

ACCOUNTABILITY OF CORPORATE MANAGER: TO SYNTHESIZE OF THE DIFFERENT THEORIES BY ECONOMIC, POLITICAL, SOCIAL AND BEHAVIORAL PERSPECTIVES

Ghazeia Qussay

Phd student,
Department of Business Administration,
Infrastructure University Kuala Lumpur. Malaysia.

ABSTRACT

Following the high profile financial scandals of 2007-2008, corporate management has been faced with strong pressures resulting from more regulatory requirements, as well as the increasing expectations of various groups of stakeholders. The responsibility acquired a big importance in front of this financial crisis. This responsibility requires more transparency and communication, inside the company with the collaborators and outside of the company with the society, while companies try to improve the degree of control and to authorize managers to realize the objectives of the company. The objective of this paper is to present the concept of the responsibility generally and the various types of manager's responsibility in private individual within the company, as well as the explanatory theories of this responsibility through the various perspectives such as: economic, political, social and behavioral. This study should have academic and practical contributions particularly for regulators seeking to improve the companies' practices and organizational functioning within capital market economy.

Keywords: *Manager, accountability, corporate performance, financial crisis, behavior*

1. INTRODUCTION

Since the end of 1990s the managers were confronted with increasing requirements on one side on behalf of the financial and accounting markets, but also on behalf of the various more and more influential internal and external stakeholders. These requirements put the manager in an awkward situation because he is asked the latter to give more effective strategic choices, allowing the company to live and to develop in an environment of uncertainty and complex. Furthermore, the recent international financial scandals that have manifested in the early twenty-first century have shown the shortcomings of supervisory practices and gaps of the current system of governance of companies. Major theoretical and empirical contributions showed themselves about the problem of these crises, the interest focused on the functioning of governance of company to answer the problem posed by the crisis and find an explanation which limits the responsibility of the managers of the financial institutions.

Therefore the links between the governance and the empowerment are obvious; the good governance can be realized by a number of blocks of construction such as the responsibility and other mechanisms. Several countries such as the United States, France, Germany and the United Kingdom took measures to strengthen the responsibility of the manager within the

framework of improvement of their governance systems of company by the adoption of new laws, creating mechanisms of long-term security, move forward the shareholder democracy and the employee participation to the governance, by applying new standards and establishing guidelines to increase expectations and responsibilities of the managers. Certain Laws were adopted by the states of these countries in answer to these requirements, thus we find that these countries focus on a main objective is to create the regulations obliging the managers to account (accountability) of their activities so on the function of control and surveillance and their impact over the company.

The objective of this study is to treat the various types of the manager's responsibility in private individual within the company, as well as the explanatory theories of this responsibility. Firstly, we are going to show the origin of the term «the responsibility» with its numerous definitions which have been proposed by the researchers according to various disciplines and in terms of the culture of the country. So, the general responsibility of the company will arrive at the responsibility of its management (the manager of the company) and the various types of this responsibility. In the second place we approach the various theories which handle the concept of the manager's responsibility in the sense of the company according to different perspectives such as economic, political, social and behavioral.

The sense of responsibility (Accountability):

« Accountability refers to the perception of defending or justifying one's conduct to an audience that has reward or sanction authority, and where rewards or sanctions are perceived to be contingent upon audience evaluation of such conduct »

Buckley and Tetlock

The concept of the responsibility appeared to the end of the XVIIIth century in the Roman law during the writing of the civil and penal codes. The article (1382) of the civil code shows that «Any fact of the man which causes a damage to others obliges the one because of which it arrived, to repair it ". According to Mercier (2000), this term comes from Latin "Respondere" (to answer) mean that we are obliged to justify our actions and then to support the consequences and before any specifying the rights and the duties of the person who must be responsible. Of more the dictionary *Oxford* defines the term "responsible" as susceptible to be called to answer of responsibilities and to be capable of counting or of explaining. On the other hand more *le petit Robert* the responsibility can be defined as the intellectual, moral obligation, to carry out the duty or a commitment.

The term "responsibility" reflects mainly a moral or professional, ethical mixture of responsibility. Most of the definitions of this concept were proposed by the researchers according to various disciplines and according to the culture of the country. According to Licht A. N. (2002), the responsibility belongs to an important category of the social standards which can be collectively called «standards of governance ".

