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Earnings Risk and Volatility Relative to Macroeconomic Factors and Corporate Governance

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ABSTRACT

Aims:
This study aims to synthesise the multidimensional drivers of earnings volatility and evaluate the effectiveness of strategic mitigation mechanisms in the Indonesian capital market.

Design/Methodology/Approach:
A meta synthesis approach was employed, systematically analysing twelve high impact peer reviewed articles published between 2020 and 2024. The data, spanning various indices such as LQ45 and IDX30, were categorised through thematic analysis and predictive synthesis to bridge quantitative financial metrics with qualitative governance frameworks.

Findings:
The results reveal that while 50% of volatility is driven by internal fundamental fragilities like leverage and asset inefficacy, the most potent buffers are non financial. Governance resilience, characterised by board diversity and virtue based communication, significantly reduces information asymmetry. Moreover, the integration of Sharia principles and technological adaptation serves as a crucial shield against systemic macro-techno shocks.

Research Limitations/Implications:
The study is limited by its geographical focus on Indonesia and a heavy reliance on existing quantitative literature. Theoretically, it implies a shift from purely numerical risk assessments to a holistic resilience model. Practically, it suggests that regulators and firms should prioritise ethical integrity as a strategic tool for market stability.

Originality/Value:
This research is unique in its integration of Virtue Values and TechnoFinancial Dynamics into a unified predictive risk-mitigation framework, offering a novel perspective on corporate resilience beyond traditional financial ratios.

Introduction

The dynamics of the Indonesia capital market in recent years have shown significant fluctuations, particularly ini light ofe the recent conflicts in the Middle East, where earnings volatility has become an indicator reflecting a company's fundamental risk. The earnings generated in each period are every investor's goal, as they cay predict favorable future outcomes [1]. There are discrepancies among the results of various empirical studies, which indicate that earnings are often influenced by a range of factors, from macroeconomic shock to the effectiveness of internal governance [2], [3]. This uncertainty creates an urgency for stakeholders to understand not only the magnitude of the earnings generated but also the quality and risks underlying those results, which have become the top priority [4].

The state of the art (SOTA) in this study is dervied from a variety of previous findings that have sought to analyze the determinants of earnings and stock prive volatility. Previous studies, such as those conducted by [5], [6], [7], [8], have examined the impact of internal factors such as dividend policy and leverage on market volatility. On the other hand, the study by [9] identified macroeconomic variables such as exchange rates and inflation as triggers of stock price uncertainty. Meanwhile, corporate governance factors can involve the interplay between corporate social responsibility (CSR) and gender diversity on the board of commissioners and directors. According to [7], risk mitigation is emerging as a crucial foundation for maintaining corporate value stability.

There is an inconsistency in the research, with conflicting findings regarding the extent to which leverage and dividend policies can mitigate or conversely, trigger volatility [10], [11]. These studies are fragmented and incomplete, and the majority employe a positivistic quantitative approach, that tends to overlook the qualitative aspects underlying the generated quantitative data [12], [13]. Few studies have integrated how the macroeconomic and governance factors discussed from a qualitative perspective can shape risk perceptions in the market.

The novelty of this study lies in the use of the meta-synthesis method, which distinguishes it from other studies that focus more on hypothesis testing, in contrast this study narratively analyzes and integrates findings from various locations, different types of companies, and multiple time periods [14], [15], [16]. By conducting a synthesis from a meta-syntheis perspective, this study examines the policy implications of fundamental information disclosure a outlined in [17] and the impact of financial technology innovations [18], thereby generating a new conceptual framework that links earnings stability to information integrity and technological adaptation, offering a distinct perspective within the conventional risk management literature.

The question is how the interplay between macroeconomic dynamics and the effectiveness of corporate governance shapes the characteristics of earnings volatility in the Indonesian capital market. Specifically, this study seeks to explain why there is inconsistency in empirical findings regarding the impact of internal policies (such as leverage and dividend policies) on market volatility in the current literature, and how macroeconomic factors qualitatevely intervene in corporate earnings stability amid financial technology disruption, as well as how governance values and board diversity act as moderating mechanisms in mitigating earnings volatility risk.

