

## Examination of the Attitude and Responsiveness of Public Sector Managers within the Framework of Corporate Governance Theories

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### Abstract

**Purpose:** The aim of this research is to understand the experiences of individuals to examine the attitude of government managers, the factors influencing its emergence, and the relationship with responsiveness.

**Method:** This article is based on qualitative research, using thematic analysis to identify the attitude of managers of government companies within the theoretical frameworks of corporate governance, the factors influencing its emergence, and the relationship with responsiveness. The number of selected samples, chosen through the snowball method, was 20. It should be noted that semi-structured interviews were conducted with 16 senior and middle managers of state-owned companies and 4 Faculty members in this field, and the interview texts were analyzed using the Brown and Clarke's (2019) method. After the fourteenth interview, no new codes were added to the research that would lead to the definition of other basic themes. To ensure theoretical saturation, interviews continued with 6 more individuals, but again, the interviews indicated repetitive information.

**Findings:** The results obtained from the analysis of interviews conducted with managers and experts are detailed in 483 codes, 83 main themes, 19 organizing themes, and 6 comprehensive themes.

**Conclusion:** The employment of stewardship-oriented managers in government organizations is preferable to that of agent-oriented managers. Furthermore, the factors influencing the emergence of the stewardship attitude in government managers are categorized into four classes: belief/value factors, psychological factors, organizational factors, and social factors. Responsiveness plays a significant role in both the preference for stewardship-oriented managers and the emergence of the stewardship attitude.

**Contribution:** This article contributes to enriching research on the attitudes of managers using insights from government companies. Furthermore, research in this area can help government companies improve the attitude and responsiveness of their managers to successfully meet the various needs of society.

**Keywords:** Stewardship Attitude, Agent Attitude, Responsiveness, Government Sector Managers.

### Research Article

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## **Introduction**

Government-owned companies play a significant role globally and are recognized as one of the primary drivers of growth and development in countries. Responsiveness to the public is among the critical issues in these companies. One of the issues in responsiveness is the type of attitude of individuals working in these companies. Some individuals act as agents of the company, while others act as stewards. Agents are rational economic actors who seek to maximize their personal interests (Jensen and Meckling,1976;308 and Khandelwal et al,2023;1), whereas stewards are individuals willing to sacrifice their personal interests for the long-term welfare of other stakeholders (Hernandez,2012;176 and Bormann et al.2023;254). It is expected that managers who value ethical and social values—similar to what is observed in stewardship theory—would be more inclined towards responsiveness. On the other hand, managers who are inclined to maintain their positions—similar to what is observed in agency theory—may resort to unethical means to gain benefits and may place less importance on responsiveness (Gwala & Mashau,2023;271). Furthermore, the type of attitude of government managers has a significant impact on controlling corruption. Managers who prioritize their duties and seek to improve company performance are likely to contribute to controlling corruption as well. Therefore, to control corruption in government-owned companies, we need managers with strong ethics and a focus on company growth, development, and high responsiveness. Given these realities, examining the type of attitude of government managers, the factors influencing its emergence, and the role of responsiveness in this regard is crucial, and this research addresses these issues. The research questions are as follows:

- 1- What is the attitude of government company managers regarding the roles of agent and stewardship?
- 2- What are the factors influencing the emergence of stewardship and agent attitudes in government managers?
- 3- How is the responsiveness of government company managers related to their attitude types?"

## **Methodology**

This article is based on qualitative research, using thematic analysis as the strategy. The interview questions were categorized into three main categories: 1- the attitude of government managers, 2- factors influencing the emergence of stewardship or agency attitudes in government managers, and 3- the relationship between responsiveness and stewardship or agency attitudes. Then, the data obtained from the interviews were analyzed using the Braun and Clarke method (2019). The sample size was determined using the snowball sampling method, resulting in 20 participants, including various levels such as a governor (one person), CEOs (eight people), managers (seven people), and university faculty members (four people). After the fourteenth interview, no new codes were added to the research, leading to the definition of additional core themes. To ensure theoretical saturation, interviews continued with six more participants, but the

interviews still indicated redundant information. This research focuses on government-owned companies spatially. Temporally, it was conducted during the years 2023-2021, and thematically, it falls within the domain of accounting.

## Results

Results obtained from the analysis of conducted interviews are presented in the form of 483 codes, 83 primary themes, 19 organizing themes, and 6 global themes. Each of the global themes is explained as follows:

**Alignment of the Nature of Government Organizations with the Objectives of Stewardship Managers:** Government organizations are committed to providing public services (advocating for public rights based on a culture of collectivism and understanding societal needs, prioritizing public interest over commercial gains, and emphasizing effective and sustainable achievements), which are also the objectives of stewardship managers.

