



# **Behavioral model of nominations in state-owned enterprises based on a legitimacy**

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# SOEs rationale and objectives

- Important segment of world economy, especially after the economic crisis (2008)
- SOE as a hybrid organization (Grossi, 2015; Bruton et al., 2015) – public and private orientations
- Conflict between economic performance and governance performance

# Corporate Governance Principles

- No universal model of SOEs governance
- Corporate performance vs. corporate governance
- principles of openness, accountability, or responsibility of members of boards (based on EU Green Paper, 2011; OECD, 2015; Tricker, R. B., & Tricker, R.I., 2015)
- Shareholder's model vs. stakeholder's model of governance

# **Principles of Corporate Governance of SOEs based on legitimacy**

- efficiency,
- effectiveness,
- responsibility,
- integrity,
- accountability,
- transparency,
- and sustainability (following Principles of Corporate Governance of SOEs OECD, 2015)

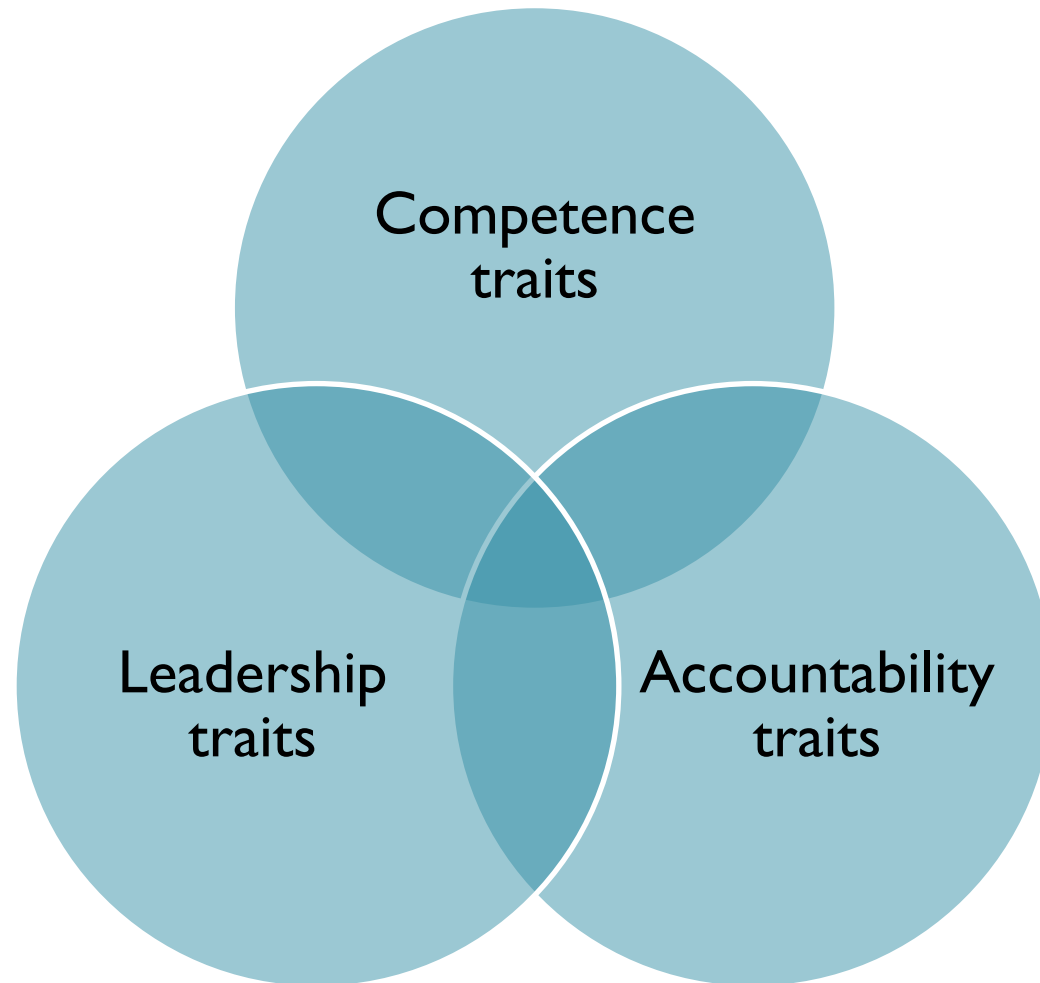
# Value orientations of SOEs

- profit/financial vs. non-profit/non-financial values
- private value creation vs. public value creation
- Value-based orientations process at three levels: *individual, organisational/institutional, and societal* (Prakash, 2012)

# Political nomination process of SOEs board members

- Political leadership paradigm vs. Leadership trait theories
- Congruence model of behaviour of nominees: *leadership traits* (conscientiousness, extraversion, openness to experience),
- *competence traits* (conscientiousness, decisiveness),
- and *accountability traits* (trustworthiness, integrity, reliability, responsibility)

# Complex behavioural model of political nominations in SOEs





**Thank You for Your attention!**