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Corporate Governance, Profitability And Firm Value: A Systematic Literature Review

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Abstract

This study conducts a systematic literature review combined with bibliometric analysis to map the intellectual landscape, conceptual development, and research trends surrounding Corporate Governance, Profitability, and Firm Value within contemporary academic scholarship. Using the PRISMA framework, peer-reviewed articles published up to November 2025, written in English, and indexed in the Scopus database were rigorously identified, screened, and synthesized. Bibliometric techniques using VOSViewer were applied to visualize citation structures, co-authorship networks, and keyword co-occurrence patterns, enabling a comprehensive understanding of the field's thematic evolution. The review reveals that scholarly interest in the nexus between corporate governance mechanisms, profitability indicators, and firm value has grown substantially over the past decade. However, the research stream remains dispersed across varying methodological approaches and is dominated by specific corporate governance constructs, such as board characteristics and ownership structure. Influential authors, dominant themes, and existing research gaps are identified, underscoring the need for deeper theoretical integration, stronger causal designs, and broader cross-country comparisons. The combined methodology of systematic review and bibliometric mapping provides a robust analytical foundation, clarifying the trajectory of the field and offering direction for future empirical and conceptual contributions to corporate governance and value-creation research.

Keywords: Corporate Governance, Profitability, Frim Value

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INTRODUCTION

Corporate governance, profitability, and firm value have become increasingly interconnected topics within contemporary corporate finance research. Corporate governance is widely recognized as a foundational mechanism for mitigating agency conflicts, improving transparency, and enhancing internal control systems, thereby contributing to organizational efficiency and performance(Gwala & Mashau, 2022). Profitability and firm value, meanwhile, represent key indicators of a firm's operational capability and long-term market performance. As globalization accelerates and market competition intensifies, firms are pressured to strengthen governance structures and financial strategies to sustain competitiveness and attract investor confidence (Wang et al., 2011).

The relevance of corporate governance becomes even more pronounced in emerging economies, where institutional weaknesses, limited investor protection, and higher information asymmetry influence firm behavior and market outcomes (Al Azizah & Haron, 2025). Profitability—commonly measured using ROA and ROE—continues to serve as a central predictor of firm value across multiple empirical settings (Dewi et al., 2024). Firm value itself, often assessed through Tobin's Q, market capitalization, and price-to-book ratio, reflects both market expectations and the strategic orientation of firms (Kawewong et al., 2025).

As the academic discourse evolves, research increasingly incorporates broader dimensions such as sustainability, CSR engagement, and ESG performance, which have been found to enhance reputation, reduce risk exposure, and contribute to long-term value creation(Chen et al., 2025). Similarly, governance mechanisms—particularly board independence, gender diversity, audit committee effectiveness, and institutional ownership—continue to be highlighted as key determinants of financial performance and firm valuation(Alwadi et al., 2025). These findings collectively demonstrate that governance, profitability, and firm characteristics jointly shape firm value across different institutional contexts.

Given the expanding body of research, a comprehensive synthesis is required to map the intellectual structure, identify dominant themes, and evaluate the consistency of empirical evidence. A Systematic Literature Review (SLR), supported by bibliometric analysis, provides a rigorous and transparent approach to understanding research patterns, influential authors, and emerging topics within this field (Hadi et al., 2020). Such an approach enables scholars to evaluate research progress while identifying theoretical and practical implications for future studies.

Through systematic screening, classification, and bibliometric visualization, this study aims to provide a comprehensive overview of the evolving research landscape and

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offer meaningful contributions to the broader discourse on governance, performance, and value creation.

LITERATURE REVIEW

Research on corporate governance, profitability, and firm value continues to develop across various contexts, incorporating diverse theoretical perspectives, measurement approaches, and empirical findings. Numerous studies emphasize the centrality of firm value—commonly captured through indicators such as Tobin's Q, market capitalization, and price-to-book ratio—as a reflection of investor perceptions and long-term performance potential (Al Azizah & Haron, 2025)(Sumani & Suryaningsih, 2022)(Sumani & Suryaningsih, 2022) .Corporate governance emerges as a fundamental mechanism shaping firm performance and valuation, functioning through leadership structures, decision-making systems, transparency, and shareholder protection (Wang et al., 2011)(Biçer & Şit, 2023). Key governance components such as board size, independence, gender diversity, audit committee attributes, and ownership structures—including institutional, managerial, female, and foreign ownership—are consistently identified as determinants of performance and firm value (Arsh et al., 2025)(Alwadi et al., 2025)(Setiany et al., 2023).

