

Exploring Corporate Governance Mechanisms in Government-Owned Entities: A Case Study in Bangladesh

Md. Ruhul Amin*

Abstract

This research study examines the complex corporate governance systems of government-owned entity/entities in Bangladesh. The complicated corporate governance of Bangladeshi government-owned companies. Understand government corporate governance requirements for openness, accountability, and sustainability since government enterprises are critical to the economy. This research explores Bangladeshi government-owned entities' efficacy and issues. This mixed-methods study collected qualitative and quantitative data. Semi-structured interviews with board members, CEOs, and governance oversight officials will gather qualitative data. Documentary analysis of corporate governance rules, regulations, and reports will contextualize selected government enterprises' governance systems. Surveys will measure stakeholders' governance and organizational performance opinions. This study should advance corporate governance in government-owned firms, notably in Bangladesh. The paper recommends ways to improve government enterprise governance by identifying best practices, problems, and progress prospects. This study explores government-owned enterprise (GOE) governance approaches, including board structures, regulatory frameworks, and internal control mechanisms, utilizing a comprehensive literature analysis and empirical data. The research also examines political influence, stakeholder dynamics, and organizational culture as significant factors determining GOE governance effectiveness. These findings can assist policymakers, regulators, and GOE executives enhance governance, openness, accountability, and efficiency. Explaining GOE performance methods makes this article useful for public sector corporate governance talks. Our results may help policymakers, regulators, and business leaders in Bangladesh and overseas make informed decisions and improve governance in government-owned entities. Openness, accountability, and sustainable

* Department of Public Administration, Comilla University, Cumilla, Bangladesh.

E-mail: rubelcou@gmail.com

Received: May 8, 2024 Revised: June 14, 2024 Accepted: June 17, 2024

development in government firms are promoted in this research to boost economic growth and social well-being.

Keywords: Governance, corporate governance, government-owned entities, transparency, accountability, Bangladesh.

Introduction and Problem Statement

Corporate governance (CG) refers to a set of rules that should be followed across an organization before ensure openness and equity in decision making. The phrase "corporate governance" (CG) refers to the practices, conventions, policies, regulations, and institutional structures that govern the management and control of enterprises. The word "CG" has recently gained popularity in the business world. Corporate governance practices are essential to an organization's ability to operate effectively and perform well, especially in government-owned businesses that are vital to the provision of public services and economic growth. It is crucial to comprehend and improve the corporate governance practices of government enterprises in Bangladesh, as they account for a significant share of the country's economy. Using a thorough case study methodology, this research attempts to explore the complex world of corporate governance in Bangladeshi government-owned enterprises. Through an analysis of governance practices, structures, possibilities, and constraints, this research aims to offer significant insights into the development of efficient governance frameworks that are customized to the distinct sociopolitical and economic dynamics of Bangladesh.

Therefore, the goal this research is to further our understanding of corporate governance theory and practices, which will have an impact on researchers, regulators, legislators, and organizational leaders throughout the world. Despite the increasing understanding of the significance of corporate governance in government-owned enterprises, strong governance systems in Bangladesh continue to face considerable obstacles. These problems have several facets and are caused by a number of factors, such as institutional complexity, weak regulations, and cultural influences (Adams & Ferreira, 2009). For example, bureaucratic inefficiencies and overlapping authorities within government businesses are examples of institutional difficulties that might impede the adoption of good governance methods. Furthermore, there may be a lack of uniformity, enforcement, or clarity in Bangladesh's statutory frameworks controlling corporate governance, which can result in problems with compliance and governance breakdowns. Furthermore, inside government-owned organizations, cultural elements including nepotism, patronage, and political meddling may compromise accountability, transparency, and merit-based decision-making procedures. Moreover, government firms have distinct governance issues due to their dual goals of pursuing commercial interests and delivering public service mandates. This necessitates a careful balance between public accountability and profitability. The paucity of empirical research, particularly focusing on corporate governance mechanisms within government

enterprises in Bangladesh, limits our understanding of the current state and potential avenues for improvement, despite the significance of addressing these challenges (Aguilera & Cuervo-Cazurra, 2004). The research doesn't go into enough detail about how corporate governance works in Bangladeshi government-owned enterprises (GOEs). Most of the existing material is about corporate governance in private businesses, ignoring the unique problems that GOEs face when it comes to governance (Freeman & Reed, 1983). The study aims to fill this gap by giving useful information about how GOEs are governed in Bangladesh and by adding to our knowledge of how corporations are governed in rising countries.

Thus, to successfully inform policy and practice, a thorough investigation of the governance processes inside government-owned companies is critically needed, contextualized within the sociopolitical and economic realities of Bangladesh. Regarding the research contribution, we expect that the results of my study will provide additional evidence supporting the utility of corporate governance in regulating state-owned enterprises (SOEs) in unproven situations. Our findings are also expected to offer a deeper understanding that the role of corporate governance can play in enhancing the benefits of transparency, responsibility, and sustainability.

