

Presenting a Model to Expand the Concept of Performance-Based Governance: Organizational Performance Evaluation Models for Iranian Government Organizations

Koorosh Khezri¹, Kumars Ahmadi^{*1}, Adel Salavati¹, Pouya Faroughi¹

¹Department of Public Administration, Sa.c.Branch, Islamic Azad University, sanandaj., Iran

***Corresponding Author**

E-mail: ahmadi.kumars@gmail.com

ABSTRACT

This research investigated the development of a model for conceptualizing performance governance, based on organizational performance evaluation models for Iran's governmental organizations. The present study is applied in terms of purpose and falls under the category of exploratory mixed-method research in terms of methodology. In the qualitative phase, the statistical population consisted of approximately 20 human resource managers from the Rural Water and Sewage Company of West Azerbaijan Province (all with at least five years of work experience and a master's or doctoral degree in human resource management), who were interviewed using specialized questions. In the quantitative phase, the statistical population consisted of approximately 108 employees of the West Azerbaijan Abfa Company. A sample was selected based on the Morgan table to enable testing of the proposed statistical model. In the next step, data were collected using a researcher-developed questionnaire on performance governance and performance evaluation. For data analysis, descriptive statistics such as frequency, cumulative and relative frequency, mean, and standard deviation were used as needed. In the inferential statistics section, various methods and techniques were employed, including the Wilcoxon test, t-test, and other relevant statistical procedures. The research findings showed that out of 56 components designed according to six performance governance indicators, 53 were deemed suitable and acceptable by academic and organizational experts. Therefore, the outcome of this research is the presentation of a comprehensive model for developing the concept of performance governance, based on the Balanced Scorecard framework, which consists of four dimensions, six components, and 56 indicators, all weighted across four levels.

Keywords: Governance, performance governance, evaluation, performance evaluation.

Introduction

In today's world, considering the speed and volume of information and the challenges organizations face, the necessity of having criteria to determine position and plan based on strengths and weaknesses has become more essential than ever (Anvari Rostami, 2001: 53).

All organizations, whether public or private, need to conduct performance evaluations of their activities and processes to assess the efficiency and effectiveness of their programs, methods, and human resources. Efficient organizations do not stop at merely collecting and analyzing data; instead, they utilize these data to enhance the organization and achieve its mission and strategies. In other words, instead of simple performance evaluation, they engage in performance management (Rahimi, 2006: 96). Performance management is a general term for those organizational activities concerned with managing job responsibilities and behavioral expectations of employees. It facilitates communication and understanding between employees and supervisors, leading to a better work environment and greater commitment to service quality (Abili & Movaghi, 2003). While the goal of performance evaluation is to identify deviations and performance gaps, performance management aims to improve and correct mistakes by prescribing recommendations and action plans for individuals or departments with weak performance. Thus,

performance evaluation employs a descriptive approach, whereas performance management takes a prescriptive approach.

The subject of performance and its management is a key issue highlighted in 26 clauses of the general policies for administrative system reform announced by the Supreme Leader, which have been included as a primary program in seven previous governments, ten programs of the Rouhani administration, and thirty strategic programs of the current government. It is necessary to pursue innovative yet practical mechanisms to enable improvement in the performance of governmental organizations. A new concept and mechanism called performance governance is emerging, which considers the enhancement of performance dependent on the participation of all stakeholders involved in that performance. This thesis aims to identify the essential and comprehensive components of this concept. Since the theory of performance governance is among the newest development topics worldwide. Iran, like any other political system, requires a deep and broad understanding of the factors, components, and characteristics that make it more efficient and effective, the opening question of this paper is formulated as follows: "How can a model be designed to explain the fundamental features of performance-based governance, which maintains a comprehensive and holistic perspective, avoids universalism and absolutism, and highlights the essential aspects of performance governance?"

Theoretical Foundations of the Research

Performance Evaluation

Performance evaluation is defined as the systematic and regular process of measuring work components regarding how each task is performed and determining their potential for improvement according to specific standards for each work component. Therefore, evaluation is the foundation for improving and achieving excellence in organizational performance, and progress toward performance excellence depends on planning for performance improvement.

Performance evaluation is a process through which the work of employees or the organization is formally reviewed and assessed at regular intervals (Soltani, 2015).

Performance evaluation is a formal process that informs the worker about diagnostic feedback on positive or negative results of job performance (self-awareness) (Soltani, 2015).

Evaluation means measuring the amount and quality of an individual's or organization's productivity and making a judgment about it (Abolalaei, 2016).

Performance evaluation refers to measuring performance by comparing the current state with the desired or ideal state based on predefined indicators that possess specific characteristics. It also includes reviewing the strengths and weaknesses related to the work of an individual or a group within an organization (Fakhimi, 2010).

Performance evaluation is a formal method of identifying employee or organizational characteristics based on positive or negative feedback from the results of individuals' and organizations' task performance.

Evaluation is the relative measurement of an individual's performance concerning how a specific task is completed during a defined period, compared with the established work standard. Also, it determines the individual's talents and potential capacities to plan for their actualization (Shirvani, 2010).

Performance evaluation is the measurement and judgment of behaviors, competencies, and individual qualifications for job appointments.

The comprehensive process of performance measurement, expressed in terms such as efficiency, effectiveness, meaningfulness, empowerment, and accountability, within the framework of principles and concepts to achieve organizational, structural, programmatic, and long-term development goals, is referred to as organizational performance evaluation.

Performance evaluation is a process that enables an organization to identify problems and take corrective actions before they escalate (Alvani, 2006).

Organizational Performance Evaluation

Based on research conducted in the field of performance evaluation, governmental organizations should select result-oriented performance indicators that:

- Are precisely aligned with defined objectives;
- Measure actual performance as much as possible;
- Are relatively low-cost and straightforward to manage;



Make it difficult for managers to improve the measured performance through means other than actual performance improvement (Henrich, 2010: 314).

To date, numerous methods have been developed and used by researchers to measure the performance of various governmental and non-governmental organizations (Müller, Müller, Schauer, & Pan, 2010: 1), each with its strengths and weaknesses. If a suitable model for performance governance of governmental organizations can be implemented, it would enable a relative comparison between organizations in achieving program objectives. This approach should take a systemic and comprehensive view of all key performance areas of an organization. If this method is also recognized internationally, it enables a comparison of the results of one organization with those of other reputable global organizations, facilitating benchmarking and the adoption of best practices to improve organizational performance and achieve set goals. Due to the weaknesses and shortcomings of traditional performance evaluation systems, new evaluation and measurement systems have been adopted by most American, European, Japanese, and other organizations since the 1980s. Accordingly, studies in the literature of performance evaluation and governance have proposed various systems, each claiming their system as the best model for measuring and governing performance (Alvani et al., 2006: 33).

Below are some models specifically designed for performance evaluation in the public sector or general models used by researchers for the public sector: Universal Performance Management Model, Results-Determinants Framework, EFQM, Balanced Scorecard (BSC), Performance Charter, Organizational Diamond, Productivity Panel Performance Management Framework, Public Sector Organizational Performance Model, Organizational Performance Management Model, Performance Management in the Policy Context, Performance Measurement and Management Model, Public and Nonprofit Sector Performance Management Model, Performance Management Framework, Ideal Performance Evaluation Model, Multi-Criteria Model for Evaluating Iranian Public Companies, and Organizational Performance Management Model for Governmental and Nonprofit Organizations (Soltani, 2015). As mentioned, the core focus of performance evaluation in governmental organizations is on results and outcomes. After comparing the mentioned models, the Balanced Scorecard model was selected (Rahman Seresht & Mirshahvaliati, 2010).

Ibn al-Rasool's research demonstrated that the Balanced Scorecard, based on comparative indicators, is the most tangible and appropriate model for measuring, evaluating, and governing performance in Iranian governmental organizations (Ibn al-Rasool, 2014: 65).