Profitability, generally measured through ROA and ROE, remains a crucial indicator of a firm's operational efficiency and a central predictor of valuation across multiple studies (Dewi et al., 2024)(Mandacä & Gumus, 2010)(Mandacä & Gumus, 2010)(Kawewong et al., 2025). Similarly, firm characteristics such as size, leverage, liquidity, and investment intensity often serve as control variables affecting performance and market valuation (Simoes & Carvalhal, 2016)(Santosa, 2020). Other literature incorporates strategic dimensions including ESG performance, CSR engagement, and environmental innovation, illustrating how sustainability-related practices enhance reputation, mitigate risk, and strengthen long-term firm value (Chen et al., 2025)(Yucel et al., 2025)(Karasamani et al., 2025). Studies integrating capital structure, funding decisions, and investment strategies show that firms optimizing financing sources and investment allocations tend to exhibit stronger valuation outcomes, particularly when supported by effective governance systems (Ardini et al., 2022)(Kawewong et al., 2025). Meanwhile, the moderating effects of governance—especially audit committees, institutional ownership, and good governance indices—highlight the importance of monitoring and oversight quality in strengthening the relationship between financial performance and firm value (Nuansa-ard et al., 2024)(Tarighi et al., 2023)(Yondrichs et al., 2021).

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Overall, the literature demonstrates a consistent pattern: strong governance, robust profitability, and sound financial policies collectively enhance firm value, while sustainability considerations (ESG/CSR) increasingly shape strategic decision-making and stakeholder evaluation. These findings provide a comprehensive theoretical and empirical foundation for future research on firm performance and value creation across various institutional and industry settings.

Tabel 1. Definition

No	Autors	Article	Definitiom
1	(Al Azizah & Haron, 2025)	The sustainability imperative: evaluating the effect of ESG on corporate financial performance before and after the pandemic	Corporate financial performance (CFP) serves as the dependent variable and is measured using ROA, ROE, and Tobin's Q. ROA captures how efficiently a firm generates profit from its assets, ROE reflects profitability relative to shareholders' equity, and Tobin's Q indicates market valuation by comparing the market value of equity plus the book value of liabilities to total assets. The independent variables consist of Environmental, Social, and Governance (ESG) scores, a combined ESG score, and industry sensitivity to ESG (SIND). The Environmental Score evaluates a firm's environmental impact, the Social Score reflects its ability to maintain trust and relationships with stakeholders, and the Governance Score assesses leadership and decision-making structures, while SIND captures ESG-related industry risk. Control variables include firm size (measured by the natural logarithm of total assets), firm age, leverage, industry concentration (HHI), industry munificence, industry dynamism, inflation, and GDP growth.
2	(Sumani & Suryaningsih, 2022)	The Moderating Role of Good Corporate Governance: The Influence of Capital Structure, Profitability, Dividend Payment and Inflation on The Value of Mining	Firm value reflects market perceptions of a company through its stock price and is measured by Tobin's Q; capital structure denotes long-term financing from debt and equity to maximize firm value; profitability captures the firm's ability to generate earnings from its resources; dividend policy concerns the proportion and stability of dividends paid; inflation represents a general rise in prices that weakens

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		Companies in Indonesia	currency purchasing power; and GCG signifies the firm's commitment to efficient, transparent governance that supports performance and long-term sustainability.
3	(Nuansa-ard et al., 2024)	The moderating impact of institutional shareholders on the relationship between audit quality and firm value	Audit quality is the auditor's ability to detect financial misstatements and provide credible assurance based on professional standards; institutional shareholder theory explains how organizational actions follow established norms, with institutional ownership seen through active, passive, and exploitative monitoring; market capitalization reflects firm size and market strength by multiplying stock price with outstanding shares; investment decisions guide asset allocation to maximize value, funding decisions determine optimal financing sources, profitability measures the firm's capacity to generate returns, firm value represents the present value of expected cash flows, and corporate governance sets transparent rules that align stakeholder interests and support sustainable performance.
4	(Ardini et al., 2022)	The Effect of Investment Decisions, Funding, And Profitability on Company Value with Corporate Governance as Moderating Variables	Investment decisions involve selecting assets that generate future returns and optimize resource use to increase shareholder value; funding decisions focus on choosing the most effective financing sources debt or equity to support operations; profitability reflects the firm's ability to generate earnings from its resources, commonly measured by ROA; firm value represents the present value of expected future cash flows and is often indicated by stock price performance; and corporate governance comprises rules and mechanisms that align stakeholder interests, ensure transparency, and support sustainable corporate growth.
5	(Aoki, 2009)	The decrease in diversification and corporate governance: Evidence from Japanese firms+	The decrease in diversification refers to business portfolio restructuring, characterized by a reduction in the number of business segments, and occurs when a firm ends a fiscal year with fewer operating segments than it had in the preceding year.

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6	(Chen et al., 2025)	Forced or willing: A study of corporate ESG peer effects and value from the perspective of institutional isomorphism	ESG represents a framework integrating economic growth, environmental protection, and social equity to address sustainability challenges; institutional isomorphism explains why organizations become structurally similar through coercive, normative, and mimetic pressures that encourage compliance for resource survival; and peer effects describe the tendency of firms within the same group to exhibit similar behaviors and characteristics due to shared environments, ownership links, and common external influences.
7	(Dewi et al., 2024)	CSR as a mediating to company characteristic, corporate governance, and firm value	Firm value reflects investors' assessment of a company, indicated by its stock price and commonly interpreted as market value; profitability measures how efficiently a firm generates earnings from its operations; firm size, often based on total assets, revenue, or number of employees, signals operational capacity and stability; corporate governance ensures accountability, transparency, and integrity in managerial decisions; signaling theory explains how firms convey credible information to reduce asymmetry between informed and uninformed parties; and CSR shows a company's commitment to financial performance, social responsibility, and environmental stewardship while maintaining investor trust.
8	(Wang et al., 2011)	Corporate governance and institutional ownership: A critical evaluation and literature survey	Corporate governance concerns how financiers secure returns on their investments and functions as a decision-making mechanism for issues not covered in initial contracts, especially when conflicts of interest arise and agency problems cannot be fully addressed through contractual arrangements.
9	(Wijaya et al., 2025)	the Effects of Capital Structure, Corporate Governance, and Intangible Assets on the Performance of Selected Indonesian Chemical	Capital structure refers to the mix of short-term debt, long-term debt, and equity used to finance a firm's operations and investments, aiming to minimize the cost of capital and maximize firm value while accounting for risk and market conditions; intangible assets encompass non-physical