In social psychology, the responsibility is the social and psychological link between individual decision-makers on one hand and the social systems on the other hand. Edwards and Hulme (1996), defines it as the process according to which the actors and the organizations are kept responsible for their actions. From the political point of view, the responsibility is a mode of exercise of power, thus this concept moves generally of peer with other principles. These include the delegation, the communication, the autonomy, the authority, the power and the legitimacy. However the responsibility is put in several terms, legal (civil and penal

responsibility), economic (financial and economic responsibility) and social (social responsibility of company).

The responsibility is not a universal concept; it is a complex and dynamic term. In most of the languages, the diverse forms of term of responsibility are used instead of the concept to be accountable in English. For example, in the French language this concept is source of confusion, it is generally connected with the terms of authority, power and obligation to be accountable. On the other hand in the English language we find two concepts the first one, the "responsibility" which means the extension of the field of decision of the entity and the second, the accountability what it is brought to account. For our part, it is in this second sense of the word responsibility that we are interested.

Finally, it is a complex and dynamic concept. She can be not only defined as a way by which the individuals and the organizations are kept responsible for their actions but also as a way by which organizations and individuals assume the internal responsibility during the elaboration of their mission and the organizational values. This concept leads us generally to ask some main questions: for what as it is must be responsible. In front of whom must we be responsible? And what are the ways at our disposal to be responsible?

2. THE VARIOUS TYPES OF MANAGER'S RESPONSIBILITIES IN THE COMPANY

To understand the responsibility of the managers of companies, it is essential to specify the responsibility and the objectives of the companies to which these belong. The term responsibility of the company includes every relation between the company and its internal and external actors. Some authors as Dobson (1999), shows that the only responsibility of the company is to try always to maximize its wealth. Jensen and Meckling (1976), considers the company as a knot of contracts. The company is a simple function of production and cannot have of responsibility. She cannot have of preferences, thus it is its agents who are responsible acts (the managers) because she does not possess clean personality.

The oldest shape of the company is the family company where the owners have the power of decision and responsibility as individual actor and not collective, Gomez (2003). The responsibility of the company here (responsibility of its founder) defines itself by the increase of the economic and financial interests as well as by the environmental protection of production and the social conditions and naturally the legal rules. The manager is rather guided by his own reference frame executive (familial) and his values with an objective to guard his reputation and not to make of damage, Robins (2008). On the other hand, in a company of shareholder kind where there is a development of the rights of property, so the separation of the functions (property/manager), the maximization of the interests of the shareholders appears. According to Friedman (1970), the company has to try to increase its competence, to respect the rules of market, and to use its resources for accroitre its profits. Manager's responsibility is thus the profitability of the investments of the shareholders and the creation of their values. This company logic can be encouraged by mechanisms of payment aiming at aligning the payment for the leaders with regard to the maximization of the shareholder value. Then, in the company of a wider vision (partenariale), it engages a responsibility towards the shareholders, the customers, the employees, the suppliers, the competitors, as well towards the other engaging parties which maintain a relation with it. As a consequence the direction of the company does not focus any more only on the couple leaders/shareholders but on all the potential engaging parties to contribute to the consequentive creation, and for a not only economic but also social and environmental objective. On the other hand, the likely conflict between the managers and the owners

exceeds the research for the personal advantages of the actors. This vision of the company is rather based on the research for the best collaboration between existing and untouchable active persons. The company is not so any more as a set of contracts but as a laboratory of knowledge and the competence where the objective of the governance is to support the global learning and the durable innovation of the company, Charreaux (2004). Thus the responsibility of company becomes that to maximize the creation of total value for the various engaging parties and the research for an economic and social global performance through the application of collaborates mechanisms, by aligning the self-interests of the actors, and by developing the know-how. A new vision of the company developed in 21th century based on the political and governmental aspects where the company seen as a modern institution steered not only to way partenariale but with an important public power. Gomez and Korine (2009). Thus the responsibility of the company rests on all the cultural, social conditions, and naturally the public standards. Generally, the responsibility according to its adjective can be contractual liability, social responsibility or functional responsibility, or according to in front of whom the person is responsible (manager's responsibility in front of the board of directors). The manager of the company is responsible for different interests with regard to various engaging parties to the company. More precisely, and within the framework of the company we can distinguish three main types of manager's responsibility: the first one is the financial and economic responsibility where the manager has to try to serve better the shareholders by maximizing the financial and economic value of the company. The second type of manager's responsibility is the social and human responsibility towards the various persons who exist inside the company (especially employees). Finally, the social responsibility of the manager towards all the internal and external engaging parties of the company.

