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EDITORIAL

The Journal of Business Economics in the 21st Century

Wolfgang Breuer[1]

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1 Günter Fandel and the Journal of Business Economics

The Journal of Business Economics boasts a rich history. Founded in 1924 by Fritz Schmidt under the heading "Zeitschrift für Betriebswirtschaft" is was for a very long time one of the most prestigious journals for scientific articles written in German in the field of business economics. When Günter Fandel took over from Horst Albach in 2001, first together with Uschi Backes-Gellner and Wolfgang Kürsten until 2003, this was still the case. At least from 2004 on, Günter Fandel was the main face and voice of the Journal till 2020, when Wolfgang Breuer joined him as a co-editor in chief. Since 2001, the Journal has undergone significant changes. In particular, in 2004 a major restructuring took place with several department editors leaving the Journal, while fourteen new department editors joined in. Even since then, a dozen more department editors have left, but eight new ones have come aboard, and Günter Fandel has remained a constant presence.

2013 marks the year where the most remarkable transformation was initiated by Günter Fandel with the support of his department editors by changing the Journal from an outlet almost exclusively for German-speaking scholars to a scientific journal with submissions written in English only from all over the world. This structural break first led to a decrease of the number of annual submissions from 152 in 2012 to only 90 in 2013 with the latter number being near to 99 submissions of 2000 and far below the average value of around 157 from 2000 to 2012. However, since then submission numbers are continuously on the rise reaching a new peak of 304 in 2022. At the same time, acceptance rates have fallen to currently about 16%, down from over 30% until 2018. Thus, competition among submissions is getting more challenging, although the numbers of articles (original papers) published has recently been continuously rising from 33 in 2018 to 45 in 2022. Certainly, this surge in submissions reflects a general increase in research activities worldwide.

✉ Wolfgang Breuer
wolfgang.breuer@bfw.rwth-aachen.de

1 Department of Finance, RWTH Aachen University, Aachen, Germany

However, an additional driver for rising submission numbers for the Journal of Business Economics may also be its ongoing success, e.g., according to download numbers. Whereas total downloads of articles ("full-text article requests") in the Journal of Business Economics amounted to 160,783 in 2018, in 2022 this number was more than doubled up to 326,313 reaching an all-time high which nevertheless will certainly be topped by the download numbers of 2023.

With this special issue the co-editor in chief together with the other department editors wants to celebrate Günter Fandel's 80th birthday and his 22 years as editor in chief of the Journal of Business Economics so far. For this purpose, almost all department editors contributed to a joint article where each of them outlines important recent developments in their respective fields and the role the Journal of Business Economics under the leadership of Günter Fandel has played herewith so far. In addition, notable scholars in various sub-disciplines were asked to contribute original articles as surveys outlining significant developments in their areas of expertise. In total, eight articles were selected, covering topics ranging from production theory to business ethics. I will briefly describe their contents in the next section.

2 The articles of this special issue

After the general overview of the current states of the art in the various sub-disciplines of business economics by Breuer et al. (2023), *Harald Dyckhoff* and *Rainer Souren* ask the question whether important phenomena of joint production are still being neglected by economic theory (Dyckhoff and Souren 2023). Joint production refers to a production process that generates two or more distinct types of output from inputs. The main product is the intended type of output, while a byproduct is an unintentional, joint output. The primary objective of this article is to provide a comprehensive overview of the literature on joint production through a detailed search in the Web of Science database. Joint production was never really at the center of discussion but was an important marginal topic for the classics in the days of agricultural economy. In the past century, the natural environment could be used free of charge. Thus, with the neoclassic paradigm, coupled production became almost obsolete in economic science. Only in recent decades, with increasing external costs associated with environmentally harmful joint outputs, has coupled production regained importance. While the literature on undesirable outputs has increased, especially in the past decade, research on joint production and harmless byproducts is much scarcer and barely increasing. Furthermore, the specific case of joint production with harmful byproducts is usually not distinguished from other types of joint production. The authors refer to this as coupled production. Their review highlights a lack of clarity, precision, and consistency in the use of established terms and concepts in English-language literature, which may hinder scientific progress. A fundamentally new approach to the subject could be to generalize it in such a way that coupled outputs are not only analyzed from the narrow perspective of production but also from that of consumption.

Consumption is a major focus for marketing research and *Manfred Bruhn*, *Andrea Gröppel-Klein* and *Manfred Kirchgeorg* take a closer at myths about marketing management and consumer behavior (Bruhn et al. 2023). In marketing, there are two dominant but complementary perspectives: managerial marketing, which takes the supplier's viewpoint and considers how to best manage the market in terms of corporate objectives, and behavioral marketing, which reflects primarily the demand perspective and focuses on discovering the effects of marketing measures on customers' perceptions, thought patterns, and behaviors. Despite their differences, both marketing perspectives have certain myths that persist, consisting of simplified thought patterns or mental models that have not been tested or proven in practical applications. These myths are often deeply ingrained in the narrator's beliefs, despite lacking evidence. The authors identify such myths and examine their origins, highlighting the importance of debunking traditional and simplified thought patterns. Myths in managerial marketing relate to the philosophy and leadership role of marketing, generating innovation success, developing strategic competitive advantages, and brand management. In behavioral marketing, myths address unconscious phenomena in purchasing decisions, criticism of subliminal manipulation, and the extent to which decisions are goal-oriented, as well as approaches to attitude measurement. The authors discuss the future handling of these myths, with implications for the theoretical and empirical foundation of marketing, as well as for research methods and frameworks. They argue that facts, not myths, should determine the future of the marketing discipline.