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		Companies: the Role of Firm Size	resources—such as brand strength, innovation capability, and proprietary technology—that play a critical role in creating sustainable competitive advantage.
10	(Titisari et al., 2019)	the Effects of Capital Structure, Corporate Governance, and Intangible Assets on the Performance of Selected Indonesian Chemical Companies: the Role of Firm Size	Firm value reflects investor perceptions through the stock price and aligns with the company's objective of maximizing both firm value and shareholder wealth; corporate governance consists of mechanisms that regulate stakeholder relationships to ensure effective management and protect shareholder interests; corporate social responsibility represents a company's ethical commitment to all stakeholders in pursuit of long-term prosperity and sustainable operations; and the cost of capital is the weighted average of debt and equity financing used to support investments and overall business activities.
11	(Yondrichs et al., 2021)	The effect of fundamental factors, sustainability reporting, and corporate governance on firm value	Fundamental analysis evaluates a company's financial condition using liquidity, profitability, and leverage ratios under the assumption that a strong firm can meet obligations and distribute dividends; liquidity reflects the firm's ability to pay short-term debts, profitability measures its capacity to generate earnings, and leverage shows the balance between debt and equity in its capital structure; a sustainability report discloses non-financial information about social and environmental performance; and firm value represents investor perceptions typically reflected in stock prices indicating confidence in the firm's ability to deliver future returns.
12	(Simoes & Carvalhal, 2016)	Value, governance and foreign shareholding in Brazilian companies	P/B represents the price-to-book ratio showing the market value relative to the firm's book equity; Tobin's Q measures the ratio of the market value of assets to their book value; ROE captures profitability through net income over shareholders' equity; NM is a dummy variable identifying firms listed on the New Market; For indicates firms with foreign controlling

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			shareholders; Forvot represents the voting capital owned by foreign shareholders; Vot denotes the voting capital of the largest shareholder; Size is firm size measured as the logarithm of total assets; and Lev reflects leverage as total liabilities divided by total assets.
13	(Santosa, 2020)	The moderating role of firm size on financial characteristics and islamic firm value at indonesian equity market	Firm value is measured as market capitalization plus total debt relative to total assets; liquidity reflects current assets over current liabilities and shows the firm's ability to meet short-term obligations; leverage, calculated as total debt to equity, indicates the firm's long-term debt-servicing capacity; profitability, measured by net income to total assets, captures the firm's ability to generate earnings from its resources; activity or efficiency, reflected in net sales to total assets, shows how effectively assets produce revenue; the audit committee, measured by the number of committee members, supports financial reporting credibility and corporate oversight; and firm size is assessed using the natural logarithm of total assets.
14	(Biçer & Şit, 2023)	the Impact of Corporate Governance Quality on Firm Value: a Case Study on Corporate Governance Index of Borsa Istanbul	Corporate governance is a system of rules and mechanisms that guides and regulates how an organization is managed and controlled. It encompasses the relationships among management, the board of directors, shareholders, and other stakeholders. Its core purpose is to ensure that managers act in the best interests of shareholders, promoting decisions that enhance firm value. Corporate governance also reflects a framework of laws, regulations, and voluntary practices that enable firms to attract resources, operate efficiently, and achieve long-term stability and economic growth.
15	(Arsh et al., 2025)	Unveiling the corporate governance dynamics: exploring the nexus of board composition, audit	ROA measures profit before tax relative to total assets, while ROE reflects profit after tax relative to total equity. MBV compares a firm's market value to its book value, and Tobin's Q evaluates firm performance by dividing the sum of long-term debt (book

