

## **Special issue**

### **Managerial Finance**

#### **“Bridging corporate finance and strategy in SMEs”**

The special issue aims at collecting timely and high-quality original research at the intersection of finance and strategy for economically important actors, SMEs, that face strong resource constraints. Contributions to the special issue will not only help establish conceptual bridges between the fields of finance and strategy, but also provide actionable insights for entrepreneurs, managers, providers of finance, and public deciders. Interested scholars will benefit from peer-feedback during a paper development workshop organized by the guest editor.

#### **Key deadlines**

Open date for submissions: 06/15/2025

Author submission deadline: 12/15/2025

#### **Guest editor**

Vivien Lefebvre, EM Strasbourg Business School, University of Strasbourg, France

For questions related to the special issue, please write to [simanagerialfinance2025@gmail.com](mailto:simanagerialfinance2025@gmail.com)

#### **Aims and Scope**

Recent contributions in corporate finance have renewed scholarly attention to financial flexibility as a foundational element of firm behavior under uncertainty. Graham (2022) highlights that real-world financial decision-making often departs from textbook optimality, instead prioritizing the preservation of options and buffers to manage downside risks. DeAngelo (2022) similarly argues that ensuring reliable access to funding—not minimizing cost of capital—is the core purpose of financial policy, especially in an environment of uncertainty, limited foresight, and evolving strategic demands. While rooted in finance, these concerns resonate with classic and contemporary ideas in strategic management.

From a corporate finance perspective, Myers (1977) introduced a foundational view of financial flexibility through his real options framework, emphasizing that the value of investment opportunities stems from a firm’s ability to defer action and preserve discretion under uncertainty. This logic positions untapped debt capacity as a form of latent financial slack—an

organizational buffer that enables firms to respond to future opportunities or shocks. Although grounded in finance, Myers's conception of flexibility resonates with strategy scholars' longstanding interest in organizational slack. For Penrose (1959), excess internal resources serve as a platform for growth, stimulating the search for new uses and productive opportunities. Cyert and March (1963), by contrast, conceptualize slack as a buffer that allows firms to adapt incrementally, absorb conflict, and satisfice in the face of bounded rationality. While differing in emphasis, all three traditions recognize discretionary, underutilized resources—whether financial or organizational—as vital for enabling strategic responsiveness and long-term value creation under uncertainty.

Despite these conceptual overlaps, corporate finance and strategic management have often evolved in disciplinary silos. This special issue aims to reconnect these traditions by inviting contributions that examine how financial and strategic decisions co-evolve in small and medium-sized enterprises (SMEs)—organizations that are typically more resource-constrained, structurally agile, and exposed to environmental uncertainty. We welcome conceptual, theoretical, and empirical contributions that deepen our understanding of how financial and strategic choices co-evolve in SMEs, especially through the management of slack, flexibility, and uncertainty.

We particularly welcome research that:

- Advances the integration of entrepreneurial finance and strategic management by examining how financing mechanisms—such as IPOs, venture capital, angel investing, or alternative finance—affect strategic decision-making, innovation trajectories, and growth pathways in entrepreneurial firms and SMEs. We also invite contributions that explore how investor types shape firm resilience, governance, and long-term orientation.
- Explores the role of financial flexibility, slack, and investment timing in enabling strategic responsiveness under uncertainty. This includes studies on liquidity management, untapped debt capacity, internal capital markets, SMEs resilience in the face of uncertainty, and the use of discretionary resources to navigate shocks, adapt investment horizons, and support innovation.
- Develops integrative theoretical frameworks that bridge finance and strategy in SME contexts, including work that unites behavioral assumptions, resource-based logic, and financial constraints to explain how small firms survive, adapt, and grow in dynamic environments.

## Indicative Topics

The special issue encourages submissions that explore how financial and strategic decision-making processes intersect in SMEs, especially in contexts of uncertainty, constraint, or change. We welcome theoretical, empirical, and methodological contributions that address topics including (but not limited to):

- **The strategic use of financial resources and flexibility:** How do SMEs manage liquidity, reserves, or precautionary assets as tools for investment, adaptation, innovation, or competitive repositioning? Under what conditions does financial policy

(e.g., leverage, liquidity management) support or undermine long-term strategic moves? How do cross-country or industry-level comparisons of how SMEs balance financial prudence with strategic ambition, including responses to crises (e.g., COVID-19, supply shocks). The concept of financial slack is particularly relevant here, as are theoretical bridges between corporate finance models and strategic management theoretical frameworks (Lefebvre, 2024).