The objective of this study is to conduct an in-depth exploration of patterns of risk and earnings volatility through the integration of scientific findings, as well as to establish interdimensional relationships between macroeconomic factors and corporate governance in mitigating such risk [19], [20], [21]. This study is expected to serve as an academic reference for understanding the complexity of earnings volatility in Indonesia, thereby bridging the inconsistencies in quantitative findings withun a comprehensive meta-synthesis narrative [22], [23]. Furthermore, this tsudy offers strategic insights for investors and risk managers in mapping earnings volatility patterns as an early-warning tool for market risks amid the dynamics of technological disruption and global economic uncertainty.

Literature Review

1. Stock Price Volatility

From a capital market perspective, stock price volatility is often triggered by information received by investors. Referring to the findings in [24], [25], [26], [27], divodend policy and leverage serve as strong signals that are interpreted differently by the market. A stable dividend policy should reduce volatility, yet the data reveals an anomaly where high leverage actually heightens investors' risk percpetion, leading to stock price fluctuations in the LQ45 and IDX30 indices. This indicates that a company's quantitative signals do not operatein isolation but are influenced by market sentiment regarding trading volume, which either amplifies or mitigates such volatility.

2. Macroeconomic Risks and Technological Disruption

Earnings uncertainty stems not only from internal factors but also from complex external pressures. [28] emphasizez that macroeconomics variables such as exchange rates and global commodity prices have a significant impact on stock price index dynamics [29]. This risk is further exacerbated by the rapid advancement of financial technology innovations. [18] explains that digital transformation in banking and invesment is changing how risk is managed, right down to perceptions [30]. The integration of macroeconomic pressures and technological adaption creates a new environment of volatility in which corporate profits become more vulnarable to non-traditional external shocks [29], [30], [31].

3. Corporate Governance and Ethical Values as Risk Mitigation

As defense mechanism, corporate governance plays a crucial role in mitigating volatility risks [32], [33], [34] emphasize that gender diversity on boards and CSR disclosure are not merely administrative formalities, but rather strategies to enchance corporate value and stabilize cash holdings. According to [35], [36], the "Virtual Values" perspective in fundamental communication policies influences decision-making. This literature suggests that transparency grounded in etchics and accountability can reduce information asymmetry, thereby dampening earnings volatility caused by excessive market reactions.

Research Methods

1. Research Design

This study employs a qualitative design using a meta-synthesis approach. Meta-synsthesis is a data integration technique aimed at evaluating, interpreting and synthesizing findings from various qualitative and quantitative research studies to generate new, more in-depth theories or concepts [14], [15], [37], [38]. The technique used is Meta-Aggregation, which focuses on grouping findings from various journals regarding earnings volatility, macro factors, and corporate governance into thematic categories, which are then synthesized into broader assumptions [39], [40].

2. Population, Sample, and Sampling Technique

The population in this study consists of scientific articles published in accredited national journals (Sinta) and international journals that discuss risk managements, earnings volatility, and capital markets. The sampling technique used was purposive sampling with criterion-based selection, based on articles published between 2020 and 2024, resulting in a total of 250 articles. Based on these criteria, 12 key articles were selected to serve as the units of analysis in this study.

Inclusion and exclusion criteria used to ensure the quality of the synthesized data, the researches established clear boundaries through the following inclusion and exclusion criteria:

Table 1. Inclusion Criteria

Criteria	Description
Time Frame	Articles published over the past five years (2020-2024) that address emerging economic trends, including the post-pandemic impact and technological disruption.
Research Subject	This study focuses on companies listed on the Indonesia Stock Exchange (IDX), pasticularly those included in specific indices such as the LQ45, IDX30, SRI-KEHATI, or the technology/manufacturing sector.
Central Theme	The article dicusses variables such as earnings volatility, market risk (Stock Price Volatility), macroecomics factors, and corporate governance mechanisms.
Publication Quality	Article must be published in Sinta-accredited national journals (Sinta 2-6) or reputable international journals equivalent to Q3/Q4.

(Source : Researcher Data Analysis)

Table 2. Exclusion Criteria

Criteria	Description
Thematic Relevance	The article discusses the capital market but does not address the aspects of earnings volatility or a company's fundamental risks.
Literature Types	Documents such as theses, dissertations, and unpublished academic papers, as wekk as popular articles (opinion pieces) or book reviews, addtionally, articles posted and published on ResearchGate, Repositories, Digilibm ePrint, conference, proceedings, Academia, LocusPrint, etc.
Accessibiliartity	Articles that are not available in full text or contain unreadable or incomplete research data.
Publication Quality	The article is from a national journal that has not yet been accredited.
Duplication	An article containing indetical data or findings by the same author in two different journals (only one is accepted).

