

**BOARD COMPOSITION OF INNOVATIVE FIRMS:
A PORTRAIT AND GEOGRAPHICAL COMPARISON**

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ABSTRACT:

The board of directors is the highest internal governance body and is not only in charge of aligning the interests of shareholders and managers, but also of shaping the strategy of its organization. Thus, directors can potentially have an impact on many aspects, including their firm's performance. However, up until now, the empirical evidences on this subject mainly focus on organizational outcomes such as financial performance and rely on specific geographical contexts like the USA. These facts highlight the relevance of the present study to analyse innovation performance and to be based on an international sample. The aim of this research is twofold: documenting the composition of the board of directors of the most innovative companies in the world and making a geographical comparison between them. This approach allowed us to make several observations and recommendations, particularly regarding the profile of the directors, which can be of great use for companies wishing to innovate and enriches both the literature in corporate governance and innovation.

Keywords: Corporate governance; Board composition; Innovation performance.

1. INTRODUCTION

Corporate governance is a central concept for any organization because it refers to the relationship between the company and its stakeholders, which is used to determine the system used to control and guide the organization's strategy (Luo 2005, Monks and Minnow 2001). It is also through corporate governance that companies define their objectives and plans in order to monitor performance (Luo, 2005).

The Board of Directors (BoD) is a governance' instrument in charge of making the link between the shareholders, responsible for providing the capital, and the managers, responsible for the day-to-day operations within the organization (Fama and Jensen, 1983). Its importance has been empirically demonstrated, notably through its potential influence on various organizational outcomes such as financial performance (Zattoni *et al.*, 2017), innovation (Miller and Triana, 2009) and internationalization (Calabrò *et al.*, 2017).

Even though its link with innovation has been less studied (Midavaine *et al.*, 2016), many director's characteristics have been relevant in explaining the innovative performance of organizations (e.g. independence and diversity). Given the need to innovate for any company that simply wants to survive or grow (Andersson *et al.*, 2016), it becomes essential that more studies investigate the composition of the BoD of innovative companies.

The purpose of this work is twofold. On one hand, we seek to document the composition of the BoDs of companies considered to be innovative. On the other hand, it will be a question of taking advantage of the international perspective in which this research is inscribed in order to make a geographical comparison of innovative companies based on various characteristics of their directors.

The rest of the document will be divided into four major sections. The next section will consist of a literature review. Then the methodology will be exposed. The following section will present our results. Finally, the last part will discuss the main contributions and limitations of this study as well as present some ideas for future research.