- **Investment timing and discretion:** How do SMEs decide *when* to invest—not just whether or how much? This topic invites research on how financial constraints, strategic intent, and environmental uncertainty jointly shape the timing and sequencing of investments (Nguyen et al., 2023). Studies may examine the value of deferring or accelerating investments, the role of untapped financial capacity as a strategic buffer, or how firms build flexibility into their capital budgeting processes. The concept of real options is especially relevant here, as are questions about how bounded rationality and limited foresight affect temporal decision-making. We also welcome work on how SME-specific factors—such as founder vision, industry dynamism, or investor expectations—influence discretionary investment behavior.
- **Governance and decision-making under bounded rationality:** How do governance structures shape the financial and strategic choices SMEs make under uncertainty? This topic encourages contributions that explore how ownership patterns, leadership dynamics, and organizational routines affect decision-making in resource-constrained environments (Panda & Kumar, 2021). In particular, we invite research on how family ownership, founder control, or investor involvement influence the allocation of slack, the willingness to take risk, and the coordination of financial and strategic priorities. Work grounded in behavioral theory, stakeholder governance, or dynamic capabilities may offer especially useful insights into how SMEs navigate complex environments where goals, incentives, and attention are fragmented or contested.
- **Internal capital markets and strategic resource allocation:** How do firms—especially SMEs and multi-subsidary organizations—allocate financial resources across units or projects internally, and with what effects on investment efficiency, strategic responsiveness, and firm growth? How do internal capital markets complement or substitute external financing in times of crisis or constraint (Larrain, Sertsios, & Urzúa, 2019)? What are the behavioral and organizational mechanisms—e.g., managerial attention, dynamic capabilities, or political bargaining—that influence capital reallocation flows across units (Lovallo, Brown, Teece, & Bardolet, 2020)? What trade-offs exist between capital mobility and inertia, and how do these shape long-run firm performance?
- **Entrepreneurial finance:** Entrepreneurial finance has historically been fragmented between finance journals, which focus on capital structure and valuation, and strategy or entrepreneurship outlets, which emphasize agency, signaling, and growth under uncertainty (Cumming & Johan, 2017). This special issue invites submissions that bridge these perspectives—especially in the context of SMEs. Relevant topics include: how IPO timing reflects both financial market conditions and strategic readiness; how private equity financing shapes firm-level capabilities and governance; how angel investors or venture capitalists influence strategic pivots and innovation trajectories; and how hybrid financial instruments (e.g., convertible debt, revenue-based financing) impact long-term strategic positioning. We also welcome studies exploring how the strategic use of alternative finance (e.g., crowdfunding, fintech-enabled lending) influences resilience, stakeholder engagement, and scaling decisions in entrepreneurial firms.

## Submission details

The guest editor will manage the editorial and review process of the Managerial Finance Special Issue submissions. All papers submitted for the Special Issue should be submitted electronically via ScholarOne (<https://mc.manuscriptcentral.com/mf>) before **December 15, 2025**. All papers will be subject to the standard referee process of *Managerial Finance*. Submissions must be original, unpublished works that are not concurrently under review for publication elsewhere. All submissions should conform to the Managerial Finance manuscript submission guidelines available at <https://www.emeraldgrouppublishing.com/journal/mf#author-guidelines>

To support authors and strengthen submissions to the special issue, a Paper Development Workshop (PDW) will be held in person at EM Strasbourg Business School on Wednesday, September 10th, 2025. The workshop will bring together a small group of selected contributors (10 to 12 papers) for constructive feedback and scholarly exchange.

Authors interested in participating are invited to submit a 10-page extended abstract by July 15th, 2025. Submissions should outline the paper's research question, theoretical framing, methodology, and, where applicable, preliminary results. Notifications of acceptance to the PDW will be sent by July 30th, 2025. Please submit your extended abstract by email to [simanagerialfinance2025@gmail.com](mailto:simanagerialfinance2025@gmail.com) no later than July 15<sup>th</sup>, 2025, and indicate "Managerial Finance Special Issue PDW" as the topic.

Participation is free of charge, but no travel or accommodation support will be provided. Participation in the PDW is not a requirement for submission to the special issue, nor does it guarantee publication. The PDW is designed as a collegial and developmental event to refine early-stage papers and foster scholarly community.

The workshop will be hosted by EM Strasbourg Business School, the management school of the University of Strasbourg, located in the heart of Strasbourg, France—a dynamic academic and European capital with a vibrant research ecosystem and strong support for entrepreneurship and innovation, and the LaRGE research center, a major finance research center in France.

## References

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