Information dissemination and processing plays a key role in business decisions. Therefore, understanding and improving the language of business is essential for decision-making in companies. In their article, *Rolf Uwe Fülbier* and *Thorsten Sellhorn* take a closer look at this issue (Fülbier and Sellhorn 2023). Financial accounting functions as a means of communication through which information senders aim to convey their message to receivers. It is a subset of corporate reporting, which encompasses financial and sustainability-related disclosures, as well as monetized accounting figures. Firms employ corporate reporting to inform external capital providers and other stakeholders about their financial status, performance, enterprise value, and environmental and social impacts. The authors perceive corporate reporting research as having advanced to grasp and enhance the function of corporate reporting as a language that safeguards stakeholders, primarily capital providers, by mitigating information asymmetries between corporate managers and external stakeholders, as well as among diverse external stakeholders, e.g., with differing levels of sophistication. They contend that corporate reporting research should adapt to tackle new and increasingly challenging problems, as well as novel aspects of longstanding issues, necessitating a shift from method-driven to problem-driven research. In particular, addressing the problem of environmental and social degradation, closely linked to climate change, is imperative. However, the fundamental conceptual premise remains the same: information asymmetries and conflicts of interest exist between firm insiders and outsiders, as well as among outsiders, which must be lessened to enable contracting and monitoring in formal or informal principal-agent relationships. Nevertheless, various aspects of this conception are undergoing change. With regards to information demand, new objectives have emerged, such as dealing with market failure in the form of environmental externalities, new stakeholders have emerged, and there is greater uncertainty. With regards to information supply, new technologies are arising. These challenges must be addressed through the adaptation of financial accounting standards to achieve more targeted and efficient standard setting. Accounting researchers who tackle these issues will contribute to improving practice and society, and thereby make academia more appealing.

Gunther Friedl and *Stefan Reichelstein* together with several other co-authors also point out the relevance of information for managerial decision making (Friedl et al. 2023). A crucial question in managerial accounting revolves around the accurate allocation of costs to a specific cost object and the determination of product prices. Levelized costs offer a solution to this quandary by representing the average price required for an investor to achieve a net present value of zero for an investment in a production facility. They can be equated with the long-run marginal cost and find widespread adoption in industries with substantial upfront investments. The authors identify three factors that indicate the suitability of employing levelized costs: (1) when the cost object pertains to a homogeneous good produced over an extended period, (2) in situations involving significant production capacity investment coupled with often low variable costs, and (3) when multiple production technologies with distinct cost structures are present. By applying this framework, the authors identify potential applications of the concept in various fields such as mobility, patent licensing, nutrition, cloud storage, computing power, E-Commerce, FinTechs, and DNA sequencing, as all these areas fulfill the criteria outlined in their framework and are suitable for utilizing levelized cost concepts. Moreover, levelized cost concepts assume significant importance in the context of decarbonization. A prominent example in this regard is the electricity generation sector, where the levelized cost of electricity has emerged as the dominant metric for comparing the cost of electricity generation from different technologies (e.g., coal power plants, solar photovoltaic panels, or wind turbines). Consequently, the issue of levelized costs will remain relevant and significant even in the future.

Another almost “timeless” topic is business taxation. The sub-field of analytical tax research encompasses the decision-making processes of individual and corporate taxpayers, as well as legislators, and has long been a prominent area of study in German and Austrian business tax research (Niemann and Sailer 2023). In their contribution to this special issue paper, *Rainer Niemann* and *Mariana Sailer* conduct a literature review to analyze the evolution of analytical tax research, specifically focusing on its impact and the contributions of German and Austrian business tax research since 2000. This review offers valuable insights into the development of the discipline for established analytical tax researchers. It also aids empirical tax researchers by highlighting research topics that possess robust theoretical foundations and may warrant further empirical investigation. Furthermore, it identifies potential research avenues and encourages junior researchers to evaluate their prospects for future success.

To provide more precise details, the literature review encompasses 345 publications written by 410 authors in both German and English. The authors discover that studies exploring the nexus between taxation and investment and financing decisions continue to constitute the primary focus of analytical tax research, accounting for 26.1% (finance) and 19.7% (investment) of all 345 studies. However, emerging topics such as the examination of taxation’s impact on entrepreneurship, innovation, and R&D have garnered increasing interest. Other subjects, including tax avoidance, tax evasion, and profit shifting, continue to attract significant attention.