In summary, performance evaluation refers to the set of actions and information aimed at optimizing the use of resources and facilities economically, while maintaining efficiency and effectiveness, to achieve organizational goals. In the dimension of "how resources are used," performance evaluation is expressed through efficiency indicators. If the ratio of output to input is the simplest definition of efficiency, then the evaluation system measures the efficiency of management decisions regarding resource and facility use. Its leading indicator is economic saving or optimization of activities.

According to Kaplan and Norton (1997), performance measurement must include the following principles:

Performance measurement should align with the organization's strategy.

Measurement of subunits should be continuous within the organization's measurement domain.

Measurement must influence performance.

Measurement should be reliable.

In the strategic management process, the role of performance measurement systems is defined as management tools for monitoring the implementation of strategy. In a performance measurement system, actual organizational performance is compared to objectives and criteria, which are typically annual goals or derived from long-term objectives. Other stages of organizational strategic management, although related to organizational performance management, do not specifically depend on performance measurement systems as strategic management tools. With this explanation, the importance and position of performance measurement systems in organizations can be summarized as follows (Bakhtiari, 2007):

Communicating the mission and objectives of the organization to all levels and employees

Revealing misalignments in various units

Creating organizational unity and enabling consensus and alignment

Awareness of the alignment level of processes, products, and services with set goals in long- and short-term planning



Identifying organizational process strengths and weaknesses, diagnosing weaknesses, and determining improvement methods

Controlling intangible assets alongside tangible assets

Balancing various organizational conflicts, including:

- a) Conflict between profit, growth, and control
- b) Conflict between short-term program results versus long-term capacities and growth opportunities
- c) Conflict of performance expectations among organizational stakeholders
- d) Conflict between opportunities and resources
- e) Conflict among different views on human nature

In the Balanced Scorecard (BSC) model, the organization's mission and related strategies for goals and performance measures are reflected in the following four perspectives (Alvani, 2003: 98):

Financial perspective: including cost and profit measures, return on investment, cash flow, and shareholder wealth

Customer perspective: including customer satisfaction, customer usefulness, market share, and number of new customers

Internal business processes: including on-time delivery, the number of new products introduced to the market, and defective products

Learning and growth: including improving employee satisfaction and developing employees' technical skills

The first generation of the balanced evaluation approach was introduced as a monitoring tool for managers, utilizing "red, yellow, green" indicators aimed at market reporting. The green indicator indicated desirable performance, the yellow indicated areas for development, and red indicated an urgent need for improvement (Lotfi Mashmiani, 2016).

The second generation of the balanced evaluation approach shifted to selecting indicators explicitly related to strategic objectives. Identifying cause-and-effect relationships is a key feature of this approach when choosing suitable indicators. Strategy maps can be used to specify critical elements and their relationships to organizational strategic goals. Strategy maps are typically represented as a two-dimensional framework, with operations (tasks) and organizational strategy on one axis and financial goals at the top, serving as the ultimate aim (Lotfi Mashmiani, 2016).

The third generation of the balanced evaluation approach seeks fundamental organizational change. According to Kaplan and Norton, the balanced evaluation approach is not only about what is measured, but also about how measurements are used, which determines organizational success. Success is sustainable when integrated with numerous management processes. Kaplan and Norton argue that the balanced evaluation approach can help create a strategy-driven organization and serve as a tool beyond performance measurement toward strategic management.

Table 1 – Performance Evaluation Model in the Public Sector (Concepts and Indicators)

Dimension	Component	Indicator	Source(s)
1. Mission	1. Action to fulfill the mission	Goal orientation and achieving objectives	Chan EPC & John EPL, 2004: 208; Martin, 2010: 213; Owaisi, 2011: 193; Islam & Rasad, 2006: 171; Bain, 2008: 229
		Participation in identifying environmental factors	Ranaei Kord Sholi & Safapour, 2011 [1390]: 104
		Providing solutions for policy deficiencies	Ranaei Kord Sholi & Safapour, 2011 [1390]: 105

2. Financial	2. Mission dissemination	Institutionalizing organizational values and ethics	Armstrong, 2000: 510
		Raising awareness about the mission	Skoulak et al., 2014: 111; Ranaei Kord Sholi & Safapour, 2011 [1390]: 104; Arora & Katoor, 2015: 220
		Promoting a supportive culture for mission	Skoulak et al., 2014: 111
		Creating new income sources	Ranaei Kord Sholi & Safapour, 2011 [1390]: 104
		Reducing organizational costs	Ranaei Kord Sholi & Safapour, 2011 [1390]: 111; Olsen & Bex, 2009: 271
		Optimal use of facilities	Tour & Agonlana, 2010: 232; Mirz & Rohost, 2006; Yavari & Zahedi, 2012 [1391]: 105
		Providing quality services	Yavari & Zahedi, 2012 [1391]: 105; Wu, Lin & Chang, 2010: 40; Olsen & Bex, 2009: 271; Martin, 2010: 213; Islam & Rasad, 202: 171
		Proper behavior with clients	Divandari et al., 2008 [1387]: 117
		Guidance, training, and consulting with clients	Ranaei Kord Sholi & Safapour, 2011 [1390]: 110
		Responding promptly to client needs and complaints	Ranaei Kord Sholi & Safapour, 2011 [1390]: 110; Yarvali, 2014 [1391]
3. Customer		Presenting a positive image to clients	Ranaei Kord Sholi & Safapour, 2011 [1390]: 110
		Time management	Yadegari & Alavi, 2008 [1387]: 182; Olsen & Bex, 2009: 271; Mosaddegh Khah & Saket Chefrash, 2011 [1390]: 207
		Planning	Amirzadeh Behbahani & Yaghoubi, 2012 [1391]: 103; Martin,
4. Internal Processes	3. Individual work skills & behaviors		





		2010: 213; Islam & Rasad, 2006: 171; Bain, 2008: 229
	Organizing	Mosaddegh Khah & Saket Chefrash, 2011 [1390]: 207
	Decision making	Chen Ho & Tizeng, 2011: 911
	Timely attendance	Amirzadeh Behbahani & Yaghoubi, 2012 [1391]: 103; Yadegari & Alavi, 2008 [1387]: 182; Tour & Agonlana, 2010: 232; Martin, 2010: 213
	Safety and hygiene compliance	Amirzadeh Behbahani & Yaghoubi, 2012 [1391]: 103; Divandari et al., 2008 [1387]: 117; Tour & Agonlana, 2010: 232
	Adherence to rules, regulations, standards	Amirzadeh Behbahani & Yaghoubi, 2012 [1391]: 103; Divandari et al., 2008 [1387]: 117; Olsen & Bex, 2009: 271
	Responsibility and accountability follow-up	Amirzadeh Behbahani & Yaghoubi, 2012 [1391]: 103; Olsen & Bex, 2009: 271; Soltani et al., 2003: 1387; Battle, 1996: 9
	Productivity	Wu et al., 2010: 40; Chen et al., 2011: 911; Yavari & Zahedi, 2012 [1391]: 105; Olsen & Bex, 2009: 271; Martin, 2010: 213
4. Individual initiative to improve processes	Trustworthiness during work	Amirzadeh Behbahani & Yaghoubi, 2012 [1391]: 103
	Good relations with supervisors and colleagues	Ranaei Kord Sholi & Safapour, 2011 [1390]: 111; Olsen & Bex, 2009: 271; Bain, 2008: 229
	Participation in solving organizational problems	Ranaei Kord Sholi & Safapour, 2011 [1390]: 104; Olsen & Bex,