3. MANAGER'S FINANCIAL AND ECONOMIC RESPONSIBILITY

The traditional theories of the firm are the origin of this type of responsibility, and more exactly the classic economic theory and the neo-classic theory where the obligation of maximization of the financial results is the main objective of the company.

According to Adam Smith, the company exists for a function of production of possessions and services and increase of their profit, and for it the company has to engage all its resources and its investments. The neo-classic conceptions support this idea that the responsibility of the company and their managers impose the research for the profit with consequences several times negative or for the individuals who work inside the company or outside. According to this vision the manager tried mainly to protect himself against a potential eviction on behalf of the owners and to favor the objectives associated to the initial creation of their profits.

This type of responsibility is very limited and it is at present illegitimate because it leads to consider only a single group, that of the shareholders owners and because the others as the simple factors of production, now in the current theories of organizations the various parts constitute an important actor. Furthermore, Maslow (1970) shows that the man acts according to a hierarchy of needs (physiological, of security, social or membership, respect, personal development) and not only according to the financial interest.

4. MANAGER'S SOCIAL RESPONSIBILITY

The demands of accounts increased to handle wider to include also the engaging parties such as the employees, the customers or the others, Martin (2009). According to this type of responsibility the managers of company have obligations towards the persons who work inside the company and especially the employees {the manager has to make the employees

prefer of justifiable and profitable risk-taking on the long term (not necessarily on the short term) and not to think still of their pensions}. Thus according to this type the managers have to take account of the other actors and not only the shareholders. This type of responsibility neglects the leading role of the company (the outside of the company) in the life of the organization. Posner and Schmidt (1984) also shows that this model neglects the role of the other people who can influence the decision of manager (for example the suppliers). According to Paved (2000), there is a daily manager's responsibility compared with the internal stakeholders (the employees), but also of other responsibility compared with the external partners (for example the customers, the service of marketing and consumption, labor syndicates and their relations with the employees) with various interests. On the other hand we find some manager dedicates himself more on the maximization of the profits of his company and he privilege the sustainability of their structure, his economic efficiency and he doesn't hesitate sometimes to lay off employees if it is conducted to ensure the success of his company.

6. THE SOCIETAL MANAGER'S RESPONSIBILITY

In this type of responsibility the managers of the company are responsible towards the internal and external partners of the company and according to this model the role of managing not only the profit of the internal partners but he owes considers all the external actors when he makes decisions especially strategic to assure at best the development of the company. We find in this type of responsibility some manager who gives more importance for the societal stakeholders which are in relation express with his company. Where it looks for this manager to maximize their personal prestige in front of these stakeholders and of external valuation to be acceptable socially. Freeman (1984) to grant a central place for the manager, according to him the manager's responsibility exceeds the traditional vision, the manager plays a political and social role through the participation the public debate, and through its work with a real team to understand the multitude of stakeholders and strengthen the credibility of the company. Finally it is useful to quote that the manager's responsibility has a temporal dimension that is the manager is responsible towards his company generally on the long term, thus he must be conscious of his decisions and his power, and that is the manager is responsible towards himself before any, as a man and without having what is its work.

7. THE EXPLANATORY THEORIES OF THE MANAGER'S RESPONSIBILITY IN THE COMPANY: VARIOUS PERSPECTIVES

Several theoretical currents contribute to the understanding of the general responsibility of the company, naturally the responsibilities of their manager. We find the works bound to the classic approach (the theory of agency and the costs of the transactions), the theory of the stakeholders, the theory of the dependence of the resources in complement with the institutional neo-theory, the strategic theories, and the behavioral theories. The main initial idea is to favor the ruling relation and the shareholder as the main key of the performance in the company.