Research Objectives & Questions of the Study

The overall goal of this research is to evaluate and analyze corporate governance processes inside Bangladesh's government-owned enterprises. This involves investigating governance structures, procedures, issues, and potential for development with the goal of improving openness, accountability, and sustainability in these organizations. The specific goals are as follows:

1. To assess corporate governance systems and processes in Bangladeshi government-owned enterprises.
2. To identify the greatest obstacles to corporate governance compliance for government-owned enterprises.
3. To improve corporate governance in government-owned companies for openness, accountability, and sustainability.

The research questions of the study are given as follows:

1. What are the primary elements determining the success of corporate governance processes in Bangladesh's government-owned entities?

2. How do governance processes in Bangladesh's government-owned entities compare to international norms, and what reforms might be done to increase openness and accountability?

Research Methodology

In general, a research technique is a means of collecting data and information to achieve the study's objectives. This study employed both qualitative and quantitative methodologies, particularly in the field of corporate governance (Kothari & Garg, 2020).

1. Sources of Data: This study used both primary and secondary sources of information. Primary data were acquired from government officials and other stakeholders through in-depth interviews and a detailed questionnaire tailored to the study's aims. Secondary data were collected from various publications, journals, books, and websites (Creswell, & Creswell, 2021). However, the study was carried out effectively using a number of approaches and procedures, which are as follows:

1.1 Semi-structured Questionnaires: Two sets of questionnaires were prepared for the interviews. Information was requested from both government officials and members of the public. The surveys included both open and closed questions. The answers to the closed-ended questions were provided using a Likert scale and "what" questions.

1.2 Survey: The survey was used to determine respondents' localities. For this reason, I went to the relevant places to collect the data. For the survey, I used stratified random sampling to ensure representation. To ensure a proportionate population representation, this method divided the population into subgroups based on important criteria and randomly selected participants from each stratum. I summarized quantitative study findings using means, medians, and standard deviations. Regression analysis and chi-square tests were used to evaluate connections and significance levels, delivering solid and trustworthy findings concerning the researched phenomena.

1.3 Interviews: Conducting interviews is a key strategy for acquiring information. It was decided that 100 random samples from each of the research areas would be picked purposefully. To conclude, the study, a face-to-face interview was conducted with the goal of collecting data.

1.4 Official Documents: We analyzed and evaluated official documents, papers, and research reports to obtain a better understanding of the study and maintain smooth operations (Hossain & Bhuiyan, 2022).

2. Sample and Sampling: A total of 100 samples were purposively selected from the following categories as shown in Table 1:

Table 1. Information of Respondents.

Serial No.	Name of the Enterprise	No of Respondents
1.	Bangladesh Small and Cottage Industries Corporation (BSCIC)	50
2.	Bangladesh Power Development Board (BPDB)	50
Total		100

Source: Author

I used a multi-stage selection method to do the firm-level poll of more than 120,000 Small and 848,000 Cottage Industries Corporations (based on 2016 BSCIC data). At first, I used stratified selection to group companies by their size and type. Then, I used random selection within each level to make sure that there was a wide range of people represented. I used systematic sampling to get the sample number down even more, to 50, by picking a company from the stratified lists. This method ensured that the sample correctly represented the characteristics and dynamics of the larger population while still being manageable. It also made sure that there was a balance of representation across different business groups. To conduct the study, I chose the Bangladesh Power Development Board (BPDB) among the various types of SOEs due to its critical role in the energy sector, its significant impact on economic development, and its comprehensive data availability, making it ideal for a focused and insightful analysis.

3. Research Design: This study employed mixed methods in which both qualitative and quantitative processes were used to collect and analyze the data as shown in Figure 1:

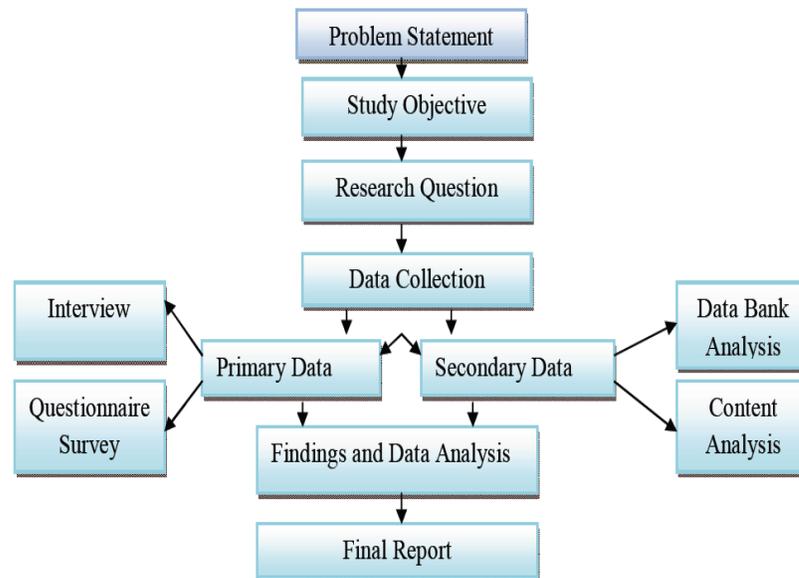


Figure 1. Research Design of the Study

Source: Author

Theoretical Framework

The theoretical basis for this research study is based on corporate governance concepts and theories, namely those applicable to government-owned businesses. Agency theory presents a basic perspective, emphasizing the link between principals (government shareholders) and agents (management), as well as the processes utilized to resolve agency disputes (Hossain & Hammami, 2009). Furthermore, stakeholder theory emphasizes the significance of considering the interests of numerous stakeholders, such as the government, employees, customers, and society at large, when making company decisions. Furthermore, institutional theory sheds light on how legislative, cultural, and normative institutions shape organizational governance structures and practices (Jensen & Murphy, 1990).