		2009: 271; Islam & Rasad, 2006: 171
	Participation in risk and accident reduction	Ranaei Kord Sholi & Safapour, 2011 [1390]: 111
	Participation in waste reduction	Ranaei Kord Sholi & Safapour, 2011 [1390]: 111
	Participation in continuous process improvement	Ranaei Kord Sholi & Safapour, 2011 [1390]: 111
	Sharing knowledge and training colleagues	Chen et al., 2011: 911; Ranaei Kord Sholi & Safapour, 2011 [1390]: 104; Islam & Rasad, 2006: 171
5. Sharing knowledge, innovation, creativity		Divandari et al., 2008 [1387]: 117; Yavari & Zahedi, 2012 [1391]: 105; Olsen & Bex, 2009: 271; Mosaddegh Khah & Saket Chefrash, 2011 [1390]: 207; Islam & Rasad, 2006: 171; Estan et al., 2012: 20
5. Growth and Learning	Offering innovation and creativity	Yadegari & Alavi, 2008 [1387]: 182; Martin, 2010: 213
	Effort to adapt to conditions	Ranaei Kord Sholi & Safapour, 2011 [1390]: 109
6. Facilitating growth and learning processes	Participation in suggestion systems	Ranaei Kord Sholi & Safapour, 2011 [1390]: 104
	Support participation and in transformation programs	Ranaei Kord Sholi & Safapour, 2011 [1390]: 104
	Having a good relationship with social stakeholders	Ranaei Kord Sholi & Safapour, 2011 [1390]: 104; Olsen & Bex, 2009: 271; Pin, 2008: 229
Achieving the satisfaction of social stakeholders		Yavari & Zahedi, 2012 [1391]: 105; Yav & Li, 2014: 91
6. Social performance	Meeting expectations of social stakeholders	
	Adherence to social values and norms as a representative of an organization in society	Ranaei Kord Sholi & Safapour, 2011 [1390]: 110
Presenting a positive image of an organization to society	Showing a positive image of the	Ranaei Kord Sholi & Safapour, 2011 [1390]:



7. Environmental performance

- organization in the public opinion and society 110; Islam & Rasad, 2006: 171
- Protection of natural and environmental infrastructure Chan EPC & John EPL, 2004: 208
- Correct use of resources and energy Chan EPC & John EPL, 2004: 208

Governance

Governance refers to the effective interaction between individuals and organizations involved in the decision-making process and its implementation (Hamilton, 2004: 3). governance has been defined in various ways. According to the Ottawa Institute on Governance, governance is a combination of traditions (rules and customs), institutions, and processes that determine how power should be exercised, how citizens have the right to participate and protest, and how decisions are made on public issues (Hewitt, Peter & Hill, 2018: 107). One widely accepted definition of governance is the one agreed upon by the World Bank, the Development Assistance Committee, the Organization for Economic Cooperation and Development (OECD), the United Nations Development Programme (UNDP), and other international development institutions (Weiss, 2000: 795). Governance is a complex system of interactions among structures, traditions, responsibilities (or functions), and processes (or performances), characterized by three key values: accountability, transparency, and participation. The focus of this study will be on the third aspect—performance (UNDP, 2000).

According to the Tokyo Institute of Technology, Governance is a complex set of values, norms, processes, and institutions through which society formally and informally manages development and conflict resolution. Governance involves government, civil society (including social and economic activists, community-based organizations, informal groups, and the media), and all levels—local, national, regional, and global (Naderi, 2011: 47).

Based on the World Bank's definition, governance refers to how power is exercised in managing resources (political, economic, social, etc.) for a country's development. According to another definition by the United Nations Development Programme, Governance is: "The exercise of political, economic, and administrative authority to manage a country at all levels."

Given the concept of governance, diverse definitions exist, each emphasizing particular aspects of the concept. Although the general intent behind these definitions is consistent, their differences highlight the scope and dimensions of governance, which can serve as a foundation for policymaking and optimal action. Governance is the exercise of authority in political, economic, and executive domains for managing national affairs at all levels (Urban Development Management, 2009).

Governance concerns the relationships between government and civil society, between governors and the governed, and between government institutions and citizens (Hamzaei, 2013: 55). governance involves the administrative, economic, and political exercise of authority for managing the country at all levels and encompasses the mechanisms, processes, and institutions through which citizens and community groups articulate their interests, exercise their rights, meet their obligations, and resolve conflicts (UNDP, 2000: 1). Thus, Governance focuses on how governments and other social organizations interact with one another, relate to citizens, and make decisions in a complex world. It is the process through which societies and organizations make decisions and determine who is involved and how their duties are carried out (Sharifian Thani, 2001: 37). In essence, governance involves the individuals and organizations participating in decision-making and implementation processes (Nazemi Ardakani, 2008: 137).

According to the latest World Bank definition, governance manifests through: the adoption of transparent, explicit government policies; transparent bureaucracy; accountability of executive bodies for their activities; active public participation in social and political affairs; and equality of all individuals before the law (Sabbagh Kermani et al., 2009: 109).

From the perspective of the United Nations Development Programme, good governance includes characteristics such as participation, transparency, accountability, effectiveness, equality, the rule of law, and setting economic, political,



and social priorities based on broad consensus, ensuring that the voices of the weakest and most vulnerable are heard in decision-making and resource allocation (UNDP, 2000: 24).

According to the International Development Department, good governance has seven key competencies:

Participatory policy-making;

Poverty alleviation and economic stability;

Implementation of policies supporting people with low incomes;

Provision of effective basic services equitably;

Provision of personal security and safety;

Responsive management of national security strategies;

Development of a responsive and trustworthy government (International Development Department, 2001: 9).

Kaufmann defines good Governance as Governance that can be measured based on various dimensions such as external accountability and stakeholder voice, political stability, absence of violence, crime, and terrorism, government effectiveness, lack of regulatory imposition, rule of law, and control of corruption (Kaufmann, 2003: 5).

As seen, these definitions primarily emphasize indicators and features such as accountability, transparency, and participation, as well as their outcomes, including development, security, poverty reduction, and economic stability. However, they often overlook critical elements and actors of good governance such as the state, private sector, and civil society. Based on the above and similar definitions, good governance can be defined as institutions (government, private sector, and civil society), processes, and methods that specify: how decisions are made, how power is exercised, and how citizens express their opinions and demands (UNDP, 2000: 25).

According to these definitions, governance includes the following stages:

The process of selecting and replacing governments.

The capacity to formulate and implement appropriate policies and provide public services;

Respect for citizens and the social and economic interactions among institutions (Kaufmann, 2003: 5).

As noted, most definitions include the exercise of authority. The first definition mentions a process; the second encompasses administrative, political, and economic domains; the third refers to the private sector; and Kaufmann's definition includes both formal and informal institutions. Based on these criteria, governance can be described as:

"The process of exercising authority in administrative, political, and economic spheres through formal (government) and informal (private sector) institutions to manage society."



Diagram 1 – Relationships Between Government, Private Sector, and Civil Society in Governance (Shirvani et al., 2013).

Therefore, governance, with a normative and value-based approach, defines the bilateral relationship between the government, private sector, and civil society. It considers a new concept of government that refers to the modern process of managing societal affairs. It brings about changes to the role of government and offers a new approach to managing society. Ultimately, governance is a model aimed at reforming the public sector, strengthening civil society, and accelerating private sector participation (Gholipour, 2005: 116).