8. THE ECONOMIC PERSPECTIVE

The work on the governance of company begins from the theoretical hypothesis within the framework of the theory of agency where there is a relation which defines by a contract between executives managerial which deposits the power and the capacity to make the decisions (the manager) of one side and the shareholders on the other side. This traditional

model of the governance limits the objective to explain the financial structure of the company. This relation of agency leads to a conflict of interests and differences of the points of the seen especially where there are many asymmetries of information between both parties.

Berle and Means (1932) examined the separation of the functions of property and the direction, this entrained separation of the conflicts of interests between the managers and the shareholders. These conflicts led the manager in pursue other objectives that the main role of maximization of the shareholder value. According to Williamson (1991), and from wider point of view of the relation of agency between the manager and the shareholders, the role of manager is an administrator of the transactions in the company where he has to try always to reduce transaction costs between the company and all the actors which can be as constituting the coalition.

According to the theory of the costs of the transactions, this relation of agency can be bigger in a way where the company can have contracts of the transactions with several parties. Manager's responsibility of the company rests here to manage the various prohibitions of a way where each of these parties exit with its profit (naturally through the minimizations the costs of agency and the costs of the transactions where the company seen as a knot of contracts and a team of production). According to this vision, the manager follow objectives of economic nature, his purpose is to satisfy the financial interests. And in this context, manager's responsibility is minimal; the only obligation for him is to maximize the profit.

According to Jensen (1983) various mechanisms are necessary to align the interests of mandates and make the manager more responsible, on one hand internal mechanisms to the company, generally imposed by the law (for example, the board of directors, the general assembly of the shareholders) and on the other hand of the external mechanisms based mainly on the power of market (for example, the market recovery, auditors' market).

9. THE POLITICAL PERSPECTIVE

This theoretical current contributes to the understanding of the responsibility of the manager through an additional approach in the theory of agency and the costs of transaction. It is about the theory of entrenchment of the managers. This approach applies to all the partners of the company and especially the manager who tries to preserve his place in the company and to increase his entrenchment to reduce the risk of revocation. This allows him to maximize his power and his discretionary space, besides the various advantages that he perceives especially his payment.

➤ *Entrenchment of managers and their responsibility towards the shareholders*

The manager as the agent particular to the company can use the resources to take root and escape from their responsibility towards the shareholders in a way that he increases his freedom of action, to increase his pensions and his secondary advantages, Charreaux (1997). From point of view of the shareholders, this type of behavior followed by the manager is illegal when he leads to negative consequences concerning the investment and the increase of the general costs in the company where the manager looks in privilege for his interests and for his personal advantages, and consequently a negative effect occurs on the wealth of the shareholders, Paquerot (1997).

According to Sheifer and Vishny (1989) the managers follow several processes of formal and informal entrenchment. In a formal way, the manager can favor the development of activists where he uses the asymmetry of information as way to escape from control. On the other hand and in informal way the manager can make alliances with one or several actors of a

quotation to the company (for example with employees) and on the other side with the shareholders, or simply through the plurality of offices of manager and administrator, Paquerot (1997). This manager develops generally several strategies to serve him in the use of the averages at his disposal to have a wider meaning of a word on all the stakeholders. We can quote three types of strategies through the literary man:

Firstly he can proceed to the specific investment policy as remarkable tool of entrenchment, Stiglitz (1992). This type of entrenchment of manager is privilege by several research works such as Jensen (1986), Shleifer and Vishny (1989).

According to Boot (1992) the company having very specific activists where the manager tries to take advantage of these activists for its interests (where there are fewer controls on these activists and on the performance appraisal). These less visible activities in the company lead us to speak to the second strategy at the disposal of the manager to retrace his responsibility; it is the manipulation of the information. The manager always tries to make the understanding of the very difficult information. According to Charreaux (1997), he favors the disclosure of the information which is useful for his human capital and as well increases the uncertainty perceived by the other rival managers through these manipulations.

Another type of managers' entrenchment strategies is the one relational network in a formal or informal way; in more these networks can be made with all the actors of the company. Paquerot (1997) shows that the manager can realize relations with one or several groups of the shareholders. He tries to make a relational network with the employees where he can keep his post and at the same time realize employee's interests.