The theoretical framework takes into account the particular problems and dynamics that shape corporate governance procedures in Bangladesh's government-owned companies. These may include bureaucratic inefficiencies, regulatory shortcomings, cultural concerns, and the conflicting goals of pursuing economic interests while fulfilling public service responsibilities. This study aims to provide a thorough knowledge of integrating various theoretical views of corporate governance. corporate

governance procedures in Bangladesh's government-owned enterprises, as well as insights into prospective development areas.

Corporate Governance Mechanism

State-owned enterprises' (SOEs') accountability, openness, and operational effectiveness depend on their corporate governance systems. Among these mechanisms are a system of rules, regulations, and procedures that guide and manage SOEs. Their goals are to reduce risks, improve performance, and match management interests with those of stakeholders (Jensen & Murphy, 1990). Important elements include the internal controls, auditing, regulatory compliance, and the board of directors' structure. By encouraging moral management procedures and strong monitoring mechanisms, good corporate governance in SOEs not only increases public trust but also propels economic growth and sustainable development (Klein, A. 2002). Common corporate governance methods include board structures, such as board composition and independence, as well as board committees in charge of oversight duties such as audits, risk management, and pay. Furthermore, disclosure and reporting requirements are critical for increasing transparency and accountability by allowing stakeholders to evaluate the performance and integrity of government-owned companies.

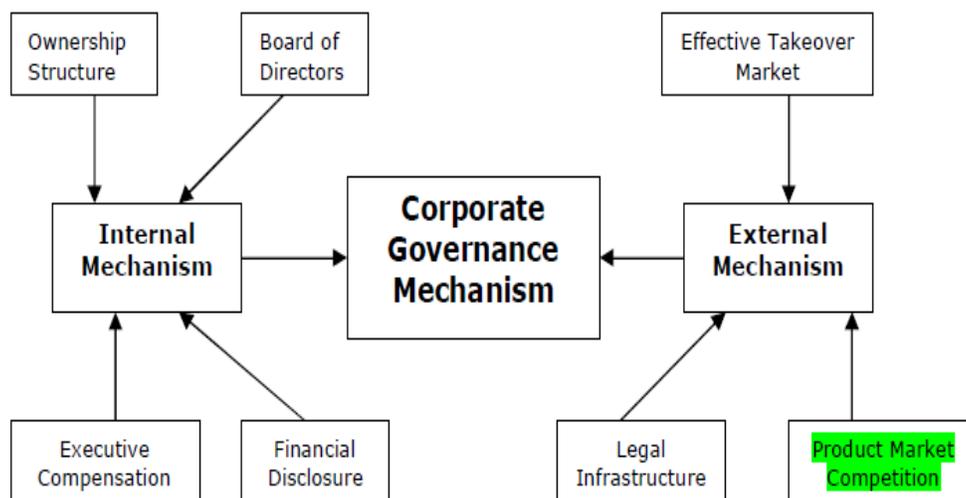


Figure 2. Scenario of Corporate Governance Mechanisms

Furthermore, executive remuneration methods, such as performance-based incentives and goal alignment, are critical tools for encouraging accountability and aligning management interests with those

of shareholders. Furthermore, internal control systems, such as internal audit functions and risk management frameworks, contribute to risk mitigation and asset protection. When properly implemented, these corporate governance processes help with the efficient functioning and long-term management of government-owned enterprises, ensuring that they achieve their dual goals of pursuing economic interests while also serving the public good.

Scenario of Corporate Governance in Bangladesh

In Bangladesh, corporate governance in government-owned enterprises involves confronting a variety of issues due to institutional complexity, legislative limitations, and cultural factors. Bureaucratic inefficiencies, regulatory deficiencies, and political intervention frequently limit the adoption of good governance principles (Khan & Siddiqui, 2013). Furthermore, cultural problems including nepotism and favoritism impede transparency and accountability. Balancing business interests and public service obligations presents additional obstacles. Despite these challenges, investigating governance processes inside government-owned firms is critical for increasing transparency, accountability, and sustainability in Bangladesh's corporate environment.

State-owned enterprises (SOEs) in Bangladesh play a key part in the country's economic growth, working across numerous sectors such as industry, transportation and communication, commerce, agriculture, construction, and services. These firms are formed to fuel economic growth, offer necessary services, and generate job opportunities. The governance of SOEs in Bangladesh is established to provide openness, accountability, and efficiency in operations, governed by principles of corporate governance (CG). The Bangladesh Small and Cottage Enterprises Corporation (BSCIC) is a prominent SOE concentrating on the development of small and cottage enterprises. Established in 1957, BSCIC strives to stimulate entrepreneurship, assist industrial expansion, and support economic development at the grassroots level. BSCIC's CG system incorporates a board of directors responsible for strategic decision-making, regulatory compliance, and monitoring of management operations. The CG framework guarantees that BSCIC works with integrity, openness, and accountability, conforming to best practices and regulatory norms.