**Limitations in Employing Agent Managers in Government Organizations:** Due to the lack of management frameworks for self-serving managers (constraints in compensating representative managers proportionally to performance and limitations in supervising representative managers) and the detrimental effects of attracting this group of managers (damage to the organization's credibility, financial misconduct and violations, conflicts of interest with public goals and community service, and destruction of organizational culture), there are limitations in employing representative managers in government organizations.

**Values Factors:** The values factors leading to the emergence of stewardship attitudes in government managers include: 1- Moral motivations (spiritual rewards and religious emphasis), 2- Detachment from materialism (lack of materialistic attitudes and simplicity), and 3- Commitment to the government (belief in revolutionary activities, continuous flourishing of the Islamic Republic, and service to the Islamic Republic).

**Psychological Factors:** The psychological factors leading to the emergence of stewardship attitudes in government managers include: 1- Attitudinal characteristics (such as servant thinking, satisfaction and inner peace, acceptance of responsibility, and belief in accountability), 2- Behavioral characteristics (such as the ability to identify growth opportunities based on individuals' capabilities and strengths, and effort and perseverance), and 3- Individual characteristics (such as mental and psychological health, high intelligence quotient, and responsibility).

**Organizational Factors:** The organizational factors leading to the emergence of stewardship attitudes in government managers include: 1- Recruitment and Employment (considering the competence of individuals in recruitment and appointment, providing necessary infrastructure for employing competent representative managers, avoiding politicization in appointments, and job security), 2- Management Approach (such as leadership skills, trust-building, and emphasis on individuals' abilities and competencies), 3- Cultural Environment (such as formulating and promoting values, developing a culture of responsibility, and transformation), 4- Responsiveness System (performance management, risk

management, and creating long-term commitment, strengthening transparency and trust, and responsiveness levels), 5- Optimal Resource Utilization (optimal financial management, operational efficiency improvement, and smart resource management), 6- Effective Communications (effective communications in dealing with employees, effective communications in dealing with people, effective communications in dealing with media, and effective communications in dealing with other organizations), and 7- Governance System (establishing structures for the emergence of stewardship attitudes, eliminating non-beneficial organizational controls, reducing excessive levels of structure, strengthening internal controls, and good legal structures).

**Social Factors:** The social factors leading to the emergence of stewardship attitudes in government managers include: 1- Social identity promotion (such as culture, lawfulness, and creating an open political space) and 2- Environmental advocacy (supervisory institutions' advocacy, media advocacy, and public advocacy).

## **Conclusion**

Results obtained from the research, categorized by each of the research questions, are as follows:

**Research Question 1:** The results of the current research demonstrate that employing stewardship managers in government organizations is preferred over managers with an agency perspective. This finding is consistent with the studies by Schillemans and Hagen (2020) and Rouault & Albertini (2022), which suggest limitations in fully controlling representative managers in the public sector. Additionally, it aligns with the findings of Puyvelde & al. (2013) and Simpkins et al. (2021) regarding the congruence of stewardship managers' goals with those of government organizations. It is recommended to refrain from recruiting representative managers in government organizations until the necessary frameworks are established.

**Research Question 2:** Regarding the second research question, previous researchers have investigated the general factors influencing the emergence of stewardship attitudes in managers (such as Feldermann & Hiebl, 2022; Frederickson 2009; and Rouault & Albertini, 2022). In the current study, values and environmental issues have also been extracted as influential factors in the emergence of stewardship attitudes in government managers. Furthermore, psychological factors have been categorized into attitudinal, behavioral, and individual characteristics. Additionally, organizational factors related to employment and recruitment, responsiveness systems, optimal resource utilization, and effective communications have been addressed comprehensively. To ensure the employment of managers with a stewardship perspective in government organizations, it is suggested to ensure the alignment of their values and psychological criteria with stewardship perspectives. Moreover, after their recruitment, conditions should be created to strengthen the aforementioned components in them.

**Research Question 3:** Dynamic accountability demonstrates the alignment of the nature of government organizations with the objectives of stewardship managers and is one of the reasons for the preference of employing this group of managers in government organizations over representative managers. Additionally, belief in accountability, which is among the psychological factors, is effective in the emergence of stewardship attitudes in managers. Moreover, the establishment of a responsive system in government organizations through performance management, risk management, and creating long-term commitment, as well as strengthening transparency and trust and accountability at all levels, are important organizational factors in the emergence of stewardship attitudes in managers. These findings are consistent with the research by Rouault & Albertini (2022), Schillemans and Hagen (2020), and Torfing and Bentzen (2020), regarding the alignment of accountability requirements in government organizations with stewardship theory.

### **Conflict of Interest**

The authors of the article declare that they have fully adhered to publication ethics regarding the submission of the presented article and confirm the authenticity of its content. They also state that this work has not been previously published elsewhere and has not been simultaneously submitted to another journal.

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