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		committee attributes, foreign ownership, and firm performance in an emerging market	value) and equity (market value) by total assets (book value). Board Size captures the number of directors, Board Independence measures the share of independent directors, and Gender Diversity reflects the percentage of women on the board. Board Meetings indicate directors' attendance rates, and CEO Duality identifies whether one individual holds both CEO and chair roles. Foreign Ownership represents the percentage of shares held by foreign investors. Audit Committee Size counts the number of committee members, while Audit Independence shows whether an independent director chairs the committee. Firm Age is the number of years since incorporation, and firm size is measured using the natural logarithm of sales.
16	(Alwadi et al., 2025)	Female investors and corporate performance: an empirical analysis in the Jordanian context	Female ownership refers to the percentage of shares held by women, while institutional ownership represents the share portion owned by institutions. Financial performance is measured using ROE (net income to equity) and ROA (net income to assets). Market capitalization is scaled by total assets, and firm size is measured using the logarithm of total assets. Funding structure is reflected in the debt ratio, while liquidity shows the firm's ability to meet short-term obligations. Net Working Capital (NWC) is calculated as current assets minus current liabilities and then transformed logarithmically. The auditor variable is a dummy, taking the value 1 if the firm is audited by a Big Four auditor and 0 otherwise. Additional firm characteristics include the number of employees and company age, calculated from the difference between the observation year and the establishment year.
17	(Mandacä & Gumus, 2010)	Ownership concentration, managerial ownership and firm performance:	Tobin's Q measures a firm's market value by comparing the market value of assets to total assets, while ROA captures how efficiently the firm generates profit from its assets. CON3 represents the ownership

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		Evidence from Turkey	concentration of the three largest shareholders, and OWNER indicates the proportion of managerial share ownership. CAPEXP reflects investment intensity through the ratio of capital expenditures to sales, whereas DEBTTA captures leverage. GROWTH shows the average sales growth, and SIZE is measured using the logarithm of total assets. Industry differences are controlled using industry dummy variables.
18	(Setiany et al., 2023)	Firm Value: Competitive Position and Corporate Governance During the Covid-19 Pandemic	Competitive position refers to a firm's industry power, while firm value reflects how much investors are willing to pay for the company, commonly measured using Tobin's Q to capture both current performance and future potential. Corporate governance encompasses the systems, processes, and structures that guide business operations and support value creation. Board commissioner size is measured as the natural log of the number of commissioners, and board commissioner independence represents the share of commissioners who are not executives. Institutional ownership reflects the proportion of shares held by non-controlling institutions, whereas foreign ownership indicates the percentage of shares owned by foreign entities holding at least 5% of total outstanding shares.
19	(Kawewong et al., 2025)	Corporate Governance, Capital Investments, Profitability and Firm Value: a Case Study of Thailand During the Covid-19 Pandemic	BEP measures profitability using operating income divided by total assets, while Tobin's Q reflects firm valuation by comparing the market value of equity plus total liabilities to total assets. FSIZE represents firm size through the natural logarithm of total assets, and LEV captures financial leverage as total debt relative to total assets. LIQ measures liquidity using the ratio of current assets to current liabilities, FIX represents net fixed assets over total assets, and CAPEX reflects capital expenditure through changes in gross fixed assets relative to total assets. GoodCG is a dummy for firms with strong corporate governance scores, COVID19

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			indicates the pandemic period, and INDUS classifies firms based on Stock Exchange of Thailand industry categories..
20	(Tarighi et al., 2023)	The Moderating Effect of the COVID-19 Pandemic on the Relation between Corporate Governance and Firm Performance	ROA is calculated as EBIT divided by total assets, while Tobin's Q captures market value relative to asset replacement cost. BSIZE denotes the number of board members, BIND the share of non-executive directors, BFE the proportion with financial expertise, and BGD equals one when the board includes at least one woman. BMF reflects how often the board meets, and CEO Duality equals one when the CEO also chairs the board. ACSIZE is the number of audit committee members, ACIND the proportion of independent members, and ACFE the share with financial expertise. COVID-19 and M&A are dummy variables indicating pandemic years and merger or acquisition activity. Inflation Rate reflects annual market inflation, Firm Size is the log of total assets, Firm Age the number of years in operation, the Current Ratio measures liquidity, and Leverage represents long-term debt relative to total assets.
21	(Yucel et al., 2025)	Strategic Management of Environmental, Social, and Governance Scores and Corporate Governance Index: A Panel Data Analysis of Firm Value on the Istanbul Stock Exchange	ESG scores assess a firm's environmental practices, social responsibility, and governance quality. The Corporate Governance Index (CGI) measures how well companies apply governance principles and, in this study, refers to Türkiye's standard set by the Capital Markets Board. Leverage (LEV) shows the degree of debt financing, while ROA reflects profitability through net income relative to total assets. The Current Ratio (CR) measures liquidity by comparing current assets to short-term liabilities. Tobin's Q (TOBINSQ), calculated as (total debts + market value) / total assets, indicates whether a firm is undervalued or overvalued. Greenwashing describes misleading environmental claims used to create a false image of sustainability.

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22	(Rodríguez Valencia, 2025)	Financial Performance and Corporate Governance on Firm Value: Evidence from Spain	Firm value reflects the company's primary objective of maximizing shareholder wealth and is shaped by both internal and external factors. Tobin's Q serves as a key indicator of this value, calculated as (total assets − book value of equity + market value of equity) / total assets, capturing intangible aspects such as market power, goodwill, managerial quality, and growth potential. Financial ratios complement this assessment by offering practical tools to evaluate a firm's financial condition and performance over time or across firms. Corporate governance further strengthens firm value through structures and mechanisms designed to align managerial actions with shareholder interests, reduce conflicts, and enhance strategic decision-making.
23	(Karasamani et al., 2025)	Industry-Specific CEO Experience on Boards and Environmental Innovation	INDCEODir measures the proportion of independent directors with current or past CEO experience in the same industry as the appointing firm. GreenApplications is calculated as the natural logarithm of the number of green patent applications that are eventually granted plus one. ROA reflects firm performance and is measured as the natural logarithm of the firm's book value of assets. Tobin's Q captures firm valuation, computed as the market value of equity plus the book value of assets minus total shareholders' equity and deferred taxes, divided by the book value of total assets.