The CG operating systems controlling SOEs and BSCIC include procedures for performance review, internal control, and risk management. These systems are aimed to match the interests of management with those of stakeholders, guarantee financial discipline, and increase overall organizational performance (Uddin & Choudhury, 2008). Effective CG in SOEs like BSCIC is crucial for encouraging sustainable industrial growth and contributing to the larger economic goals of Bangladesh.

Scenario of Corporate Governance in State-Owned Enterprises in Bangladesh

In Bangladesh, state-owned enterprises (SOEs) deal with a complicated corporate governance environment that is full of complications and obstacles. These organizations are vital to the nation's economy since they frequently work in vital industries including banking, transportation, and utilities. On the other hand, SOEs' viability, accountability, and performance are seriously jeopardized by weak governance (Shleifer & Vishny, 1997). The ubiquitous impact of political meddling and bureaucratic inefficiency is one of the main issues facing corporate governance in Bangladesh's SOEs. These elements frequently make it difficult to implement open, merit-based decision-making procedures. Furthermore, insufficient enforcement mechanisms and regulatory frameworks exacerbate governance shortcomings by allowing instances of corruption and poor management (Organisation for Economic Co-operation and Development, 2015). Within SOEs, corporate governance processes are significantly shaped by cultural issues as well. The national corporate climate is rife with nepotism, favoritism, and patronage, which weakens accountability and erodes public confidence. Furthermore, governance conundrums are inherently raised by SOEs' dual goals of pursuing economic interests and carrying out public service obligations. Although strong governance frameworks are necessary to balance social welfare goals with profitability, these frameworks are frequently absent from Bangladesh's SOEs.

Moreover, poor supervision procedures, insufficient disclosure procedures, and weak internal controls make governance issues inside SOEs worse. Ineffective board structures and unaccountable audit committees make governance even less effective, making SOEs more susceptible to financial irregularities and poor management. Despite these obstacles, strengthening corporate governance in state-owned enterprises (SOEs) is critical to increasing these enterprises' performance, guaranteeing stakeholder responsibility, and promoting sustainable growth. SOEs may contribute to Bangladesh's overall economic growth and development by enhancing transparency, efficiency, and trust through the implementation of best practices and the correction of governance flaws.

A thorough investigation of the governance environment of Bangladesh's state-owned businesses is important given these intricacies. The progress of corporate governance practices in the nation's SOEs would be aided by this study, which would offer insightful information on the procedures, governance difficulties, and prospective reform initiatives.

Research Findings and Analysis

Some aspects of Corporate Governance (CG) require empirical data to quantify. Directors, managers, and auditors' subjective insights and objective facts are needed to assess governance structures' integrity and efficacy. Structured interviews can shed light on an organization's internal controls, transparency, and accountability. Directors and auditors can discuss board practices' strengths and flaws and regulatory compliance. Performance indicators, financial disclosures, and compliance records must support these subjective assessments. Performance measures for government-owned entities in Bangladesh may include timely financial report submission and budgeting compliance, while compliance records may include audits and regulatory filings. Researchers may analyze CG processes thoroughly by integrating respondents' comments with empirical data.

This method assesses governance procedures' perceived integrity and efficacy and identifies performance gaps. If managers feel internal controls are effective yet financial disclosures show regular non-compliance, this disparity indicates opportunities for improvement. Such thorough, evidence-based research is essential for providing targeted suggestions to improve governance standards in Bangladeshi government-owned companies, assuring openness and accountability.

Shareholder Participation in the AGM

The graph below shows how shareholders expressed their thoughts on meeting accessibility using a number of approaches. Most investors vote in person or appoint someone to represent them.

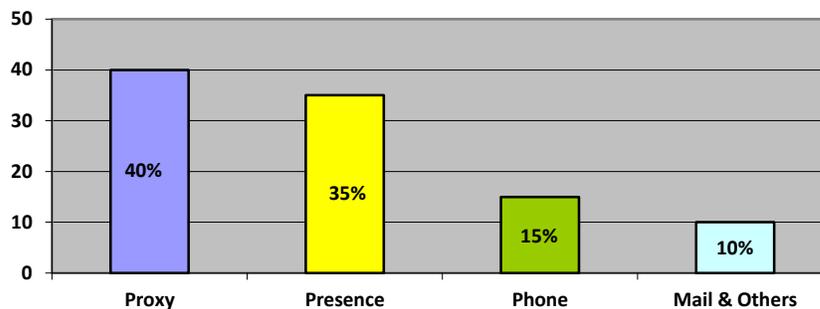


Figure 3. Scenario of AGM Participation

The aforementioned data indicate that a significant proportion of participants (40 percent) were unable to physically attend yearly general meetings due to the rigorous nature of their schedules. Consequently, they made arrangements for their representatives to attend the meeting on their behalf. Furthermore, 35 percent of board members consistently participated in the annual general meeting (AGM) as shown in Figure 3. As a result of the nonattendance of board members, the chairperson of the board meeting occasionally sought input from board members by telephone, accounting for 15 percent of the total. Conversely, a proportion of ten percent of the decisions were obtained through the use of postal services and other relevant channels.