Table 2 – Summary of Types of Governance Models Based on Type, Theorists, and Characteristics

Type of Governance	Theorists	Attributes or Characteristics
Hierarchical	Williamson (2004), Barney & Wiley (1999)	Low incentives, strict administrative controls, deterrents
Negotiative	Taamil (2007)	Attention to interaction between public and private sectors at various local, regional, and national levels
Competitive	Taamil (2007), Hyland et al. (2006)	Attention to mechanisms influencing decisions of each sector and their interactions
Collaboration-based	Taamil (2007)	Voluntary participation, joint decisions, general agreements, and voluntary acceptance

Market-based	Gust (2004), Inhall & Zaini (1999)	High incentives, low administrative controls, and few laws and regulations
Network-based	Rhodes (1998), Mintzberg (1998), Jessup (2002)	Interactions of various social networks
Coercive-based	Tripp et al. (2004)	Binding legal instruments and setting fixed standards for implementation
Flexible	Bursa (2002)	The method of open coordination
Managerial state	Newman & Clark (1998), Eric Lin (1994)	The state is a service user, supervisor, provider of customer needs, and strives to generate revenue.
Participatory	Hedi (1997), Hue (2006)	Attention to participatory processes based on discourse
Hybrid	Williamson (2004)	A combination of market-based and hierarchical governance
Contractual-based	Ilkin & Oliver (2003), Marshall (1999)	Based on liberal thinking, interaction between public and private sectors, deregulation, and downsizing
Meta-governance	Quyman (2002), Jessop (2002)	Communicative rationality, based on dialogue, linguistic coding, issue explanation, and pattern setting of practices

(Zahidi & Ebrahimipour, 2012: 48)



A review of empirical studies reveals that most previous research has primarily focused on examining the impact of governance on economic growth and development. However, within the country, no study has been conducted on performance-based governance. Given Iran's current conditions and the policy axes related to the implementation of performance governance, it is necessary to emphasize recommended strategies for improving governance performance based on sustainability and durability to help the country overcome its present situation and reach the 1404 (2025) horizon. It is thus essential to give greater attention to the factors that influence management and performance evaluation. Therefore, focusing on performance management and its relationship with governance indicators distinguishes the present research from previous studies.

Governance and Performance

In a basic definition, governance refers to the set of traditions and institutions within which rulers operate or the method of exercising power within the economic, political, and social institutions of countries (World Bank, 2018). It is also defined as the economic, political, and executive stewardship for managing all relations within a government at all levels. This stewardship encompasses mechanisms, processes, and institutions through which citizens and stakeholder groups assert their legal rights, become aware of their obligations, and address differences or disputes with one another (Young, Washington, DC, 2010).

Governance relates to the relationships between government and civil society, governors and the governed, and government and citizens (Pour Aghaei, 2014: 5). It involves exercising administrative, economic, and political authority in managing the country's affairs at all levels and includes mechanisms, processes, and institutions through which citizens and social groups connect their interests, pursue their rights, fulfill their commitments, and resolve disputes (UNDP, 2000: 1).

Thus, governance focuses on how governments and other social organizations interact, how they relate to citizens, and how decisions are made in a complex world. It is a process through which societies and organizations make decisions and determine who is involved and how duties are performed (Sharifian Thani, 2001, p. 37). Governance concerns individuals and organizations involved in decision-making and the implementation of those decisions (Samati, 2011: 35). It is essential to note that governance legitimizes power both within and outside formal and informal institutions, and involves key actors, including the state, the private sector, and civil society. It also encompasses the process of identifying and recognizing decisions made within this collective framework (UN-Habitat, 2009).

The aspect of governance aimed at human development, effectiveness, efficiency, and institutional reform is termed performance governance. In the late 1990s, a third approach, known as “performance governance,” emerged, superseding the two previous approaches. The first approach emphasized workforce accumulation in the government and declining productivity (Sufi Majidpour, 2004, p. 14). This approach resulted in simultaneous inflation and unemployment, especially in Western countries, which paved the way for the second approach: the market economy and small government approach (*ibid.*, p. 15).

The second approach also had multiple shortcomings, as highlighted by experts from the World Bank, including Joseph Stiglitz, a former World Bank Vice President, and Douglass North, an institutional economist. These shortcomings were identified following the Asian financial crisis, the unsuccessful experiences of Eastern European and former Soviet countries, and numerous financial crises over the past 25 years, leading to criticisms of adjustment policies and the proposal of the post-Washington Consensus as a new strategic policy (*ibid.*, p. 22). For example, one criticism of free markets—even in highly competitive economies like the U.S.—is that without government regulation, free markets can cause economic crises and bankruptcies (Midri & Kheirkhahan, 2004, p. 29). According to Streeten, markets without government intervention would become ruthless and destructive institutions (*ibid.*, p. 38). In this new strategy, the role of government shifted from downsizing to empowering the state (Sufi Majidpour, 2004, p. 12). Empowerment is not achieved solely through downsizing, but also through meritocracy, decentralization, civil society collaboration and oversight, and standardization of statistical, monetary, and budgetary systems (Midri & Kheirkhahan, 2004, p. 29).

The World Bank defines performance governance as government empowerment and suggests two strategies: one is aligning capacities with government roles, and the other is enhancing government capacities. The first strategy means that the government has many duties but limited capacities, like any other organization; therefore, it must allocate resources to higher-priority tasks. People should prioritize this because priorities vary from country to country—for example, some prioritize property rights, others equitable income distribution, and others market creation. The second strategy involves empowering the government through judicial reform, decentralization, anti-corruption efforts, transparency in budgeting, meritocracy, and participation in international systems (*ibid.*, p. 263). In summary, global institutions like the World Bank, based on their experience with various countries, have shifted from the second approach (small government) to the third approach—performance governance—for economic development.

In conclusion, the main reason for the emergence of performance governance was economic development. Regarding development, three approaches existed: big government, small government, and the good governance model. Since experts from international institutions have recognized the weaknesses in the first two approaches and their loss of effectiveness, they have accepted performance governance as the most effective development factor and recommended it to developing countries.

Theoretical Foundations of Performance Governance

Governance initially adopted an economic approach, with its primary goal being economic development (Midari and Kheirkhahan, 2004, p. 26). Then, given that the government, as one of the key elements of governance, must appear strong and of high quality among these elements, political and social approaches have also emerged.

Reviewing numerous policy experiences in the country and worldwide reveals that the most significant factor hindering the policymaking process within responsible agencies is the lack of utilization of correct, logical, comprehensive, indigenous, and contextually appropriate knowledge and methodologies suited to governmental organizations. Therefore, given the importance of attention to policy learning in public policymaking within governmental organizations, one notable topic in this field is the analysis of policymaking systems and processes, which necessitates evaluation.

On the other hand, what emerges from reviewing structural models across various sectors is issues such as an inappropriate balance between structural capabilities and legal duties of agencies, duplication of work, inter-institutional conflicts, and sometimes structural gaps in certain functions—these are common consequences at the sectoral governance systems level that have led to inefficiency in national programs.

Given the importance of these matters, performance governance is one of the vital needs of governmental organizations in the country. With an approach focused on the necessity of re-engineering system-building and



institution-building models at the national level, it aims to facilitate transparency and propose reforms in national and sectoral structures concerning the country's priority issues.

Accordingly, today, given the speed and volume of information and the challenges facing organizations, the need for criteria to determine position and plan based on strengths and weaknesses is more essential than ever. Measuring performance in the public sector and improving it are important topics in managing public organizations.

Furthermore, the repeated failures of international institutions' strategies such as development management, economic adjustment, and privatization, along with issues like the lack of necessary capabilities in governance structures of various countries, the inability of Western models to rescue developing countries from the quagmire of poverty, and the absence of the capacity in these countries to create indigenous theories, have caused successive failures of governments in achieving developmental goals. In this regard, alongside reviewing and evaluating the performance of previous models, the solution to these issues is to focus on performance-based Governance (Zahedi and Ebrahimpour, 2012, p. 7).

In other words, the risks and crises resulting from the dominance of technocratic thinking, growth-centric views, and a focus on quantity over quality—leading to unilateral development and short-term progress in some organizations—have caused governments and organizations to shift from a growth-oriented paradigm to a sustainability paradigm and sustainable development management.

In Iran's public sector, there is relatively little in the way of executive programs, coordinated and comprehensive development, or scientific evaluation mechanisms that can serve as criteria for classifying management, resource allocation, the application of rewards and punishments, improvement, and updating methods and structures (Tehran Urban Planning and Studies Center, 2009). Therefore, due to the lack of methods and instructions ensuring the efficiency and effectiveness of these organizations, they are exposed to serious risks and damages. Consequently, this area suffers severely from a lack of indigenous models.