METHOD AND ANALYSIS

A systematic literature review combined with a bibliometric approach was conducted to quantitatively assess existing studies, identify trends, patterns, and key research themes within the discipline. Guided by frameworks such as PRISMA, this method ensures a transparent, comprehensive, and replicable evaluation of the literature, offering a clear overview of the topic under investigation (Hadi et al., 2020).

The inclusion criteria for the review were: (1) articles published up to November 1, 2025, (2) publications written in English, and (3) studies focusing on corporate governance, profitability and prime value . Bibliometric analysis was carried out using

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VOSViewer to visualize bibliographic data, including citation networks, author collaborations, and keyword co-occurrences, thereby uncovering the structural dynamics of the research domain. Integrating bibliometric analysis with a systematic review enables researchers to synthesize empirical findings while mapping the broader landscape of research activity. This includes identifying influential authors, prominent contributors, and emerging thematic trends (Ni & Abdullah, 2025).

The initial stage of this academic investigation involves the selection of keywords, which can be carried out using a macro (top-down) methodology—beginning with broad search pathways and gradually narrowing toward more specific studies and topics. This study employs the keywords “corporate governance,” “profitability,” and “firm value” as the main focal terms within the title, abstract, and keyword sections. In addition, the Scopus database is widely utilized by researchers for various investigative purposes, including conducting literature reviews, identifying subject-matter experts, and monitoring emerging research trends.

Based on the search results obtained on November 1, 2025, from the Scopus database using the article title, abstract, and keywords “Coporate Governance” “Profitability” and “Firm Value” across various academic disciplines 86 documents, spanning from the earliest publication in 1998 to the most recent in 2025 (see Figure 1). A subsequent screening process categorized and filtered these documents according to their types. After screening by document type, 30 articles remained. These selected articles were then analyzed to address the research questions*: RQ1: Does the study of Corporate Governance, Profitability, and Firm Value remain relevant for future scholarly exploration? RQ2: How is current research on Corporate Governance, Profitability, and Firm Value distributed? RQ3: What theoretical and practical implications emerge for future research related to this topic?*

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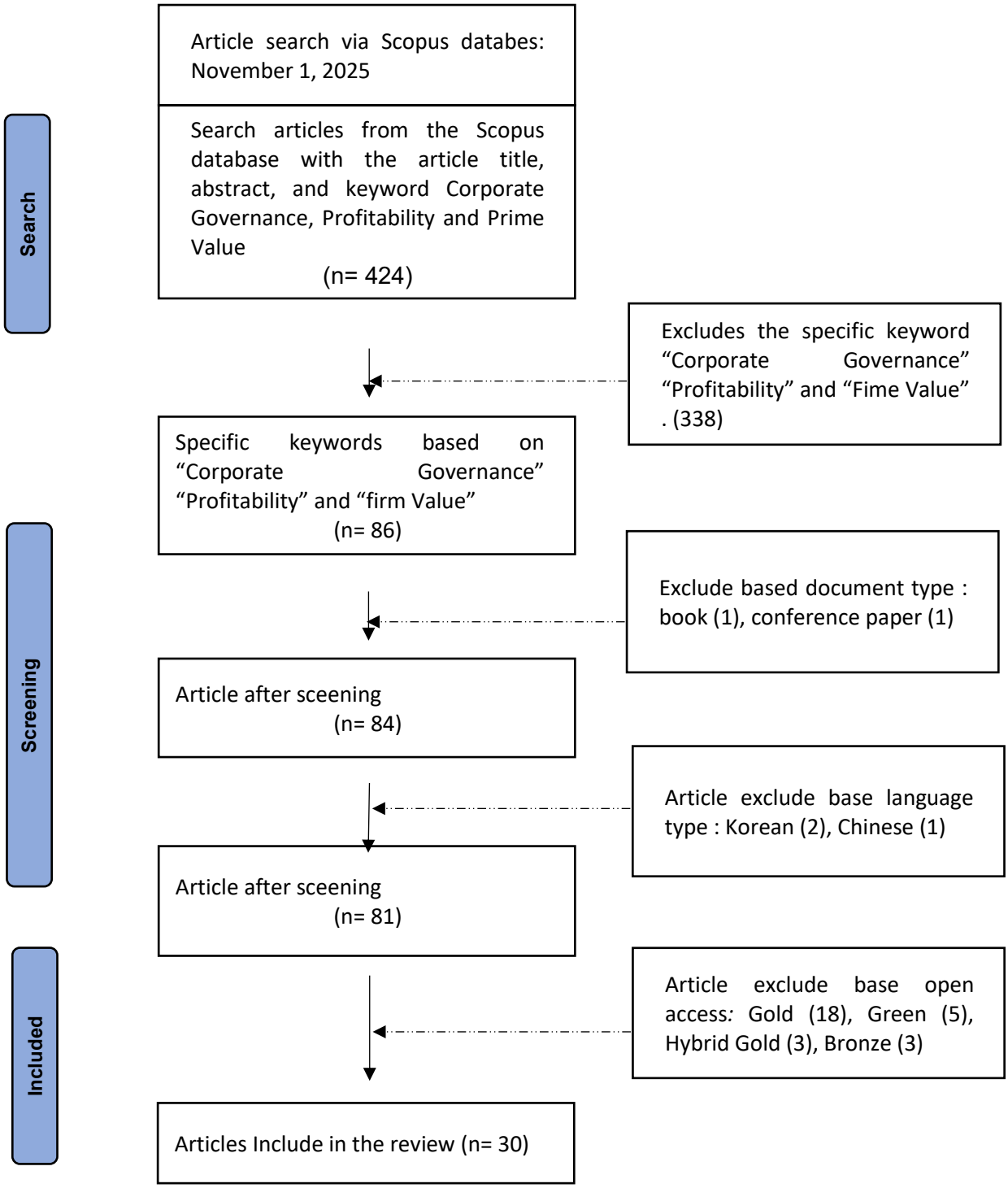