AGM Agenda and Shareholder Discussion

The shareholders must be informed of the meeting's agenda well in advance, given the chance to express their views at the conference, and made aware of the major shareholders' current stock position. These are critical factors for maintaining efficient corporate governance in order to protect the interests of a company's minority shareholders. Figure 4 shows that this is not a reason for concern in Bangladesh, with the exception of the equity of large proprietors.

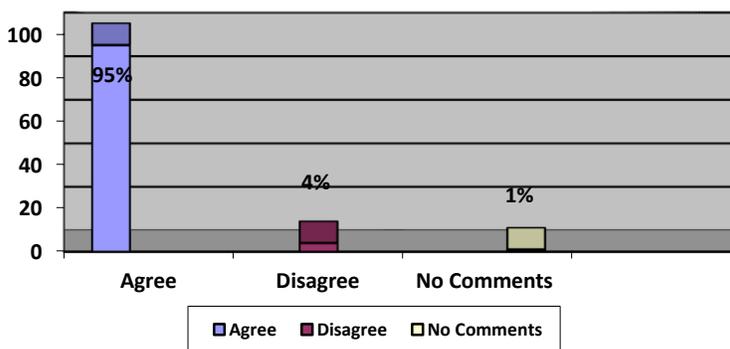


Figure 4. Information about the AGM Agenda and Discussion

The graph above shows that 95 percent of those who answered think that the information on the meeting schedule is very important and that they should be able to see it before the meeting. It was very important to ensure the smooth operation of the businesses. Four percent of those who answered also thought it was not important to provide a plan for the meeting ahead of time. Additionally, 1 percent of those who answered said they did not want to provide any details in response to this question.

Nomination of a Director's Familiar Candidate Scenario

The nomination of candidates at the meeting is an essential part of the company's efforts to promote openness. According to previous study findings, the majority of shareholders were aware of candidates for director posts prior to the AGM. This information was meant to be common knowledge for everyone. In the absence of success, corporate governance is less transparent.

Table 2: Shareholder Disclosure and Rights

Scenario	Discloser to Directors Candidate	Nomination of Candidates by Minor Shareholders
Yes	85%	50%
No	15%	50%

Table 2 above shows that board directors play an important role in all aspects of decision making and implementation. Director candidates were given the most opportunities in terms of recruitment (85 percent). In other cases, even when directors suggested individuals for the position, they were not chosen. On the other hand, the probability of this occurring was only 15 percent. Similarly, just 50 percent of shareholders believed that minority shareholders could suggest their own candidates.

Scenario for Sharing Information with Shareholders

The investigation revealed a number of facts concerning SOEs. Shareholders in both financial and nonfinancial public limited companies have time to answer their questions. This illustrates that the regulatory system imposed on publicly listed organizations, including financial and nonfinancial businesses, is more successful than the regulatory framework imposed on state-owned enterprises as

shown in Figure 5. In other words, regulatory agencies often adopt lax attitudes in to implementing in implementing or to implement such restrictions on government entities.

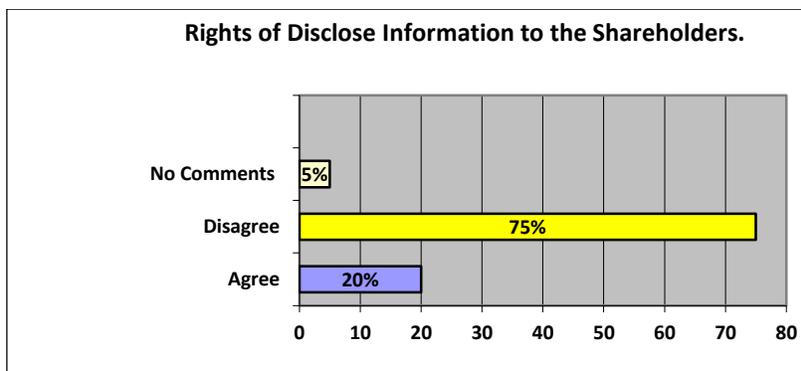


Figure 5. Shareholder Disclosure Scenario

The statistics above show that the vast majority of respondents (75 percent) lacked any current relevant knowledge about the organization. Even in some cases, they were not given any information by the organization prior to the AGM. Only over 20 percent of respondents reported receiving positive responses from the organization. In addition, 5 percent of respondents declined to offer any information on the subject.

The Board Members' Responsibilities

For the organization to run smoothly, each member must be cognizant of his or her duty to act in an accountable, transparent, and fair manner inside the organization. If the board members do not know what they are doing, they cannot do or they cannot perform their jobs well and push management with the wrong guidance.