Thus, the existence of an evaluation system suitable for program implementation can provide the necessary feedback for planners and policymakers to take the required actions.

This dissertation aims to identify suitable indicators for performance governance of governmental organizations, developing a model that determines the strengths and weaknesses of their performance. This will help eliminate unnecessary operations and add activities where needed in program implementation.

Moreover, this research aims to present a new narrative of performance-based governance, specifically a revised definition of the human resource management and performance evaluation system. Given that today's organizational context is productivity-oriented, this discussion is necessary. Since studies in human resource management emphasize the importance of human resources as the most crucial organizational asset and regard employee empowerment as effective in organizational performance improvement, but evidence shows few studies have addressed how human resources are structured in governmental organizations, the author attempts to present a model demonstrating the performance-based governance framework and its role in advancing organizational affairs. It is worth noting that this study will also provide a model illustrating the relationship between various types of governance and their impact on organizational performance.

Achieving goals and improving the performance of governmental organizations requires an effective model for performance governance, as realizing the objectives of these organizations is impossible without a comprehensive framework for evaluating and reviewing programs. Organizations cannot effectively manage program implementation without paying attention to the realities and results of their activities.

Therefore, in the current era, the profound transformations in management knowledge have made the existence of a performance governance system inevitable to the extent that the absence of performance evaluation in various organizational dimensions—resources and facilities, employees, goals, and strategies—is considered a sign of organizational ailments. The lack of a performance evaluation system implies a failure to establish connections with the internal and external environments of the organization, resulting in organizational aging and ultimately its demise. Hence, measuring and evaluating performance is essential due to its relation to numerous and diverse human resource decisions. Accordingly, performance governance, as a tool to measure the degree of alignment and compatibility with defined performance programs and operational techniques, is considered crucial and vital information (Farzyanpour, 2010, p. 109). Presenting and applying such a model can make the performance of governmental organizations



purposeful and endowed with clear, practical visions and horizons, ultimately preventing dispersion, subjective judgments, and personal preferences. The importance of performance governance in governmental organizations, the necessity of applying a scientific-practical model, the consistency of modern public management theories with the topic, and the lack of research in the field of presenting a performance governance model for governmental organizations have all made this essential.

Research Methodology

The research method, based on strategy, is qualitative; based on purpose, it is developmental and fundamental; and based on data collection, it is longitudinal, conducted through the grounded theory method. This study falls into the category of “exploratory mixed-method” research. The main research question is: What are the appropriate models and strategies for establishing performance governance in Iran? And how can a model be presented to explain the fundamental characteristics of performance governance that avoids a universalistic and absolutist perspective while highlighting the essential aspects of performance governance?

In this regard, in Iran’s public sector, there is relatively no executive program, coordinated and comprehensive development, or scientific evaluation mechanisms that can serve as criteria for classifying management, resource allocation, application of rewards and punishments, improvement, and updating methods and structures; thus, this area suffers greatly from a lack of an indigenous model.

After studying the literature in the theoretical framework section, with the help of the Delphi method, the opinions of academic experts (university professors in human resource management and experienced government managers in performance management) regarding the conceptual model of the research will be adopted. Then, based on the approved model, a planned interview with about 50 experts will be conducted to determine the priority of variable dimensions.

In the third stage, based on the Delphi method and interview data, a semi-structured questionnaire will be designed and distributed among managers and experts in the field of human resource management.

Regarding the statistical population and sample size, considering the novelty of the topic, initially, experts familiar with the concept were identified, and through these individuals, other experts were also recognized. At this stage, interviews were conducted with several experts using the snowball sampling method until saturation was achieved. This non-probability method, after the necessary coordination, involved referring to professors, experts, and specialists in performance governance to collect their opinions about mentoring. Before the interviews and gathering opinions, the literature review section, research objectives, and interview questions were provided to them to ensure sufficient preparation for the interviews.

Additionally, a supplementary quantitative part of the research includes approximately 108 people from the West Azerbaijan Water and Wastewater Company, selected as a sample inspired by Morgan’s table to test the identified model in that context.

Regarding data analysis tools, this research employed the grounded theory methodology to collect, analyze, and explain the research topic. Data analysis in this method is based on three main elements: codes, concepts, and categories (Danaeefar & Emami, 2007). The research advancement process proceeds in three steps: 1. Open coding; 2. Axial coding; 3. Selective coding (Danaeefar, 2005).

This research employed the Strauss and Glaser paradigm model as the grounded theory research design, which is based on identifying the core phenomenon, contextual and intervening factors, strategies, and the outcomes of their relationships. The stages of the grounded theory strategic method based on the Strauss and Corbin paradigm model are as follows:

Causal Conditions: These conditions cause the emergence and formation of the core category. These conditions comprise a set of categories, each with its characteristics.

Core Category: A mental representation of the phenomenon that forms the basis of the process;

Strategies: Actions and interactions that emanate from the core phenomenon;

Contextual Conditions (Dominant Context): Specific conditions that affect strategies, known as the context. Usually, distinguishing these contextual conditions from causal conditions is difficult. However, the difference lies in the fact that contextual conditions consist of a set of variable category concepts, whereas causal conditions are a set of active



variables. Sometimes, highly related variables are classified under causal conditions, while less related variables are classified under the dominant (contextual) conditions.

Intervening Conditions: These are general environmental or contextual conditions that affect strategies. A set of mediating variables forms these conditions. Intervening conditions are structural conditions that facilitate or limit the intervention of other factors, possessing both scientific and general characteristics.

Consequences and Outcomes: This category encompasses the results and outcomes that arise from adopting strategies, as well as the consequences that reflect the realization of the proposed model's components (Kaplan & Norton, 2016, p. 67).

Evolution Path of Theory in Grounded Theory Research Method

Research Questions:

What is a comprehensive model to explain performance governance in Iran's governmental organizations?

What are the causal factors in explaining performance governance in Iran's governmental organizations?

What are the intervening factors in explaining performance governance in Iran's governmental organizations?

What are the contextual factors in explaining performance governance in Iran's governmental organizations?

What are the components of the core phenomenon in explaining performance governance in Iran's governmental organizations?

What are the strategies and requirements for performance governance in Iran's governmental organizations?

What are the effects and outcomes of performance governance in Iran's governmental organizations?

Qualitative Findings of the Research

Grounded Theory Method

The data analysis process in grounded theory consists of three stages: open coding (generating concepts and categories), axial coding (identifying the core category, causal conditions, intervening conditions, contexts, strategies, and consequences), and selective coding (developing the theory). The formation of categories derived from concepts is explained accordingly. First, the method of open coding and coding the interviews is described, followed by the process of developing ideas and categories. In other words, all key points from the interviews were initially extracted and coded. After reviewing and analyzing them, similar codes were grouped into specific concepts.