By the way informal, the manager can establish low relations on his capital with the administrators of the company through the connections of the board of directors especially if he is at the same time general president of board meeting, Pichard (1998). On the other hand he can realize relations with other administrators outside of the company when he is mandate in other company, thus that to allow him to make exchanges with them and he profit in that case of the confidence to make an advantage and take root more. We can conclude that the impact of this type of behavior followed by the manager is unfavorable to the interests of most of the actors of the company where its performance is not easily observable.

➤ ***The stakeholder theory and manager's responsibility***

Today, the decision of manager affected by the social pressures so that he to consider his responsibility towards in sound aggravate. The origin of thought on which the manager must be responsible and in the work of Dodd (1932), quoted by Mercier (2010). Dodd (1932) shows that the field of the responsibility of the augment manager for all the groups which are in connection with the company. According to him, there are three main groups of interests:

Firstly, the group of the shareholders which invests capital in companies, thus the manager has to protect and reassure their investments and be responsible in the use of this capital to handle which to allow maximizing their profits. Then, the actors who give their human effort so that the company to live and develops where the manager has to take into account their safeties, wage satisfaction and other rights. At the end, it is the group which exists outside of the company that is the customers, the suppliers and the company generally where the manager owes satisfied their expectations as regards products and services.

The concept of fascinating parties is wide and ambiguous. It is used in several domains but essentially in the business administration. Freeman (1984) defined the stakeholders by all the individuals or the groups which can affect or are influenced by the decisions of the managers of the company (that is in a positive way or in a negative way). These stakeholders can be

classified in a simple way between the internal stakeholders (the actors inside the company especially the employees, the shareholders and the managers) and the external stakeholders that is all the groups which have implicit or explicit relations with the company, for example the suppliers, the government, the competitors or the environment. This theory exceeds views it classic of the company. It looks for the interests of the stakeholders not shareholders and to widen the field of the manager's responsibility, Mercier (2001). Furthermore, it is the theory most frequently usable through the academic literature, it presents the company as a group of collective interests and it helps the manager to make more useful and more effective decisions and in a strategic way because of their skills, Freeman (1984). According to Donalson and Preston (1995), there are three main visions of this theory, worth knowing descriptive, instrumental and normative vision. According to the normative vision, this theory allows to legitimize actors' interests not shareholders of the company and to escape the classic vision. Then, this vision allows identifying the values and the obligations where the manager can guide the company in a strategic way, (the social performance of the company here is very important), thus this vision gives an ethical foundation to the theory. According to the instrumental aspect, this approach shows that the manager has to manage the relations with the stakeholders of a way which allows him to realize the purposes of the company and to report the responsibilities towards the owners of the company, Jones and Wicks (1999). At the end and from point of descriptive view, this model helps to explain the behavior and the relations of the company with sound aggravate, and how the manager must be responsible towards the interests of the various stakeholders. Finally it allows taking advantage of the history of the company to have opportunities at the future, Donalson and Preston (1995). We can conclude that the theory of the stakeholders reformulates the role of manager and the company widens the vision of agency. In this context and from responsible point of view, the manager has to try to reduce the risks which can influence the interests of all the actors, created by the pensions for the various partners with an optimal balance of the interests, and develops his company. As a supplement to the partnership approach of the theory of the stakeholders, the theory of the integrated social contracts shows that the company director have a moral and ethical responsibility towards the stakeholders and in collective way, Mathieu and al (2010). According to her the company lives in a place where he has to respect and serves the interests of the company, that is the behavior of manager owes considers that his company signed an implicit contract with the company where it develops. On the other hand, we can quote that this theory knows some limits, of a highly-rated it is difficult to encircle all the interests of all the stakeholders especially with a rationality limited by manager, and on the other side it is difficult also to control if the manager was very optimal in its decisions concerning these stakeholders. Thus it is relevant to envisage the possible reconciliation of the theory of the stakeholders with other paradigms as the theories of the strategy based on the skill and the institutional neo-theory. These various different brought theories propped up important regarding the *manager's responsibility*.