(Source : Researcher Data Analysis)

3. Data Collection and Instrumentation

The data used in this study consists of secondary data analyzed from a narrative perspective, including abstracts, statistical test results, and conclusions based on selected articles. The research instrument consists of the researcher (Human Instrument) assisted by a Documentatiton Sheet (Protocol Checklist). The protocol was used to extract important information from each article, including author identity, abstract, variables studied, research methods used, and keyword related to risk and earnings volatility. The data search process was conducted through the Google Scholar and Sinta Kemenrisaintek databases using Publish or Perish 8 and Nvivo.

4. Data Analysis Technique

The data analysis technique followed tge meta-syntheshis stages adapted from models [39], [40], which comprise three main stages: Reciprocal Translation Analysis, Involving “cross-study” comparisons to identify similarities among research findings. Categorization (Synthesizing) groups different findings (contradictory leverage effects) into the board themes of systemic risk and non-systemic risk. Narrative synthesis is performed by integrating these categories into a new conseptual framework that unpacks how macro factors and governance jointly dermine earnings stability.

The research stages were conducted systematically to minimize subjectivity and enhance the rigor of the qualitative analysis, the researcher adopted a meta-synthesis framework, in which each step was designed to thoroughly screen and integrate findings from selected articles. To provide a comprehensive overview of the line of reasoning and technical steps undertaken from the initial problem statement through to model selection, the researcher presents them in the following visual methodology diagram:

Figure 1. Stages of the Meta Synthesis Method
(Source : Author)

Based on the methodological framework outlined above, this study explicitly employs the Thematic Categorization & Synthesis stage as the foundation of the data analysis process. The stages employed allow the researcher to conduct various literature reviews by applying reciprocal Translation Analysis that is, translating the interpretation of one study into another to identify patterns of contradiction or consistency regarding risk and earning volatility. Futhermore, this study not only maps current capital market phenomena but also constructs a new narrative capable of bridging the gap between macroeconomic factors and corporate governance within a risk management framework.

Result and Discussion

1) Results

The findings from the 12 selected articles reveal a paradigm shift from quantitative fundamental risk (numbers) toward a focus on the strength derived from how leaders manage companies in terms of corporate governance and data integrity, transforming these elements into actionable information. These findings result in a mapping of profit volatility in Indonesia driven by internal and external factors, while also yielding a virtue based mitigation model detailed through the findings and thematic categorization in the following table.

The mapping of literature metadata serves as a step to demonstrate the validity and credibility of the data sources synthesized in this study. The researchers conducted a rigorous selection of 12 articles published between 2020 and 2024, covering methodologies ranging from quantitative analysis based on data collection to qualitative phenomenological approaches. This diversity of sources was intentionally chosen to analyze the phenomena of earnings volatility and market risk from various perspectives within the index, ranging from blue-chip companies in the LQ45 to Sharia based investment instruments and fintech innovations. To provide an in-depth overview of the characteristics of each article that forms the foundation of the analysis, a summary of the literature metadata is presented in the following table:

Tabel 3. Literature Metadata Description

No	Author (Year)	Research Focus	Methodology
1	[8] Septyadi & Bwarleling (2020)/ [A1]	Stock Price Volatility & Leverage	Quantitative (LQ45)
2	[17] Sudarma & Wulandari (2022)/[A2]	Virtue Values & Fundamental Information	Qualitative (Phenomenology)
3	[25] Cahyawati & Miftah (2022)/[A5]	Dividens &Earnings Volatility	Quantitative (IDX30)
4	[34] Utami & Sofia (2024)/[A4]	Board Gender Diversity & CSR	Quantitative (SRI-KEHATI)
5	Sanfa & Tjandrasa (2024)/[A3]	Macroeconomics & JCI Dynamics	Quantitative (Time Series)
6	Lovita & Lisiantara (2023)/[A6]	Sales Volatility, Cash Flow, and Profit Persistence	Quantitative (Multiple Linear Regression Analysis)
7	Anzelina (2024)/[A7]	Financial Performance (Liquidity and Profitability Ratios)	Quantitative Descriptive (Case Study Of BUMN)
8	Elen & Nurissa (2023)/[A8]	ROA, CR, DER, and Their Impact on Stock Prices	Quantitative (Purposive Sampling)
9	Evin & Evyanto (2022)/[A9]	Operating, Investing, Financing Cash Flow, and Return on Equity	Quantitative (t test and F test)
10	Ariyanti, Imron, & Aditya (2024)/[A10]	Cash Flow Volatility, Sales, and Profit Persistence	Quantitative (Panel Data Regression)
11	Sabila (2024)/[A11]	Sharia Stock Screening Criteria and the Concept of Halal Capital Markets	Descriptive Qualitative
12	Johan (2024)/[A12]	Fintech Innovation and the Transformation of Traditional Investing	Mixed Methods (Case Studies, Surveys, and Statistics)