Table 3 – Results of Open Coding

Secondary Code	Concept	Subcategories
Comprehensive Organizational Culture Result-Oriented Culture Organizational Effectiveness Government Effectiveness Accountability of Executive Agencies for Their Activities Timely Response to Needs and Complaints of Clients Attention to Clients' Requests and Needs Being Accountable Proper Treatment of Clients Expansion of Civil Society and Providing Accurate Information Providing Accurate Information to Customers and Clients Increasing Customer Satisfaction	Culture of accountability The existence of supportive policies in the organization Respectful treatment of clients/customers	Organizational culture Performance governance
Fairness and Justice in Service Delivery (Providing Equal Services to All Social Groups)	Justice (cultural, economic, organizational)	Organizational justice orientation



Equal Services to Customers within the Organization Equality in the Organization Equalizing Opportunities Egalitarianism in the Organization Respecting Shareholders' Rights Attention to Shareholders' Needs Equality of All Individuals Before the Law		
Providing Quality Services – Measuring Service Quality for Clients Comprehensive Quality Management System Quality of Law Law-Centeredness Enhancement of the Rule of Law Legalism, Work Ethic, Responsibility, Accountability Imposition Lack of Law Enforcement Organizational Ethics (Courage, Sacrifice, Patience, Honesty, Truthfulness, Trust, Dedication) Lack of Trust Political Trust Eliminating Distrust within the Organization	Quality of services in the organization Work ethic Ethical orientation in the organization Trust / Distrust	Legalism in the organization
Corruption Control in the Organization Administrative Integrity in the Organization Organizational Health / Lack of Organizational Health Continuous Inspections Ongoing Organizational Audits Strong and Transparent Analysis of Organizational Information with Details Establishment of Transparency Mechanisms in the Organization Financial Transparency Precise, Clear, and Defined Organizational Communication Processes and Systems Clear Communication within the Organization Transparent Bureaucracy Organizational Bureaucracy Transparency in the Public Sector Transparency Orientation Organizational Bureaucracy Transparent Bureaucracy Reduction of Administrative Formalities Independent Control Systems Supervision in the Organization	Organizational corruption Administrative integrity Organizational supervision Organizational and financial transparency	Organizational health



Internal and External Supervision		
Organizational capacity building Organizational development Enhancement of organizational capacity Development of hardware and software The extent of utilization of hardware and software resources in the company Development of information technology Development of individual skills and updating the knowledge of managers and employees Identifying the necessary skills for managers assigned to their duties Development of the necessary skills for employees and managers in decision-making Development of entrepreneurial capacity within the organization Receptive organizational climate Creation of a positive organizational environment Existence of adequate capacity within the organization	Organizational development Organizational skills capacity	Achievements and outcomes Organizational capacity Factors involved in organizational development
Active participation of people in social, political, cultural, and other affairs Support and involvement in implementing transformation programs Downsizing the government to increase opportunities for public and community participation Attention to participation and collective wisdom in the organization Teamwork Support and involvement in implementing pathway programs Having participatory policies Consultative processes within the organization Having decision-making authority regarding required information Clear policies Comprehensive participation Consensus-building	Organizational participation Policy Teamwork Collective wisdom	
Current situation and desired situation Planning to achieve the desired situation Interdepartmental planning Human resources planning Attention to the four dimensions of planning SWOT planning	Planning	Organizational planning



Step-by-step correction of deviations and continuous improvement of the performance governance cycle Presence of mission, strategy, and policies supporting the implementation system of performance governance Providing necessary consultative information for performance governance Gaining support from managers at various levels in implementing performance management systems	Performance governance	
Establishing an appropriate performance management system Existence of evaluation indicators Having quantitative and objective indicators Accountability regarding performance evaluation Linking performance evaluation to performance-based budgeting and ultimately having a strong performance evaluation system Existence of a strong performance evaluation system	Evaluation indicators	Performance evaluation
Appropriate organizational structure Existence of an electronic organizational system Existence of modern technology Lack of information technology in governmental organizations Appropriate reward system Adequate salaries Establishment of an efficient incentive and reward system Creation of suitable structures with logical sizes and adequate salaries	Organic organizational structure E-government Rewarding system / Incentive system	Causal factors of performance governance
Updating the civil system Support and participation in the implementation of transformation programs Empowerment of human resources Existence of a strategy based on a thought-centric and knowledge-oriented (research-oriented) approach Enhancement of human resources Opportunities for promotion and advancement for members, including research opportunities	Updating Knowledge-orientation Meritocracy	Change Management



Investment in research and development Promotion of knowledge and transformation in individual attitudes; public education General education for all Competency Research orientation Establishment of a research-oriented system in the public sector Connection between industry and society Sustainable interaction between universities and the public sector Updating the knowledge of managers and employees Identification of strengths and weaknesses of employees in the organization Employee analysis		
Organizational instability Indifference within the organization Political instability	Routine and indifference	Intervening factors Organizational stability
Regular performance review, including identifying work methods, achieving goals, and reaching agreement on operational plans Timeliness Explanation of types of decisions and decision objectives made by the executive manager and agents to users and organizational stakeholders Utilization of the Islamic-Iranian management model Cost-benefit management and risk-taking in the organization Policy revision Updating management policies	Operationalization Risk-taking Time management New Public Management (NPM)	
Accumulation of physical capital Investment in research and development Accumulation of human capital Prevention of brain drain Prevention of organizational capital outflow Optimal management of financial resources Emphasis on promotion and advancement Providing opportunities for members to grow and progress Defining employees' career paths Defining paths for career development Drafting job descriptions for employees, deputies, and managers Clarification of duties	Physical capital Human capital Human resources Job rotation	Strategies and measures Human resource development Job rotation



Talent management Guiding and controlling talents within the organization Rotation within the organization Job rotation Attention to human resources Human resource planning Human capabilities Human, technical, and conceptual skills Employee empowerment Focus on employee empowerment Organizational meritocracy Emotional intelligence Attention to emotional intelligence and emotional regulation Existence of commitment within the organization		
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Formation of Main Categories

After identifying the subcategories, the next stage is to construct the main categories of the theory, as shown in the table below.

Table 4 – Formation of Main Categories

Main Categories	Subcategories
Causal Factors	☐ Fair and Perceived Compensation System for Employees ☐ Performance-Based Reward System ☐ Participative Management Style ☐ Organic and Flexible Structure ☐ Professionalism of the Organizational Mission ☐ Career Path Planning
Core Phenomenon	
Conditions and Contexts	☐ Result-Oriented Culture ☐ Culture of Mutual Interpersonal Accountability ☐ Organizational Climate Welcoming Collective Participation ☐ Support and Backing from Managers for Collaborative and Group Improvement ☐ Development of Transparency Mechanisms, such as Recording Critical Performance Events in the Job
Strategies and Arrangements	☐ Promotion of Civil Behaviors in the Organization ☐ Law-Centered Approach ☐ Empowerment of Human Resources ☐ Reduction of Administrative Formalities ☐ Development of Necessary Skills for Employees and Managers in Decision-Making ☐ Building Trust ☐ Opportunities for Advancement and Progress for Members ☐ Process Improvement