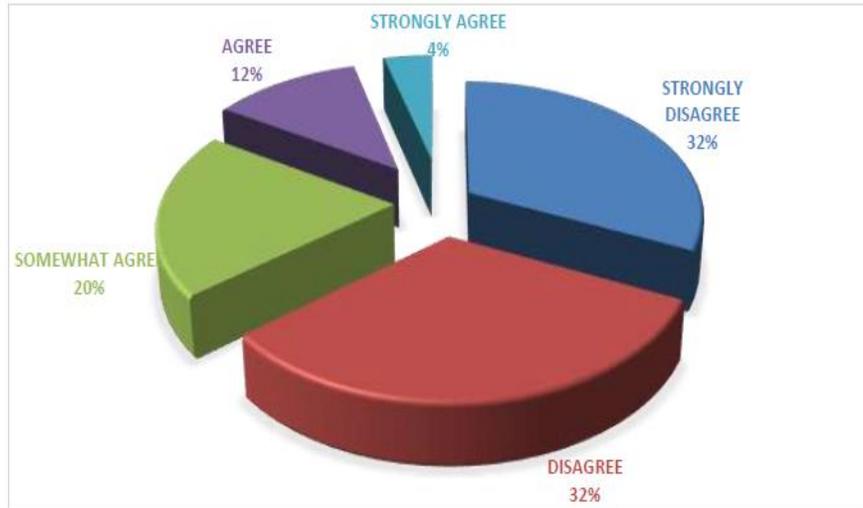


Figure 6: The Members of the Board are Cognizant of their Obligations Concerning Transparency, Fairness, and Accountability.

The results indicate that, concerning the claim that the board of directors of each respondent's specific bank is aware of its responsibilities regarding accountability, transparency, and justice, 32 percent of respondents strongly disagree and another 32 percent disagree as shown in figure 6.

The Efficacy of the Board

Several factors were considered to evaluate the board's effectiveness in this regard, including- the following factors influencing the board's effectiveness: (a) Board size and structure. (b) Independent directors' presence and performance. (c) Separation of the chairperson and CEO. (d) The board's performance evaluation of the CEO.

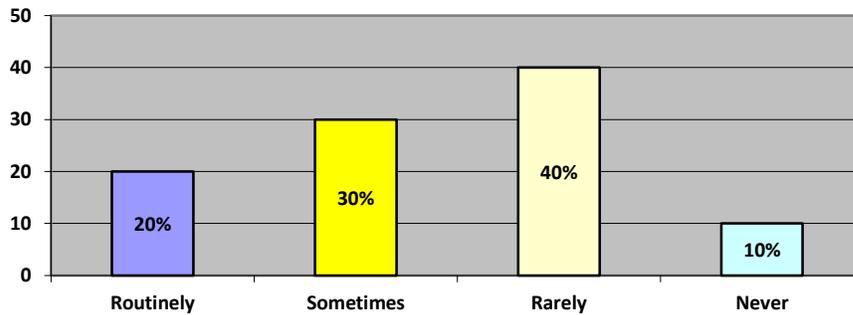


Figure 7. The CEO's Performance is Evaluated by the Board.

According to the study's findings, the chief executive officer (CEO) and the chairperson of the Board are never the same individual. Furthermore, research using a questionnaire indicated that the Board reviews the CEO's performance. The board seldom evaluates the CEO's performance at a 40 percent rate, and less occasionally at a 30 percent rate; this is due to the independent directors' passive engagement as shown in Figure 7.

Role of Independent Directors

To ensure accountability, transparency, and fairness in their operations, businesses must actively seek out independent directors to serve on their boards. At the board meeting, the executive directors will make choices on anything, and the independent directors will offer feedback while the decision is made.

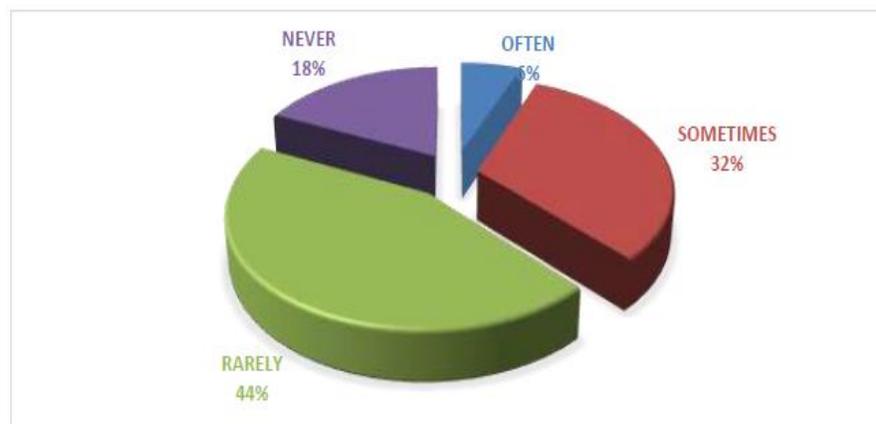


Figure 8. Meeting Attendance of Independent Directors.

In accordance with the investigation's findings, independent directors did not participate in the board meeting. Independent directors are infrequent (44 percent) or infrequent (32 percent of the time) at meetings as shown in Figure 8. As a result, executive directors are endowed with the power to employ unscrupulous approaches in the process of decision-making.

Current State of Corporate Governance

The participants expressed that the successful execution of good governance practices would enable state-owned enterprises (SOEs) to ensure the accountability of the staff members involved in making strategic decisions for the organization. By doing this, you can make sure that the stakeholders hold the SOEs accountable.