(Source : Researcher's Data Analysis)

Based on the data summarized in Table 3, there appears to be a significant shift in research focus, with early studies (2020-2022) dominated by traditional financial variables such as leverage and dividend policy, while recent studies (2023-2024) have begun to incorporate contemporary governance dimensions such as board gender diversity and virtue ethics. The dominance of quantitative methods (75%) provides a strong empirical foundation regarding market volatility trends, yet the presence of qualitative studies and mixed methods approaches offers the interpretive depth necessary to understand value based risk mitigation mechanisms. Consequently, the data used not only provides statistical insights but also offers comprehensive insights into how information integrity

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and digital transformation serve as key determinants of corporate resilience in the Indonesia capital market.

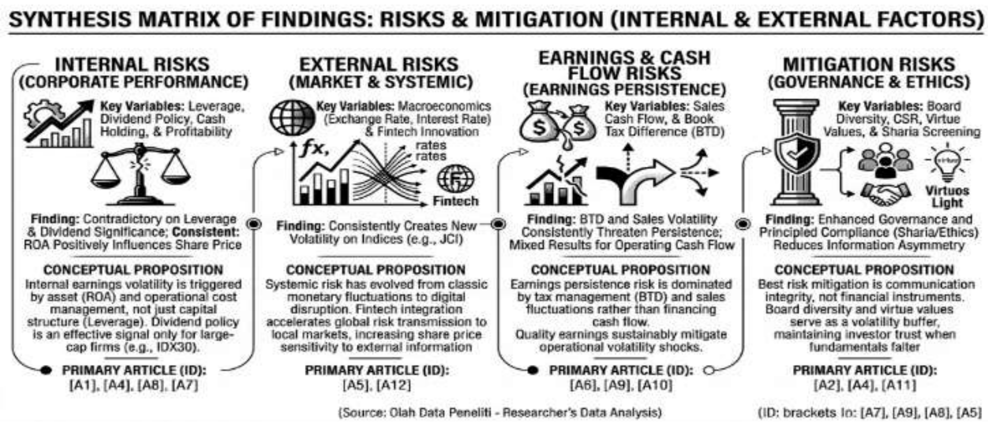

Figure 2. Thematic Categorization and Theoretical Propositions
(Source : Researcher's Data Analysis)

The infographic presents a meta synthesis framework that groups corporate value dynamics and market volatility into four main thematic pillars, governance resilience, information integrity, macro technological fluctuations, and operational vulnerability. Corporate stability depends not only on internal strengths such as board diversity and Sharia principle based transparency ethics but is also significantly influenced by external factors like fintech disruption and macroeconomic shocks. This analysis identifies that inefficiencies in asset management and tax management create profit risks that directly impact stock returns. Overall, the synergy between moral integrity, governance resilience, and adaptability to technology is the key to mitigating investment volatility in modern capital markets.

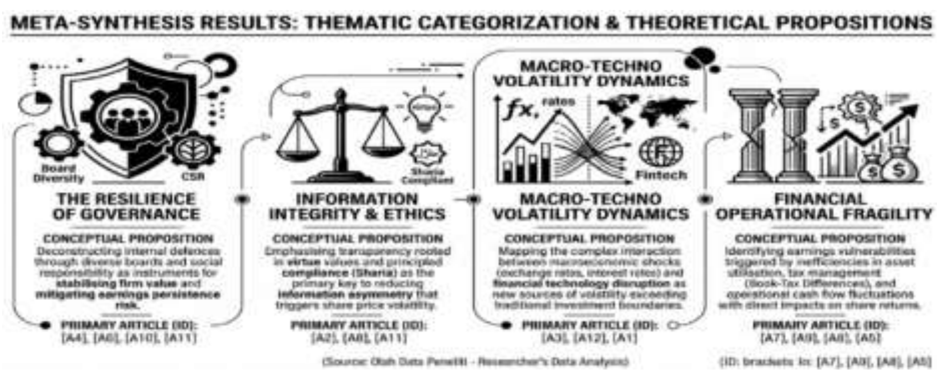

Figure 3. Themmatic Categorization & Theoretical Propositions
(Source : Researcher's Data Analysis)