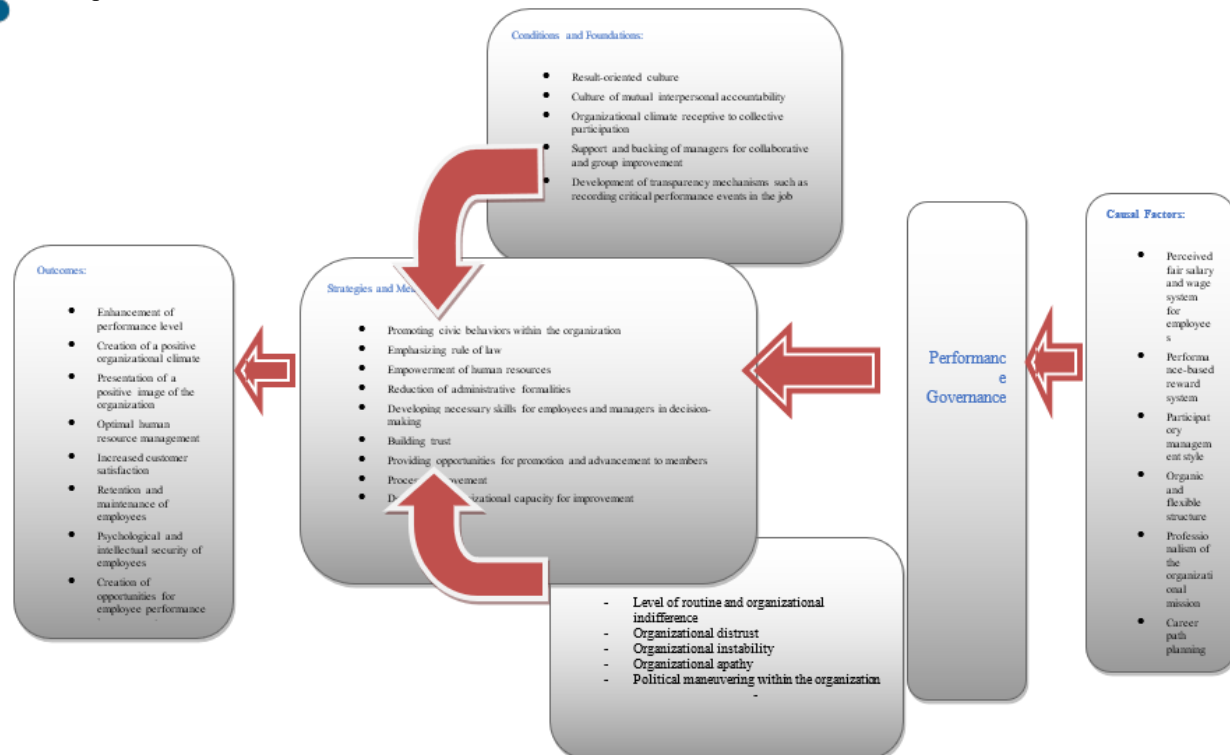


	☐ Development of Organizational Capacity for Improvement
Intervening Factors	☐ Level of Routine and Organizational Apathy ☐ Organizational Distrust ☐ Organizational Instability ☐ Indifference within the Organization ☐ Political Maneuvering within the Organization
Outcomes	☐ Enhancement of Performance Level ☐ Creation of a Positive Organizational Climate ☐ Presentation of a Positive Image of the Organization ☐ Optimal Human Resource Management ☐ Increased Customer Satisfaction ☐ Retention and Maintenance of Employees ☐ Psychological and Intellectual Security of Employees ☐ Creation of Opportunities for Employee Performance Improvement

Axial Coding

Axial coding is the second stage of analysis in grounded theory. The goal of this stage is to establish relationships between the categories generated in the open coding stage. This is done based on the paradigm model. In the figure below, the relationships are specified according to the paradigm model:

Final Operational Model of the Research



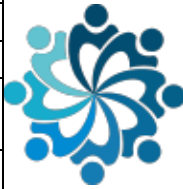
4-4. Quantitative Data Analysis

This section of the analysis is dedicated to testing the designed model for implementing performance governance in governmental organizations. For this purpose, questionnaires derived from qualitative data obtained through interviews with experts were developed and distributed among the statistical sample.

Therefore, this section begins with an analysis of the demographic characteristics of the research sample. Subsequently, the components are measured and ranked using relevant statistics.

Table 5 – Results of t-test for the Means of the Designed Research Components

Dimensions	Components	means	t-value	Sig	Confidence Interval	
					Lower Bound	Upper Bound
Causal factors involved in the implementation of the performance governance system	Perceived fair salary and wage system by employees	3.074	12.902	0.001	2.58	3.56
	Performance-based reward system	2.962	12.577	0.002	2.47	3.44
	Participative management style	3.222	14.099	0.000	2.75	3.69
	Organic and flexible structure	3.185	16.527	0.000	2.78	3.58
	Deregulation and reduction of formalities	3.407	14.939	0.001	2.93	3.87
	Professionalism and organizational mission orientation	3.481	16.637	0.003	3.05	3.91
	Career path planning	3.259	15.464	0.000	2.82	3.69
Necessary conditions and contexts for implementing the performance governance system	Result-oriented culture	3.370	15.248	0.002	2.91	3.82
	Mutual interpersonal accountability culture	3.296	14.632	0.001	2.83	3.75
	Organizational climate receptive to collective participation	3.074	12.028	0.001	2.54	3.59
	Support and backing by managers for participative and group improvement	3.259	15.985	0.000	2.84	3.67
	Development of transparency mechanisms, such as recording sensitive job performance events	3.28	15.98	0.000	2.84	3.27
Intervening and moderating factors in the implementation of the performance governance system	Level of organizational routine and indifference	3.44	14.67	0.000	2.9620	3.92
	Organizational trust	3.11	15.39	0.000	2.69	3.52
	Support for career transformation programs	3.29	14.63	0.001	2.83	3.75
	Acceptance of policies supporting the sustainability of the performance governance system	3.37	16.22	0.000	2.94	3.79
	Meritocracy and elitism in the organization	2.92	11.98	0.000	2.42	3.42
	Job rotation	1.85	1.46	0.081	34/-	1.36
	Teamwork capacity within the organization	3.00	14.51	0.001	2.57	3.42
	Promotion of civic behaviors in the organization	3.18	14.45	0.000	2.73	3.63
	Law-centered approach	3.11	13.25	0.000	2.62	3.59
	Human resource empowerment	3.037	13.6	0.004	2.57	3.49



Strategies and arrangements of the performance governance system	Clear explanation of decisions and actions by managers	5.00	2.5	0.016	1.02	8.97
	Organizational information transparency	3.07	12.5	0.000	2.57	3.57
	Establishment of a career counseling and mentoring system	1.92	1.6	0.062	44/-	2.40
	Reduction of administrative formalities	3.48	13.7	0.000	2.96	4.00
	Development of the necessary skills for employees and managers in decision-making	5.30	2.70	0.012	1.26	9.34
	Trust building	5.07	2.67	0.013	1.17	8.9
	Determination of employees' career paths	1.92	1.2	0.078	38/-	1.46
	Opportunities for promotion and advancement for members	4.81	2.52	0.018	.8879	8.74
	Process improvements	3.29	14.63	0.000	2.83	3.75
	Genuine managerial support to improve employee performance	3.07	13.9	0.000	2.62	3.52
	Development of organizational capacity for improvement	3.00	12.5	0.000	2.50	3.49
	Employees' hope for the organization's future	3.25	13.4	0.000	2.76	3.75
Results and outcomes arising from the implementation of the performance governance system	Performance enhancement	3.185	14.9	0.000	2.74	3.62
	Creation of a positive organizational environment	3.148	13.6	0.000	2.67	3.62
	Presenting a positive image of the organization	4.703	3.1	0.04	1.63	7.76
	Optimal human resource management	3.444	15.5	0.000	2.98	3.90
	Increasing customer satisfaction	3.407	13.8	0.000	2.90	3.91
	Employee retention and preservation	3.29	13.2	0.000	2.78	3.80
	Psychological and intellectual security of employees	2.96	11.7	0.000	2.44	3.48
	Creating opportunities for performance improvement for employees	3.259	17.9	0.000	2.88	3.63
Components of the phenomenon of the performance governance system	Development and clarification of quantitative and qualitative performance indicators	3.333	16.1	0.000	2.90	3.75
	Voluntary willingness to improve performance among stakeholders of each job	3.407	14.5	0.000	2.92	3.88
	Accountability of stakeholders regarding corrective performance	3.148	13.6	0.000	2.67	3.62
	Active participation of job stakeholders in performance improvement planning	3.259	15.4	0.000	2.82	3.69
	Job planning to achieve the desired performance status	3.259	17.9	0.000	2.88	3.63
	Correction of deviations and continuous improvement of the performance governance cycle	3.37	17.4	0.000	2.97	3.76



	Attention to collecting real results of job performance	3.148	15.93	0.000	2.74	3.55
	Availability of quantitative and objective indicators in performance measurement	3.11	14.8	0.000	2.68	3.54
	Regular performance reviews	3.33	13.9	0.000	2.84	3.82

Based on the output of the population mean test in the SPSS software environment (see the above table), if the significance level obtained for each component is less than the standard error (0.05), it can be concluded that the obtained mean differs significantly from the test value. Suppose both the upper and lower confidence limits in the table are negative. In that case, it indicates that the mean is less than the test value, meaning the null hypothesis is confirmed and the alternative hypothesis is rejected. Otherwise, if both the upper and lower limits are positive, the mean is greater than the test value, and hence the null hypothesis is rejected and the alternative hypothesis is accepted; therefore, the component under consideration is confirmed.

