

## **Project topic, Idea Ulf Papenfuß for Exchange**

### **Representation of Women as Executive Directors and Disclosure of Executive Directors Pay in State-Owned Enterprises on all on all Government Levels**

#### Subproject a)

Representation of Women as Executive Directors in State-Owned Enterprises on all Government Levels and Effects of Public Corporate Governance Codes

#### Subproject b)

Disclosure of Executive Directors Pay of State-Owned Enterprises on all Government Levels and and Effects of Public Corporate Governance Codes

In the future the established comparative sample could be used to assess further research questions in a comparative way, for instance „Quality of the reporting by public authorities and SOEs regarding the public service provision goal“.

#### Short Motivation for the first project idea:

The corporate governance of SOEs is very important (Hodges et al., 1996; Whiteoak, 1996; OECD, 2005; Ysa et al., 2012; Grossi/Papenfuss/Tremblay, 2015; OECD, 2015). However, there are corporate governance and management deficits, as well as a lack of accountability on compliance with the rules currently in place (OECD, 2005; Florio and Fecher, 2011; Nelson and Nikolakis, 2012; Verhoest et al., 2012).

The project should focus two aspects of CG that have been the subjects of considerable debate:

- Women as executive directors (Terjesen et al., 2009; OECD, 2015; Sabharwal, 2015).
- The disclosure of executive directors' remuneration (Clarkson et al., 2006; Laksmana, 2008; Luke, 2010; OECD, 2015)

In the international public management debate on the improvement of corporate governance, public corporate governance codes (PCGCs) play a crucial role (OECD, 2005; OECD, 2015; Aguilera and Cuervo-Cazurra, 2009; Grossi/Papenfuss/Tremblay, 2015). For this reason the project considers the diffusion of public corporate governance codes in this field and their effects on the representation of women as executive directors and disclosure of remuneration.

Each participant in the project could identify and the issue in „his/her country“ in a comparative research design. The result of the project should be an international journal article together with all participants. In addition core results could be condensed for a policy paper for/by CIRIEC.

#### **Method:**

1) Firstly based comprehensive internet research of the websites of **the federation and the capital cities of the federal states/regions** all relevant and available aggregate holding reports should be collected. An aggregate holding report is a report to the citizens and policy makers on the SOEs, investments, institutions governed by public law, and SOEs, which are ascribed to be a very reliable information base. According to the OECD the ownership entity

should publish an annual aggregate holdings report on SOEs (OECD 2005, numeral V.; Papenfuss et al. 2017).

2) The evaluation should conclude all direct (1st degree) and indirect majority (at least 50%) SOEs (2<sup>nd</sup>/3<sup>rd</sup> degree). Some cities/countries administrate and control their SOEs by a unit in the core administration and hold the share of the companies directly. Other cities outsource this task to another SOE (holding management company). SOEs are also categorized as directly, if they are direct subsidiaries of a holding management company, which is specifically responsible for the control and management. So the best possible comparability is achieved for creating the sample, regardless of different institutional approaches. The participation rate for indirect subsidiaries should always be calculated in the usual way, taking direct and indirect shares of parent, subsidiary or sub-subsidiary companies into account.

3) Assessment only SOEs with own Webpage

4) Secondly based on the aggregate holding reports and therein described corporate object, the enterprise enquiry and sector classification was realized. The sector classification based on a detailed examination of holding reports and companies' websites. Crucial for classification was the described corporate object.

5) Identification of the representation of women as executive directors on the webpages and determinants for the representation (company size, sector, city size etc.)

6) Identification of the disclosure of remuneration of executive directors on webpage or in an annual statement on webpage (company size, sector, city size etc.)

7) Assessment if there public corporate governance codes of the public authorities and which rules for the representation of women as executive directors and for the disclosure of executive directors pay they have and if self-regulation has an observable binding effect or not