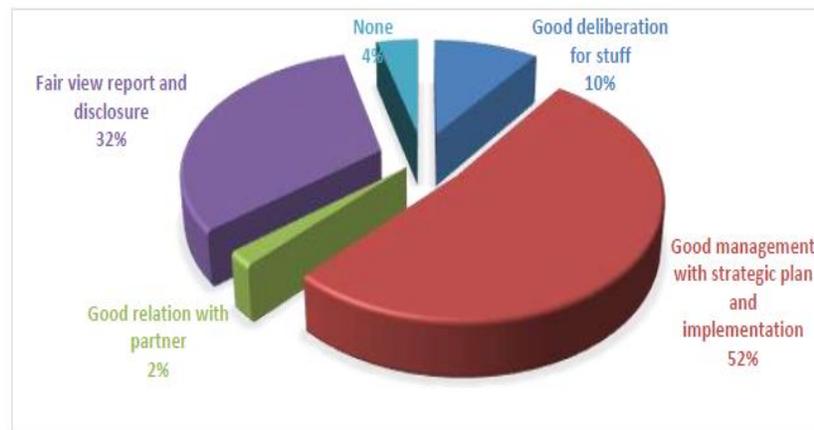


Figure 9. Current Status of Corporate Governance

The respondents were asked to recommend the best method for achieving effective governance for SOEs. Fifty-two percent of respondents highlighted business management with a long-term strategic plan and a track record of good execution, while 32 percent noted a fair view of SOE reporting and transparency as shown in Figure 9. According to the findings, this technique may be the most effective way to ensure good banking sector governance.

Discussion of Findings

Corporate governance structures and practices in Bangladeshi government-owned enterprises are uneven, according to studies. Board monitoring, openness, and accountability are high in certain GOEs, but disclosure and stakeholder involvement are lacking in others. Diversity and independence on boards improve governance, according to key studies (Haque & Yadav, 2022). However, political involvement and insufficient regulatory enforcement limit efficient governance in certain GOEs. Boosting corporate governance in Bangladeshi GOEs requires substantial changes. This involves strengthening regulatory frameworks, training and capacity-building boards, and promoting openness and accountability (Hossain & Hammami, 2009). Increasing stakeholder participation and executing risk management and internal control best practices are also important for GOE trust. In Bangladesh, addressing these results can improve government-owned entities' efficiency, sustainability, and public confidence.

The study found three major barriers to corporate governance compliance for Bangladeshi GOEs. These include political meddling, which weakens GOE governance mechanisms. GOEs might operate without standards due to weak regulatory enforcement, worsening governance issues. Poor disclosure methods limit stakeholders' capacity to evaluate GOEs and hold management responsible. Management and political interests can also impact board independence, which can hinder GOE supervision and decision-making. Improved corporate governance compliance in Bangladeshi GOEs requires addressing these barriers. Improvements in governance require stronger regulatory enforcement, increased information, and board independence. Depoliticizing GOEs and empowering independent monitoring bodies can help overcome these challenges and improve governance excellence.

The findings emphasize the need to improve corporate governance in government-owned corporations (GOCs) for transparency, accountability, and sustainability. Research shows that GOCs' restricted disclosure practices make it harder for stakeholders to evaluate performance and hold management responsible. Weak regulatory enforcement makes these issues worse, allowing GOCs to operate without governance norms. Enhancing regulatory frameworks and openness through disclosure obligations is crucial. GOCs must also encourage stakeholder involvement and board independence to be transparent, accountable, and sustainable. Policymakers and stakeholders may improve trust, performance, and sustainability of Bangladeshi government-owned companies by addressing these issues.

Through an examination of the procedures within Bangladeshi government-owned enterprises (GOEs), this research contributes significantly theoretically to the subject of corporate governance. The study clarifies the distinctive possibilities and problems encountered by GOEs by exploring the nuances of governance dynamics in the public sector, especially in the context of emerging economies. This enhances the body of knowledge on corporate governance theories and practices in many organizational contexts, adding value to the field of governance studies.

Recommendations

To implement reforms of better corporate governance with a view to having good corporate governance at SOEs in Bangladesh, the following recommendations can be put forward:

1. Creation of Independent Board Committees: Adding independent boards to GOEs helps improve supervision and decision-making processes. Examples of these committees include audit, risk, and compensation. (Adams & Ferreira, 2009).

2. Enhancing Board Independence: To guarantee unbiased decision-making and reduce conflicts of interest, the recruitment of independent directors with the necessary training and experience should be promoted. (Aguilera & Cuervo-Cazurra, 2004).

3. Improving Transparency and Disclosure: Stress how crucial it is to have transparent reporting and disclosure procedures in place to give stakeholders fast access to precise information regarding the operations and performance of GOEs.

4. Establishing Robust Whistleblower processes: Promote an environment of accountability and integrity by establishing strong whistleblower processes that incentivize the reporting of unethical activity or wrongdoing inside GOEs.

5. Adopting Performance-Based Incentives: To align interests with shareholders and encourage accountability, implement performance-based incentives for executives and board members that are linked to key performance indicators and business objectives. (La Porta, 2000).

6. Improving Shareholder Engagement: To guarantee that the interests of shareholders are considered throughout governance procedures, active shareholder participation through frequent meetings, voting rights, and communication channels. (Miceli & Near, 2002).