As shown in the table above, the observed significance values for the components (employee career path determination, establishment of a job counseling and mentoring system, and job rotation) are greater than the standard error value (i.e., greater than 0.05). Therefore, the null hypothesis for these components is confirmed, and the alternative hypothesis is rejected. In other words, these components are not considered appropriate or acceptable by the experts. The analysis results for different components (i.e., both the lower and upper limits are positive) indicate that the null hypothesis is rejected and the alternative hypothesis is accepted. This means their significance levels are less than 0.05, and their means are significantly higher than the theoretical mean of 3. In other words, these components are deemed suitable and acceptable for measuring performance governance according to the experts. Thus, as the table above shows, all components except for (employee career path determination, establishment of a job counseling and mentoring system, and job rotation) have been accepted by the experts.

To compare the opinions of the two groups—academic experts and organizational experts—regarding the suitable components for performance governance, due to the small sample size and unknown distribution of samples, the Mann-Whitney U test was used in the SPSS software environment.

H0: $\mu_1 = \mu_2$: The opinions of the two expert groups regarding the suitability of the designed components are the same.

H1: $\mu_1 \neq \mu_2$: The opinions of the two expert groups regarding the suitability of the designed components are different.

Table 6 – Results of the Mann-Whitney U Test

The Mann–Whitney test statistic is	The Wilcoxon test statistic is	The Z test statistic is	Significance Level) Sig(
8.000	11.000	-1.038	.299

Based on the output of the Mann-Whitney test, the significance level (sig) obtained is greater than the standard error (0.05). Therefore, the null hypothesis is accepted, and the alternative hypothesis is rejected. This means that the opinions of the two expert groups regarding the suitability of the designed components are the same.

Conclusion:

In this research, a model was presented for the conceptual expansion of performance governance in Iranian governmental organizations. The steps taken in this study included model design, expert validation, adaptation with the four levels of performance management in the West Azerbaijan Water and Wastewater Administration, as well as weighting and ranking. As mentioned at the beginning of the study, the proposed model comprises six main dimensions: result orientation, effectiveness of roles and duties, enhancement of values, transparency, capacity building, and accountability. The total number of components was seven, and the total number of indicators was fifty-six. The results from applying this model in the mentioned administration indicate a relatively satisfactory performance of the staff based on the research model.

Comparing this designed model with other studies shows that in the performance measurement model by Owen and Vessels (2003) and Islam and Rasid (2002), elements such as work quality, productivity, initiative and innovation, customer relations, and cost-effectiveness exist, which can be classified under financial, customer, internal processes, and learning and growth dimensions. However, it should be noted that performance dimensions such as mission, social



performance, and environmental performance—which are functional dimensions for any organization and in which employee performance is effective—have not been considered.

Similarly, in the model presented by Amirzadeh Behbahani and Yaghoubi (2012) and Yadegari and Alavi (2008), the indicators can be categorized into three groups: customer, internal processes, and learning and growth. In other words, the performance dimensions of mission, financial, social, and environmental have been neglected in this model.

In the study by Esfandiyar, Fallah Jolodar, and Darvish Motavalli (2010), only six superficial dimensions for evaluation were considered, and many performance considerations were overlooked. Therefore, this model cannot be compared to the model proposed in this study.

The model presented by Nikookar et al. evaluates individuals solely in terms of job-related capabilities and competencies, without considering other performance dimensions.

Furthermore, the model by Ranaei Kordsholi and Saqapur (2011) is based on one of the most well-known organizational excellence models, the European Foundation for Quality Management (EFQM), and therefore shares many similarities with the present research. The main difference is that the current study's model is specific to governmental organizations, whereas the other model is more general. Another point is the environmental performance dimension related to sustainability, which is absent in their model.

Overall, the advantages of this model include its comprehensiveness and reliance on organizational performance models, which lead to integration and effectiveness. Additionally, it offers ease of implementation due to its result-oriented approach compared to process-based criteria.

Generally, this study sought to identify the key components of performance management for implementing a performance governance system. The sustainable governance model was employed to develop content in this direction, aiming to design elements that measure organizational performance more comprehensively and consider the transformations and new needs of contemporary organizations, particularly in the public sector.

Based on the Friedman test results, the indicators with the highest importance for implementing the performance governance system were: reduction of administrative formalities, regular performance reviews, optimal human resource management, support for job transformation programs, professionalism of the organizational mission, internal and external performance monitoring, and result-oriented culture, respectively.

In other words, the study showed that out of 56 designed components across six performance governance dimensions, 53 were deemed suitable and acceptable by academic and organizational experts.

Accordingly, the outcome of this research is a comprehensive model that expands the concept of performance governance based on the Balanced Scorecard model, comprising four dimensions, six components, and 56 indicators weighted across all four levels.

Thus, reforming the administrative and governmental management system encompasses a systematic and integrated effort that can bring about effective changes in public administration and enhance its capacity to achieve national progress. Therefore, reforming and properly aligning the administrative and governmental management system is a vital and unavoidable necessity.

The administrative reform program, stemming from the general policies of the administrative system issued by the Supreme Leader, the Vision Document, the Fifth Economic, Social, and Cultural Development Plan, and within the framework of the government's general policies, aims to empower executive agencies and train competent and transformative managers and experts to initiate a new approach and play a more effective role in the country's integrated development.

The implementation and operationalization of programs require the determination, willpower, participation, and cooperation of managers and employees across all executive agencies to bring planned actions into effect through comprehensive support, guidance, and training, resulting in behavioral change, improved performance, and higher productivity among executive bodies.

In a general analysis, several key points can be drawn from this study:

First, performance governance is introduced as a mechanism that fosters reciprocal, supportive, and collaborative relationships among the government, civil society, and the private sector. The nature of the relationships among these three active sectors, along with the need for strong mechanisms to facilitate their interaction, is considered a fundamental assumption. Second, performance governance is defined as a concept characterized by features such as



participation, transparency in decision-making, accountability, rule of law, foresight, democratic practices, and civil liberties. Third, differences in contexts and situations have led to a wide range of diverse features being proposed for performance-based governance. In fact, the debates surrounding the indicators of performance governance are rooted in ideological and local frameworks. The criteria selected to assess and evaluate governance depend on the type of public administration and the country's political, social, and cultural structures. These differences are evident both in the number and type of indicators and in how they are interpreted and defined. The normative nature of these frameworks creates a situation in which even similar features may be interpreted in diverse ways, indicating the inherently normative character of the term "performance governance." Fourth, performance governance serves as a means to achieve one or more desirable objectives. Therefore, the indicators used to measure performance governance are identified through the determination of desired outcomes.

Considering that human resources are the tools and driving force of development, "administrative efficiency" is regarded as an essential characteristic in the "performance governance" model. Therefore, in this paper, management based on four primary resources (human resources, financial resources, physical resources, and technology), which enter all organizations as "inputs," along with appropriate executive decisions, is incorporated as the "administrative efficiency" component within the performance governance model. What is meant by administrative efficiency is the internal transformation of the bureaucracy system, aiming to empower it in the rational utilization of human and financial resources to better respond to the public and the political sector. Essentially, administrative efficiency concerns how the governmental structure operates in relation to the four primary resources available to it.

Based on this, since previous efforts in designing performance evaluation systems have primarily focused on structural and form changes rather than content issues, this study aimed to identify the key components of performance governance.

Ultimately, it can be said that creating a comprehensive and inclusive system that inherently contains the key performance components and can incorporate them into the evaluation system makes the development of performance governance a complex and challenging task. This model provides a platform for collaboration and cooperation to enhance job performance in government organizations, and from the perspective of promoting mutual participation and responsibility, it is unparalleled.



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