Figure 1. Systematic Literature Review information flow using PRISMA

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RESULT AND DISCUTION

The results of this study focus on findings from 30 articles in the Scopus database on Islamic Leadership. This data is sourced from identifying the number of articles published, publications throughout the years, and journal sources. This study will also highlight the most influential elements in Corporate Governance, Profitability, Firm Value, including the authors, affiliations, and the countries involved.

RQ1: Does the study of Corporate Governance, Profitability, and Firm Value remain relevant for future scholarly exploration?

Based on data retrieved from the Scopus database, between 1998 and 2025, a total of 30 scholarly articles on corporate governance, profitability, and firm value were identified, as illustrated in Figure 2. The earliest documented interest in this topic emerged in 2016, with 2 publications recorded. A gradual increase was observed in 2021–2022, with 3 articles each year, followed by 3 articles in 2023. In 2024, the number of publications slightly declined to 2, but surged again in 2025, reaching 9 articles ((Al Azizah & Haron, 2025), (Kawewong et al., 2025), (Rodríguez Valencia, 2025), (Yucel et al., 2025), (Wijaya et al., 2025), (Arsh et al., 2025), (Chen et al., 2025), (Karasamani et al., 2025), and (Alwadi et al., 2025)). This trend suggests that academic attention to corporate governance, profitability, and firm value has experienced fluctuations over time, yet demonstrates a resurgence of interest in the most recent period.



Source: Scopusdatabase

Figure 2. Number of Publication

Despite the growing number of publications, overall research on corporate governance, profitability, and firm value remains relatively limited, especially in high-impact journals. This presents an opportunity for future researchers to address existing gaps, offering valuable insights into how effective corporate governance and profitability strategies influence firm value. Understanding these relationships is crucial for both

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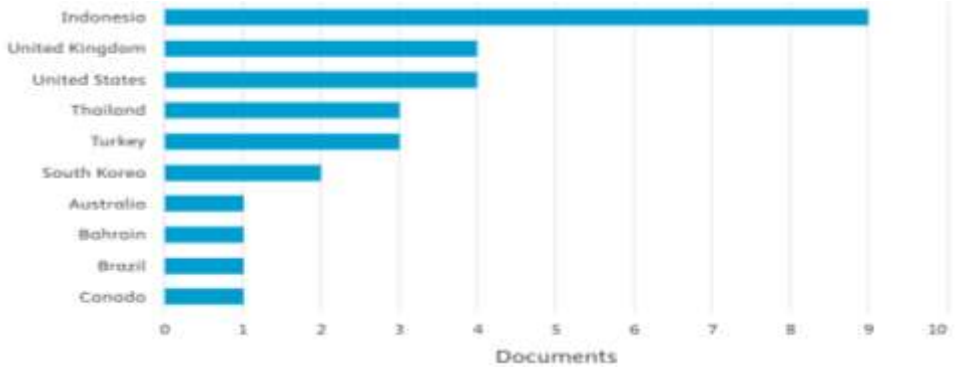
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theoretical development and practical application in diverse business contexts. Overall, these findings indicate that research on this topic remains relevant and continues to hold significance for future scholarly inquiry.

RQ2: How is current research on Corporate Governance, Profitability, and Firm Value distributed?

The analysis of the distribution of research on corporate governance, profitability, and firm value in the 30 identified articles was conducted by categorizing the articles according to classifications such as country, region, affiliation, source, and author, considering only the top 10 articles in each classification. Insights regarding the allocation of scholarly work on corporate governance, profitability, and firm value will be valuable for researchers and practitioners in shaping future research agendas, particularly in enhancing the theoretical development and practical application of corporate governance and profitability strategies to maximize firm value.

Based on the countries of origin of the research samples, it is evident that the majority of studies were conducted in Indonesia, which leads with 9 publications, followed by the United Kingdom and the United States with 4 publications each. Thailand and Turkey each contributed 3 publications, South Korea had 2 publications, and finally, Australia, Bahrain, Brazil, and Canada each had only 1 publication. These findings indicate that the topic of corporate governance, profitability, and firm value has attracted attention not only in emerging economies but also in developed countries, reflecting the global relevance of the subject.