7. Establishing Frequent Board Evaluations: To pinpoint opportunities for development and strengthen governance procedures inside GOEs, periodically assess the efficacy and performance of the board (Tricker, 2012).

8. Ensuring Regulatory Compliance: To reduce legal risks and encourage moral behavior, GOEs must adhere to all applicable laws, rules, and governance standards.

9. Encouraging Stakeholder Participation: To promote inclusive decision-making and accountability, methods for stakeholder participation in governance structures, such as employee representatives or community stakeholders should be included. (Hossain & Hammami 2009).

Conclusion

In conclusion, studying corporate governance processes in Bangladeshi government-owned enterprises (GOEs) has illuminated their specific difficulties and prospects. By analyze empirical framework, this research identified numerous significant recommendations improving GOE governance

processes for performance, accountability, and sustainability. GOEs may promote responsible decision-making and ethics by supporting independent board committees, board independence, and transparency and disclosure. Whistleblower systems, performance-based incentives, and board reviews can also improve accountability and reduce wrongdoing. Shareholder involvement, governance training, and regulatory compliance promote stakeholder interests and public trust in GOEs. Governance models with stakeholder involvement may also promote inclusive decision-making and social goals. Based on Adams and Ferreira (2009), La Porta et al. (2000), and Jensen and Murphy (1990), this research emphasizes the importance of adopting corporate governance best practices to address Bangladesh's unique governance challenges. According to these suggestions, GOEs can improve efficiency, openness, and accountability by helping Bangladesh's economy grow sustainably.

References

- Adams, R. B., & Ferreira, D. (2009). Women in the boardroom and their impact on governance and performance. *Journal of Financial Economics*, 94(2), 291-309. <https://doi.org/10.1016/j.jfineco.2008.10.007>
- Aguilera, R. V., & Cuervo-Cazurra, A. (2004). Codes of good governance worldwide: What is the trigger? *Organization Studies*, 25(3), 415-443. <https://doi.org/10.1177/0170840604040669>
- Creswell, J. W., & Creswell, J. D. (2021). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. 5th ed. California: SAGE Publications.
- Freeman, R. E., & Reed, D. L. (1983). Stockholders and stakeholders: A new perspective on corporate governance. *California Management Review*, 25(3), 88-106. <https://doi.org/10.2307/41165018>
- Haque, F., & Yadav, A. (2022). The role of corporate governance in mitigating agency problems in state-owned enterprises: Evidence from Bangladesh. *Journal of Business Ethics*, 179(2), 419-437. <https://10.1007/s10551-022-04832-1>.
- Hossain, M., & Bhuiyan, M. B. (2022). Interview techniques in corporate governance research: Insights from Bangladesh. *Managerial Auditing Journal*, 37(5), 788-804. <https://10.1108/MAJ-09-2021-3202>.
- Hossain, M., & Hammami, H. (2009). Voluntary disclosure in the annual reports of an emerging country: The case of Qatar. *Advances in Accounting*, 25(2), 255-265. <https://doi.org/10.1016/j.adiac.2009.08.002>
- Jensen, M. C., & Murphy, K. J. (1990). Performance pay and top-management incentives. *Journal of Political Economy*, 98(2), 225-264.
- Khan, A., Muttakin, M. B., & Siddiqui, J. (2013). Corporate governance and corporate social responsibility disclosures: Evidence from an emerging economy. *Journal of Business Ethics*, 114(2), 207-223. <https://doi.org/10.1007/s10551-012-1336-0>
- Klein, A. (2002). Audit committee, board of director characteristics, and earnings management. *Journal of Accounting and Economics*, 33(3), 375-400. [https://doi.org/10.1016/S0165-4101\(02\)00059-9](https://doi.org/10.1016/S0165-4101(02)00059-9)
- Kothari, C. R., & Garg, G. (2020). *Research Methodology: Methods and Techniques*. 4th ed. New Delhi: New Age International Publishers.
- La Porta, R., Lopez-de-Silanes, F., Shleifer, A., & Vishny, R. (2000). Investor protection and corporate governance. *Journal of Financial Economics*, 58(1-2), 3-27. [https://doi.org/10.1016/S0304-405X\(00\)00065-9](https://doi.org/10.1016/S0304-405X(00)00065-9)

- Miceli, M. P., & Near, J. P. (2002). What makes whistle-blowers effective? Three field studies. *Human Relations, 55*(4), 455-479. <https://doi.org/10.1177/0018726702055004463>
- Organization for Economic Co-operation and Development. (2015). *G20/OECD Principles of Corporate Governance*. Retrieved from <https://www.oecd.org/daf/ca/corporategovernanceprinciples/31557724.pdf>.
- Shleifer, A., & Vishny, R. W. (1997). A survey of corporate governance. *Journal of Finance, 52*(2), 737-783. <https://doi.org/10.2307/2329497>
- Tricker, R. (2012). *Corporate Governance: Principles, Policies, and Practices*. Oxford: Oxford University Press.
- Uddin, S., & Choudhury, J. A. (2008). Rationality, traditionalism and the state of corporate governance mechanisms: Illustrations from a less-developed country. *Accounting, Auditing & Accountability Journal, 21*(7), 1026-1051. <https://doi.org/10.1108/09513570810907465>