Abstract
The purpose of the study is to understand and analyse the influence of adopting neoliberal governance mechanisms in the corporate governance of State-Owned Enterprises (SOEs) and also to identify and evaluate the implications of mechanisms on social value creation and production in developing countries, particularly, the current private sector controversial developments in Bangladesh.

This research, conducts three lines of inquiry, firstly identifies the current system of SOE governance emphasizing on the allocative, enabling and monitoring mechanisms. Secondly, the study investigates the impact of power relations between the role of state and decision-making agents on the current approach to mechanization of governance mechanisms and their implications on sustainable value creation. Lastly, prevailing formal and informal conceptions are evaluated through this research for appropriate governing (allocation and control) mechanisms in the present governing circumstances.

Rationale
The current dilemma faced by the SOEs in developing countries is that the international investment and much-needed development funds are only flowing in the country when the appropriate mechanisms are in place for protection and appropriate usage - in wake of marketization and inefficiency. In other words, the SOEs as businesses should go on marketizing their activities, government should not be influenced by the progressive mechanisms. Because, they restrict innovation, productivity, economic growth and appropriate utilization of human and other resources in the organizations and beyond. Moreover, SOEs in developing countries have to socio-economic responsibilities through the maintenance of well-being of the populace.

Why focusing on SOEs' governance? - Governments face fundamental governance challenges that determine their system's performance. Traditional governance structures are model is direct, weak governance-compensation and performance relations is weak—lack of incentive to increase productivity—privileged funding channels tend to isolate SOEs from the kind of discipline that stock market imposes on PLCs.

When governments try to address the oversights issues, the second set of problems arises - imposition of political controls. Government intervention means allowing politicians to influence the use and allocation of state-owned assets to improve often non-consistent with long-term value maximization, distort market forces in the name of furthering political objectives. In other words, no effective governance system can exist without a political element. When politics determine the allocation of resources, it results in the enterprise's disarray and failure to attract needed investments. Hence, SOEs are perceived as an important lifeline to the state.

The potential decision-making agents in SOEs governance display behaviours which benefit them at the expense of residual risk bearers. As, the combination of decision management and decision control in a few agents leads to residual claims that are commonly restricted to them.

The study concludes in Bangladesh context which has very peculiar characteristics (such as culture and administrative behaviour) which suffer across the countries in the world. Therefore, the generalization may be restricted accordingly the particular jurisdictional rules, institutions and governance infrastructures.

Study contributions
The study makes a contribution in theorizing SOEs' behaviours and mechanisms in a principal-agent relationship-in decision making and decision control on the basis of residual risk bearers of SOEs.

Practically, the study contributes to the materialization of governance mechanisms which contribute to good governance. Good governance here is assumed as the governance which contributes to the public value production in the condition of neo-liberalization.

SOEs in Bangladesh still occupy vast amount of resources. Antagonistically, some of the recent events and business practices of private-sector organizations are hugely worrying. Therefore, this study steadily contributes to the SOE governance in Bangladesh.

The study is also expected to have a generalizable governance effects on governing mechanisms in developing economy/countries, these are also going through liberalization transformation process.

Key assumptions/ limitations
The study assumes that micro-level behaviours and principles of corporate governance have strong effect in building macro-level wealth allocation, efficiency in stages and monitoring and controlling mechanisms. The powerful decision-making agents in SOE governance display behaviours which benefit them at the expense of residual risk bearers. As, the combination of decision management and decision control in a few agents leads to residual claims that are commonly restricted to them.

Separation of SOEs from the residual risk bearing decides decision management from decision control. This may turn transfer some of the equity to the agents whose purpose is not mainly to comply with firm socioeconomic objectives.

Key behavioural assumptions are that human agents are subject to bounded rationality and some agents are given some economic incentives.

The study conducts in Bangladesh context which has very peculiar characteristics (such as culture and administrative behaviour) which suffer across the countries in the world. Therefore, the generalization may be restricted accordingly the particular jurisdictional rules, institutions and governance infrastructures.

References