Sources: Scopus databest

Figure 3. Number of articles by country or territory (top 10)

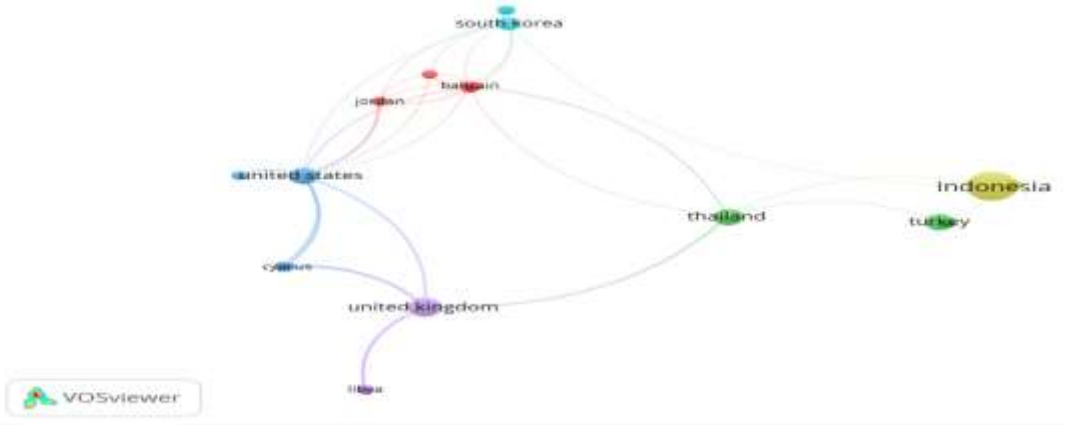
Insights regarding the allocation of scholarly work on corporate governance, profitability, and firm value will be valuable for researchers and practitioners in shaping future research agendas, particularly in enhancing the theoretical development and

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practical application of corporate governance and profitability strategies to maximize firm value.

In addition, researchers will examine the collaboration and connections among countries engaged in research on corporate governance, profitability, and firm value using VOSviewer software. This step is crucial for developing a systematic and forward-looking research agenda. The VOSviewer results reveal the network of interrelationships between countries, highlighting patterns of international collaboration in this field (see Figure 4)



Source: Output VOSviewer software

Figure 4. Network Country Visualization

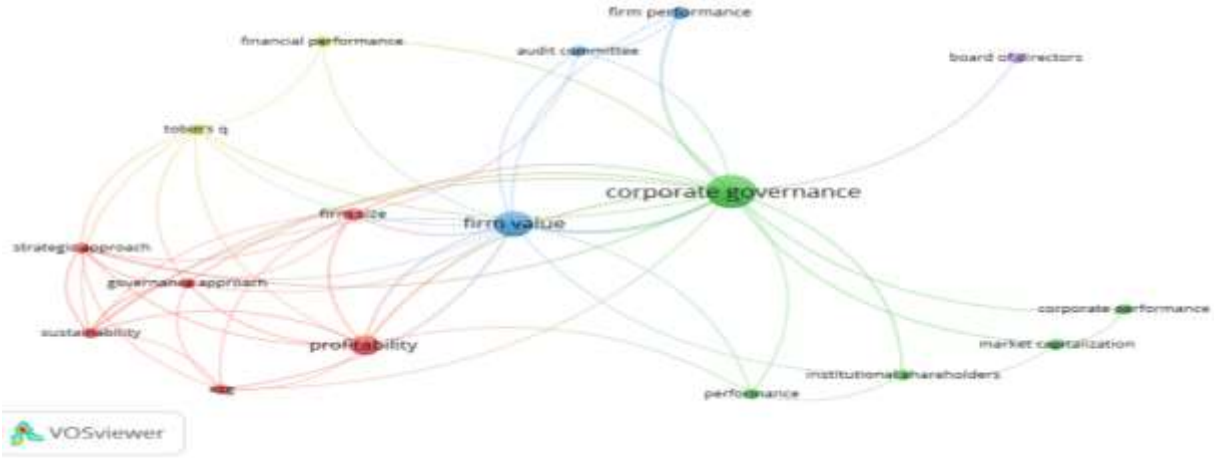
These findings further underscore that research on corporate governance, profitability, and firm value extends beyond specific regions, such as emerging economies, and has garnered significant attention in developed countries as well. The principles of effective corporate governance and strategic profitability are highly pertinent across diverse national contexts, particularly for firms aiming to enhance value creation and adopt more resilient and sustainable business practices.

RQ3: What theoretical and practical implications emerge for future research related to this topic?

The documents retrieved from the Scopus database in RIS (Research Information Systems) format were systematically imported and analyzed using VOSviewer software. This bibliometric approach facilitated the visualization of patterns, trends, and relationships within the literature on corporate governance, profitability, and firm value, providing both theoretical and practical insights for future research directions.

