# Addressing Managerial Behaviours and Governance Challenges in Public Universities in Emerging Economies

iCAD25 Conference Presentation
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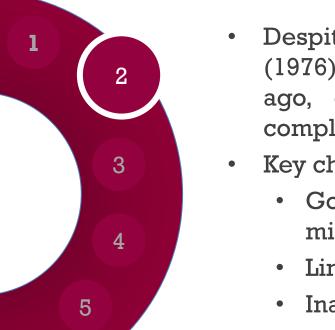


#### Introduction

- Governance is central to performance in public universities (PU) (Birbirsa et al., 2015; Gollagari, Birega & Mishra, 2024).
- Addresses agency problems, managerial control & monitoring costs.
- Crucial for emerging economies & national development (Arslan et al., 2022; Yi et al., 2023).
- Strengthening governance is vital for PU to fulfil their national transformation agenda, including global goals:
  - SDG 4 Quality Education
  - SDG 8 Decent Work and Economic Growth



#### Research Problem and Gaps



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- Despite the foundational works of Jensen & Meckling (1976) and Fama & Jensen (1983) over four decades ago, governance in public universities remains complex and unclear.
- Key challenges include:
  - Governance inefficiencies & behavioral misalignments
  - Limited empirical research
  - Inadequacies in traditional agency
  - Lack of integration with exemplification heuristic reasoning
  - Institutional constraints undermining accountability

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#### Theoretical Framework

- Governance inefficiencies, & behavioral misalignments,
- Inadequacies in traditional agency and the lack of integration with exemplification & heuristic reasoning (Cooper & Grubnic, 2025),
- Institutional constraints and accountability issues are well rooted in:
  - Agency Theory (Jensen & Meckling, 1976)
  - Exemplification Theory (Zillmann & Bryant, 1985)
  - Heuristic Reasoning (Tversky & Kahneman, 1973)



#### **Empirical Literature Review**

- Studies highlight governance failures in public sector institutions (Otley & Pollanen, 2000; Li, 2021).
- Higher education institutions face unique agency dilemmas due to decentralized governance (see Arslan et al., 2022; Nguyen et al., 2022; Ntim et al., 2017; Yi et al., 2023).
- Recent research efforts points to inefficiencies in university councils and managerial oversight (Abor, 2007; Carvalho et al., 2020; Fulop, 2013; Njuguna & Ithinji, 2020; Ntim, Soobaroyen, & Broad, 2017; Osei-Assibey, 2019).
- Research lacks integration of behavioral monitoring frameworks in academic settings.





#### Research Design and Methodology



- Mixed-methods approach
- 77 governance participants in Ghanaian public universities
- Factor and thematic analysis used







#### **Key Findings**

- Agency problems persist due to weak governance and misaligned incentives
- Two key governance factors identified:
  - Operational efficiency mechanisms
  - Behavioural monitoring mechanisms
- These factors explain 65.027% of the variance in:
  - Agency problems
  - Monitoring mechanisms
  - Related costs



#### Key Findings (Con't)

- Highlights the strategic importance of targeted governance reforms
- Strong link between governance mechanisms and institutional performance
- Promotes the case for:
  - Responsible management
  - Sustainable governance in public universities
  - Alignment with developmental priorities

Education



#### Conceptual Framework

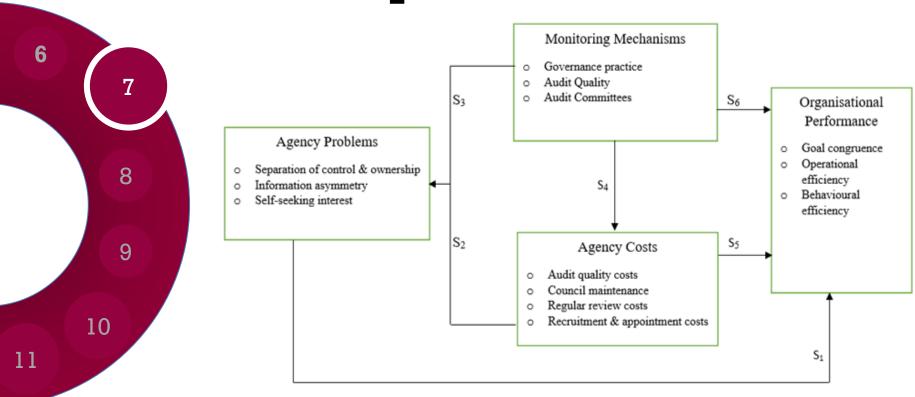


Figure 1: Conceptual framework of agency problem, monitoring mechanisms and costs

Source: Author's Own Conceptualization based on Extant Literature



#### Conceptual Framework Summary



- Agency problems induce monitoring mechanisms and costs
- These shape performance via operational and behavioral efficiencies
- Focused governance reforms can mitigate risks and enhance performance





#### Conclusion

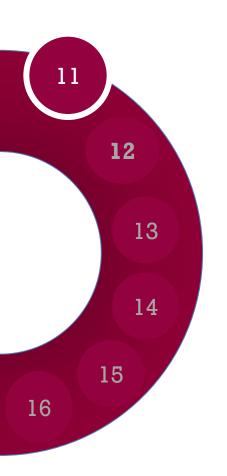
- Study provides a governance framework tailored to public universities
- Demonstrates relevance of agency, exemplification
   & heuristic theories in higher education
   governance
- Emphasizes operational efficiency and behavioral alignment

#### Implications for Practice and Society



- Need for performance-based governance
- Transparent, accountable, and inclusive systems
- Reforms can build public trust and support SDGs 4 (quality education) & 8 (decent work and economic growth)





#### Recommendations

- Implement regular audits, performance-based reviews, and staff rotation
- Strengthen governance councils and management oversight
- Build institutional capacity through training and policy reforms



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#### Contributions of the Study

- Provides an empirical model linking agency problems to governance performance
- Introduces a hybrid governance-performance framework suitable for public universities
- Contributes to theory by integrating agency theory
   with heuristic and exemplification reasoning
- Offers policy-relevant insights for enhancing transparency and efficiency in university governance



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#### Future Research Agenda

- Examine post-reform governance models and their impact on learning outcomes.
- Explore comparative governance dynamics across different African public universities
- Study the role of digital transformation in enhancing governance and accountability
- Investigate the influence of political economy on public university governance reforms



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