The authors present three noteworthy observations regarding analytical tax research from 2000 to 2022. Firstly, tax journals are not the preferred publication outlet for analytical tax research articles, which tend to appear in business and economics journals, despite none of the reviewed studies having a pure economics focus. Secondly, English has become the dominant language of publication since 2010, surpassing German, which was on par previously. Thirdly, author teams are exhibiting an increasing gender balance. However, male researchers still comprise the majority of research teams, while gender-balanced teams remain the exception.

Furthermore, it is noteworthy that the top 20 papers, representing less than 6% of all 345 publications in this review, account for up to three-quarters of all citations. Depending on the database, up to 65% of all citations at the author level can be attributed to the 25 most frequently cited researchers. Remarkably, these authors constitute merely approximately 6% of all authors in the review and are predominantly associated with institutions outside of the German-speaking context.

Issues of business taxation are apparently of relevance for companies of any size. However, according to the World Bank, small and medium-sized enterprises (SMEs) represent 90% of businesses and account for just over half of global employment (Audretsch and Günther 2023). In their article, *David Audretsch* and *Christina Günther* point out that SMEs are equally prevalent in both successful and less successful countries. Therefore, while SMEs may be necessary for a country's economic success, they are certainly not sufficient. This raises the question of what the main success factors for SMEs are. The authors explain that the answer to this question varies depending on the nature and type of SMEs, as well as the context in which they operate to enable value-creating activities. A rich and compelling literature reveals that SMEs approach innovation differently than large firms. Specifically, SMEs rely less on internal innovation efforts and more on inter-organizational collaborations as a crucial strategy to overcome the resource constraints associated with their liability of smallness when innovating. Another way SMEs differ from their larger counterparts is in their internationalization efforts. Innovative and internationalized SMEs tend to be concentrated in more successful regions of the world, raising questions about the causes for this concentration. Therefore, the purpose of this paper is to highlight selected key findings from the literature on context factors contributing to SMEs' internationalization and innovation.

Internationalization and innovation are certainly topical buzzwords. However, this is even more true for digitalization and sustainability. As described in the paper by *Daniel J. Veit* and *Jason B. Thatcher*, researchers have recently questioned whether the benefits of new information technologies (IT) outweigh their environmental impact. While technology itself is not inherently bad, these researchers argue that consumption-based approaches to technology have harmed society by exacerbating the digital divide, undermining the environment, and increasing energy consumption and toxic waste. Unfortunately, their concerns have largely been ignored, and digital infrastructures now account for 2% of global greenhouse gas emissions. However, there are also researchers who suggest that the effective application of IT is key to a sustainable future. They explore ways to use IT to introduce efficiencies into economies and transform how we use technology in society.

Veit and Thatcher (2023) begins by showing that the information systems (IS) literature is focused on environmental sustainability. The authors then identify critical issues in the current body of literature and establish an agenda for future research. They focus on three themes: individuals, technology utilization, and digitalization, which they align with the three pillars of sustainability. They direct future research towards negative environmental beliefs and attitudes of individuals, and call for more impact research. Additionally, they emphasize the need to examine different contexts, such as the use of Green IT/IS in voluntary and mandatory settings, as well as in business and private contexts. They suggest that IS research needs to shift towards promoting sustainable buying and consumption decisions by private customers to enable a circular economy, creating a window of opportunity to address both social and environmental sustainability. Finally, the authors argue that current IS research insufficiently integrates the adverse environmental consequences of technologies like blockchain into its research, and that it should consider negative spillover effects beyond just the environmental dimension. In conclusion, the authors hope that their paper will help chart a path for future IS for sustainability research, so that it not only contributes to the world's current struggles with sustainability, but also helps build a better world for future generations.

Sustainability issues are closely related to Corporate Social Responsibility (CSR) which is a concept based on values. The article by *Thomas Jay Donaldson* aims to enhance existing normative CSR theory by proposing a revised model of value creation. To achieve this, the following case is discussed: During the Covid-19 pandemic in 2019, it was widely believed that certain pharmaceutical companies had a responsibility to go beyond the goal of financial optimization. Existing CSR theories fail to rationalize this conviction because they lack a value creation model that prioritizes intrinsic value, where each group of stakeholders deserves consideration for their own sake. This move can establish health as a mandatory focal value for healthcare firms and resolve the issue. There are also other industries where intrinsic values should sometimes outweigh financial concerns, for example, legal services firms (intrinsic value of justice) and for-profit educational organizations (intrinsic value of knowledge). Although there is widespread evidence demonstrating the remarkable long-term convergence between profit and the honoring of ethical principles, weighing and balancing different values remains an important issue.

3 Conclusion and outlook

Apparently, the contributions of this special issue cover a wide range of business disciplines. The Journal of Business Economics, under the leadership of Günter Fandel, has consistently maintained this broad thematic focus and continues to be one of the most important business journals in Germany. This is undoubtedly due to Günter Fandel's tireless dedication. We sincerely hope that Günter Fandel will continue to contribute to the advancement of business research in Germany for a long time to come.

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