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Source: Output VOSviewer software

Figure 5. Co-occurrence framework and representation of key terms

The present study analyzed 30 articles retrieved from the Scopus database. VOSviewer software was utilized to illustrate that the findings possess both theoretical and practical implications for future research on corporate governance, profitability, and firm value. The metadata analysis provides scholars and practitioners with a deeper understanding of existing assumptions, empirical findings, and research trends concerning the influence of corporate governance mechanisms and profitability strategies on firm value. Furthermore, the bibliometric analysis identifies variables that have been extensively examined (e.g., audit committees, corporate governance structures, profitability, and firm characteristics) as well as those that remain underexplored, thereby offering a roadmap for future investigations. From a practical standpoint, the literature analysis using VOSviewer can assist managers, boards of directors, and other stakeholders in designing and implementing more effective corporate governance frameworks and profitability strategies, ultimately enhancing firm performance and fostering sustainable value creation.

Tabel 2. Keywords by autors

Rank	Keywords	Total link stenght
1	Corporate Governance	41
2	Firm Value	25
3	Profitability	18
4	Governance Approach	14
5	Sustainability	14

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6	Firm Size	12
7	ESG	9
8	Tobin's Q	9
9	Firm Performance	6
10	financial Performance	4

Source: Output VOSviewer Software

Based on the keyword co-occurrence mapping generated using VOSviewer for the 10 identified keywords grouped into several clusters, it is evident that corporate governance emerges as the central theme within the research network. This is demonstrated by its central position on the map and its highest total link strength, which is 41, indicating the strongest and most frequent connections with other keywords. Firm value represents the second most prominent concept with a total link strength of 25, followed by profitability (18), governance approach (14), and sustainability (14), as presented in Table 2.

This pattern indicates that research on firm value is predominantly examined within the broader context of corporate governance and financial performance. Corporate governance not only forms the theoretical core in explaining variations in firm value but also shows strong linkages with variables such as profitability, firm size, sustainability performance, and market-based indicators such as Tobin's Q.

Cluster one encompasses the keywords corporate governance, firm value, and profitability. This cluster reflects the central theme exploring how governance mechanisms and profitability contribute to enhancing firm value. Studies in this cluster often focus on how control structures, ownership, and governance quality influence financial and market outcomes.

Cluster two includes governance approach, sustainability, and ESG. This cluster highlights the growing prominence of sustainable governance practices and the integration of environmental, social, and governance factors in shaping firm reputation and long-term value. Research in this group typically examines how modern governance approaches contribute to sustainable value creation.

Cluster three consists of firm size, Tobin's Q, firm performance, and financial performance. This cluster illustrates studies that emphasize the role of firm characteristics and financial indicators in determining firm value. Research in this category often links firm size, market performance, and profitability to overall corporate competitiveness.

Overall, the keyword mapping results reveal that research on corporate governance, profitability, and firm value is predominantly embedded within the framework of governance systems, financial performance, and sustainability-oriented governance.

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The literature does not solely focus on traditional financial aspects but increasingly considers how contemporary governance strategies and sustainability principles influence firm value dynamics.

CONCLUSION

This study conducted a comprehensive systematic literature review, enriched with bibliometric analysis, to explore the complex interaction between corporate governance, profitability, and firm value. The review reinforces corporate governance (CG) as a fundamental pillar of organizational sustainability and performance, influencing operational efficiency and financial outcomes that ultimately materialize in market valuation. Key theories such as agency theory, stewardship theory, stakeholder theory, and resource dependence theory provide the theoretical foundation for understanding these multi-dimensional relationships.

Despite widespread recognition of the importance of CG, this study highlights significant inconsistencies in empirical findings. Such variations often stem from methodological differences, data characteristics, and the unique contexts of countries and industries. Methodological challenges, particularly issues of endogeneity and accuracy in variable measurement, continue to hinder the identification of strong causal relationships between CG mechanisms and firm performance. In addition, the narrow and fragmented focus of existing studies—often neglecting diverse geographic and cultural contexts—has created a gap in achieving a holistic understanding of this global phenomenon.

Through its systematic literature review and bibliometric analysis, this study not only maps the intellectual landscape, conceptual development, and emerging research trends, but also identifies influential authors, dominant themes, and critical research gaps. The findings underscore a substantial growth in academic interest while simultaneously indicating the need for deeper theoretical integration, stronger causal designs to address endogeneity, and broader cross-country comparisons to account for diverse institutional contexts.

Accordingly, this review offers not only a coherent synthesis of the existing literature but also a strong analytical foundation and clear direction for future empirical and conceptual contributions to the study of corporate governance and value creation.

RECOMMENDATION

Future researchers are encouraged to. Enhance methodological rigor, particularly in addressing endogeneity issues through more advanced econometric techniques. Adopt mixed-methods approaches to gain richer insights and overcome limitations of

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archival methodologies.Expand the geographical scope of studies to include diverse institutional and cultural contexts, allowing for a more nuanced understanding of how CG operates across markets. Explore the mediating and moderating roles of other factors (e.g., sustainability, innovation, digitalization) in the relationship between CG, profitability, and firm value. By addressing these challenges, future research can more accurately identify the most effective CG mechanisms for enhancing firm performance and value, while also providing better guidance for policymakers and business practitioners.

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