have posited, this study provides additional evidences on the challenges arising from the structural weaknesses in government practices towards embarking on such endeavors. The extensive documentations and reviews contained in this study reveals many interesting insights regarding the government's capabilities to go into these projects, COVID-19 pandemic issues notwithstanding. The additional empirical analyses provide support to the commentaries and observations regarding the importance of having synergy among these different projects to address the glaring weakness between government spending and project performance. Therefore, while this perceived big and significant push from the government is laudable, it must also ensure that there is enough absorptive capacity, good investment efficiency, and adequate private sector participation.

As demonstrated in these five articles, it is hoped that the Philippine Management Review become a space where academics can freely and professionally discuss business and economic issues of interest in a scientific and logical manner, backed by verifiable data and information. As we see with this 2024 edition, the theoretical and practical discourse, empirical analyses, both in quantitative and qualitative form, and professional reviews and commentaries have also supported a number of real-world concerns, from recognizing that, depending on the context, a certain level of scrutiny on economic agendas is necessary to improve decision-making, to untangling the dilemmas between two competing schools of thought, and to advocating for certain measures and mechanisms to be strengthen. But beyond that, it is also hoped that the PMR can also provide a venue where such discussions can also touch on relevant social issues. After all, business and economics are some of the major drivers of society itself, influencing and shaping spectrums and strata in more ways than one.