

STRATEGIC MANAGEMENT: THE IMPACT OF CORPORATE GOVERNANCE IN BOLIVIAN BUSINESS PERFORMANCE

Laura Constanza García Sobral

ABSTRACT

Corporate Governance constitutes a set of principles and rules designed to regulate the internal relations of a company, with a view to achieving efficient institutional management. Its implementation has generated greater transparency in the financial markets, has provided legal security to partners and company administrators, and has shown to have a positive impact on the institutional commitment with stakeholders linked to business activity. Multiple studies worldwide show the existence of a positive relationship between the implementation of these standards and business results. In this context, this research aims to serve as a basis for measuring the positive link between business performance and the application of corporate governance standards, as a strategic internal control mechanism in Bolivian companies. Carrying out a quantitative analysis with information collected from the Business Survey prepared in Bolivia by the World Bank in 2017, this study allowed to identify that the deconcentration of social capital, the effective experience of company executives, and bonuses or remuneration they may receive, have a positive and significant impact on business performance.

Keywords: Corporate Governance, Strategic Management, Business Performance.

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