The conventional understanding of earnings volatility has evolsed into a more complex and integrative theoretical framework. The categorization of this theme reveals mutually reinforcing contradictions between "Financial Operational Fragility" as a source of a company's internal vulnerability and "Macro- Techno Volatility Dynamics which represents systemic pressures from the digital ecosystem and the global economy. The most significant contribution of this synthesis lies in the identification of mechanisms through "The Resilience of Governance" aand "Information Integrity & Ethics", which position board diversity and virtue based transparency not merely as administrative obligations, but as strategic instruments for reducing information asymmetry.

The resulting theoretical proposition explains that corporate resilience in the Indonesia capital market now depends on an organization's ability to bridge financial efficiency with moral integrity, as well as to create a modern risk management model in which ethics and governance serve as a stabilizing force amid increasingly volatile technological disruption.

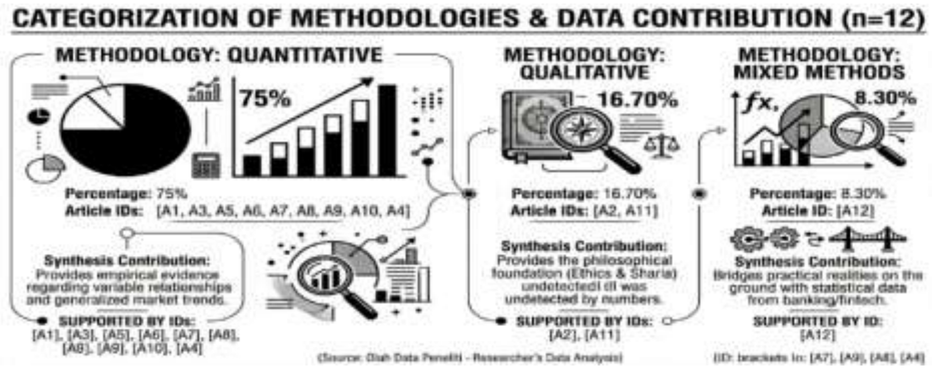

Figure 4. Categorization of Methodologies and Data Contribution
(Source : Researcher's Data Analysis)

An analysis of the methodological distribution in the figure above reveals a synergy between empirical findings and interpretive depth, with quantitative approaches accounting for 75% serving as the scientific foundation for validating trends and relationships among variables. However, the data in this meta synthesis are significantly strengthened by the contributions of qualitative and mixed methods approaches (25%), which are able to unravel the philosophical aspects, ethical values, and practical realities of digital transformation that are often overlooked by pure statistical modeling. This methodological diversity ensures that the results of the combined methodologies do not merely stop at generalizing overall figures but also provide a comprehensive understanding of the social dimensions and strategis policies underpinning the dynamics of profit stability in the Indonesia capital market.

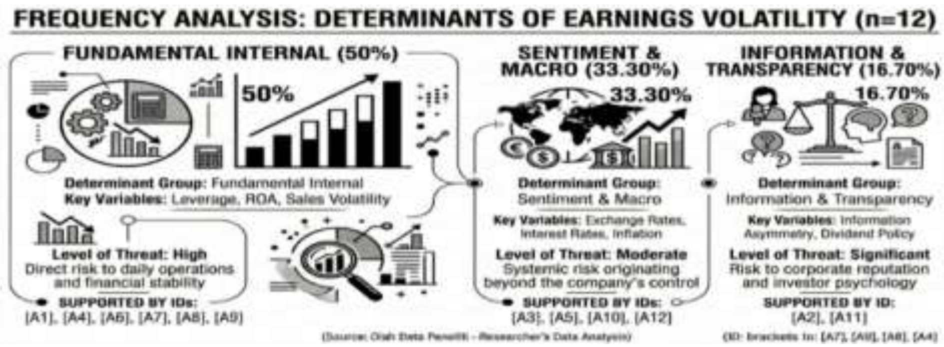

Figure 5. Frequency Analisys
(Source : Researcher's Data Analysis)

Based on the data in figure 5, it is clear that earnings stability in the Indonesia capital market remains higghly dependent on companies' internal health,with fundamental factors contributing significantly accounting for 50% as the primary driver of operational risk. Although systemic pressures from macroeconomic variables and market sentiment remain a significant moderate threat (33,30%), these findings highlight that vulnerability to volatility often stems form inefficiencies in asset utilization and suboptimal capital structures. Therefore, while companies remain vigilant against external fluctuations and information asymmetries that affect investor psychology, the primary focus of risk management should be prioritized on strengthening operational performance and financial reporting transparency as the first line of defense in mitigating market shocks.

Tabel 4. Meta-synthesis evidence

Synthesised Theme	Categories	Textual Evidence / Key Findings (Evidence)
Governance as a Volatility Buffer	Board Diversity & Ethics	Board diversity plays a crucial role in corporate governance to maximize the value of sustainable investments.
	Virtue-based Communication	A communication policy grounded in virtue builds investor trust, comfort, and confidence.
	Institutional Ownership	Institutional ownership has a positive effect on earnings persistence, indicating the role of oversight in stability.
	Sharia Principles	Sharia compliant products undergo a rigorous screening process to ensure they are halal and profitable for investors.
External Shock Dynamics	Techno-Financial Disruption	Financial technology innovations have significantly transformed the financial industry and changed banking practices.
	Macro-Economic Pressure	Exchange rates (EXR) and interest rates (INT) have a dominant influence on the dynamics of the Composite Stock Price Index (IHSG).
	Market Trading Dynamics	Stock trading volume has a positive and significant partial effect on stock price volatility.
Financial Operational Fragility	Earnings & Dividend Policy	Dividend policy and earnings volatility simultaneously influence stock price movements in the IDX30 index.
	Operational Efficiency	The company's inability to make optimal use of its assets has resulted in losses and poor financial performance.
	Cash Flow Volatility	Financing and net income have a significant positive impact, while operating cash flow does not directly affect stock returns.
	Asset Performance (ROA)	Only the Return on Assets (ROA) variable has a significant positive impact on stock price movements.
	Persistence & Tax Gap	The Book Tax Difference has a significant negative impact on earnings persistence, indicating a risk to earnings quality.

(Source : Researcher's Data Analysis)

Table 4 provides empirical evidence that the stability of the capital market in Indonesia depends on the collaboration between financial discipline and managerial integrity. Findings regarding Financial Operational Fragility indicate that volatility is not merely a result of capital structure but rather a manifestation of inefficient asset utilization (ROA) and distortions in earnings quality due to tax management (Book Tax Difference). This poses risks in External Shock Dunamics, where financial technology disruptions and macroeconomic fluctuations (exchange rates and interest rates) simultaneously pressure the dynamics of the IHSG, forcing companies to not only have strong fundamentals but also agility and expertise in navigating the increasingly rapid changes in the industry.

Governance as a Volatility Buffer serves as a strategic defense mechanism capable of mitigating the negative impacts of information asymmetry and market fluctuations. The evidence indicates that qualitative instruments, such as gender diversity in board organizational structures, strict principles, and virtue-based communication, have the ability to enhance investors' "comfort level" a psychologically assessed metric that transcends statistical figures. Thus, the academic implications of these findings point to the need to reconstruct risk management models that balance technical cash flow optimization with the strengthening of social capital through transparent governance, in order to create an investment ecosystem that is not only profitable but also possesses sustainable resilience.

Table 5. Risk Assessment and Mitigation

Risk Assessment and Mitigation	Risk Assessment and Mitigation	Mitigation Mechanisms (Summary)	Strategic Implications & References
Financial & Operational Risks (Leverage, ROA, & Cash),	Short-term cash flow uncertainty and inefficient asset utilization are fueling negative investor sentiment.	Optimizing cash holdings, strengthening the capital structure (leverage), and improving operational efficiency to maintain profitability.	Avoiding forced liquidation and maintaining stable stock returns. (A1, A5, A7, A8, A9),
Information Risks (Asymmetry & Transparency),	Sharp fluctuations in stock prices caused by an overreaction of the market to biased fundamental information.	The implementation of virtue values in financial reporting and the enhancement of transparency through CSR disclosures.	Build trust and increase the comfort level of long-term investors. (A2, A4, A11).
Earnings Quality Risks (Tax Gap & Persistence),	Low earnings persistence caused by book-tax differences and sales volatility.	Strict oversight by institutional shareholders and a diverse board to ensure more sustainable profits.	Ensuring the predictability of future earnings as a basis for investment decisions. (A6, A10, A4).
External & Technological Risks (Macroeconomic & Fintech).	Systemic shifts in fundamental values resulting from exchange rate shocks, inflation, and disruptions caused by digital financial technology.	Diversifying the investment portfolio and quickly adapting to innovations in financial technology (Fintech) to ensure the business remains relevant.	Building corporate resilience against global macroeconomic shocks. (A3, A12).

(Source : Researcher Data Analysis)

Meanwhile, the table 5 breaks down the integration of multidimensional risk factors with strategic mitigation mechanisms to protect corporate value in the capital market. The stability of stok returns depends not only on the strengthening of intenal fundamentals through capital structure optimization and asset efficiency, but is also significantly influenced by built on the integrity of financial reporting grounded in ethical values. Earnings uncertainty and global (external) conditions related to technology (Fintech) can be effectively mitigated through strict institutional oversight and responsive technological adaptation. The strategic implications of this mitigation point to the establishment of transparency in information and good governance as key factors in maintaining long-term investor confidence and ensuring stable financial performance despite an uncertain and dynamic global economy.

2.) Discussion

The stability of Indonesia's capital market cannot be managed solely through exixting monetary and fiscal policies: rather, it requires strengthening the pillar of corporate information integrity. For the Government and the Financial Services Authority (OJK), standardized reporting that integrates virtue values sustainabillity principles is needed as an instrument for mitigating systemic risk. Future policies should encourage listed companies to move beyond mere administrative compliance toward substantive disclosure, where transparent governance serves as a foundation for stability to mitigate information asymmetry and market panic in the event of shock or fundamental news in the external (foreign) environment.

In the era of digital disruption, risk management must be revitalized to reconstruct a risk assessment model that not only relies on quantitative fundamental ratios such as leverage and liquidity, but also takes into account qualitative variables such as gender diversity within the company including on the board of commissioners and the board of directors and business ethics as key assets for the company's future sustainability. There is a need for researchers to conduct further exploration into how the interaction between techno-financial disruption and investor behavior can be mitigated by strengthening social capital within corporations, thereby generating literature that is better adapted to increasingly volatile market dynamics.

Investors and financial (portfolio) managers need to reorient their investment strategies by prioritizing governance and Sharia/ethical compliance as key indicators in the stock screening process. This discussion shows that companies with governance based risk mitigation mechanisms have better resilience against price fluctuations compared to companies that merely have high profitability but lack transparenc. In a market environment fraught with uncertainty, long term investors will feel more secure investing in companies that demonstrate consistent earnings and the ability to adapt quickly to technological changes; as a result, portfolio diversification is no longer just a matter of industry sectors, but also a matter of managerial integrity.

For a wide range of stakeholders, including company executives (CEOs and CFOs), this is a call to prioritize operational resilience as a strategic priority one that goes beyond the pursuit of short term profits. Companies must recognize that efficient asset utilization and disciplined cash flow management are essential for maintaining financial stability and avoiding forced liquidation during market volatility. By fostering an organizational culture that prioritizes integrity in all financial reporting, the company is indirectly preparing and planning for the need to claim insurance in the event of a decline in reputation a measure that can protect the entity's value from excessive market reactions while ensuring the sustainability of sound business operations within Indonesia's increasingly competitive capital market ecosystem.

Conclusion

The stability of a company's value in the Indonesian capital market no longer relies solely on the strength of its financial fundamentals but is determined by the synergy between information transparency and ethical governance. Through a synthesis of various literature, it was found that earnings volatility triggered by internal inefficiencies and external technological disruptions can be effectively mitigated when companies adopt virtue values and diversity in their boards of commissioners and directors as strategic instruments. The main contribution of this study lies in managerial integrity, which serves as the foundation of investor trust and ultimately transforms risk management from mere administrative compliance into a mechanism for corporate resilience that supports and integrates business entities in navigating global market uncertainty.

Although there are new perspectives on risk mitigation from a qualitative standpoint, this study is limited by the scope of the literature, which focuses on the Indonesian capital market a context dominated by quantitative methods in the articles reviewed. This limitation presents an opportunity for future researchers to expand the scope to the ASEAN regional level in order to compare the effectiveness of local values in mitigating market volatility.

In addition, future research is encouraged to employ more in depth meta analysis methods to statistically test the strength of the relationships between variables, or to conduct longitudinal studies exploring the long term impact of implementing ethics-based governance on business sustainability in the post-digital era.

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