10. THE SOCIAL AND BEHAVIORAL PERSPECTIVE

➤ *Theory néo institutional and manager's responsibility*

The basic idea of the theory néo institutional is the fact that companies adapt themselves not only to the internal constraints but also to the values of the company external. The new institutionalisms try to describe the processes which transform the practices and the organizations into institutions. Richard Scott (1992) defines the institutionalization as " the

process according to which the actions are repeated and give by this fact a meaning similar to the other actions ". This theory offers the ground the most exploited in the understanding of certain behavior in the company. It shows that the manager tries to adopt behavior acceptable legally and competitive. The legitimacy where the company tries to realize it comes from the cultural and social requirement on it. According to Suchman (1995), this legitimacy is a generalized perception that the actions of an entity are desirable, suitable and corresponding to a system of standards, values, faiths and definitions socially built.

DiMaggio and Powell (1983) stipulate that the fast distribution of quality circles in the American companies is motivated by the legitimacy of the companies which adopted these practices and not by their efficiency. This legitimacy is so much looked for especially in an uncertain environment. It becomes a need for which companies try to acquire. Each of the managers looks by making a decision to legitimize towards his company and towards the other members of the company. The legitimacy is translated here on the level of the managerial decisions by a more acceptable decision. The managers try to legitimize their decisions of investment, financing or governance (for example, the decision of reduction or increase of the size of the board of directors may be explained as search legitimacy).

Thus these questionings of the legitimacy can have a positive influence, where they urge the managers to emphasize the necessity of managing well the social and environmental risks, thus they support the development of a responsible reflection for the manager. On the other hand, Assaba and Lieberman (2006) underlines that when a set of social players adopt a behavior, this behavior will be considered as institutionalized and other social actors would be incited to adopt it without any reflection.

In this context, the institutional neo-theory postulates that the organizations which evolve in the same organizational field tend to develop more and more complex common standards and have to acquire gradually similar behavior. This comes back to the existence or from explicit rules or from the laws which aim at assuring this mechanism of convergence, or usual activities which are underlain by standards, values and expectations, with cultural character, or still by the wish to be or to look like the others.

However, this theory uses the term of isomorphism to describe the convergence resulting from the mimicry (manager use mimetic behaviors). The isomorphism is considered by the followers of the neo-institutional theory as the concept the most adapted to the description of the dynamics of homogenization. According to DiMaggio and Powell (1983), the isomorphism allows identifying the process which leads the unit of a population to look like the units facing the same environmental conditions.

What allows explaining the behavior of the managers? These authors distinguish three forms of isomorphism: the coercive isomorphism, the normative isomorphism and the mimetic isomorphism. They expressed that the mimetic isomorphism results from the wish to look like the other organizations. It is about the mimicry of companies by implementing the practices of others, those who are the most recognizable, those most successful competitors or those were considered as the most justifiable in a field. The managers of companies find in their memberships in a relational network this possibility of imitating the other managers who are successful, they can thanks to the exchange and to the sharing which becomes established within identified networks the most successful practices and as a consequence adapts it. The mimicry is a solution during the managerial decision-making, a choice of investment can be only made by adopting a mimetic behavior of others. Of more this mimetic behavior can explain for example a dividend policy or can explain as well a financing strategy.

Indeed, the purpose of this shape of behavior used by the company is to award its necessary responsibility to continue to exist. And this mimetic process it is going to bring to realize this social responsibility is the fact of integrating and of adapting itself to common standards. Furthermore in numerous situations, the companies of the same organizational field act not by concern of efficiency or research for optimal solutions but with the aim of conforming to institutional pressures which lead them to adopt similar organizational models. The legitimacy is a purpose looked more and more by the managers. To be able to legitimize its choices and his decisions in front of shareholders and of the various stakeholders is a purpose which every manager tries to have. This legitimacy allows reducing the pressure which is put on them. We can conclude that this theoretical approach, explains that the existence of a company in an environment gives an idea on what companies should look like and the way they should behave. They have in fact tendency to develop common standards and similar behavior by adopting behavior in the purpose and the desire to be justifiable with their peers and what whatever is the nature of the constraints which urge to converge on these common standards.

➤ ***The behavioral approach and the manager's responsibility***

This approach gives the importance for behavioral biases which can influence the whole governance system (main influence on the explanation of the information and the way of manage the conflicts by the manager where we find a not insignificant affectation of cognitive biases on this approach), Charreaux (2005). They allow us to escape the traditional vision of the governance a behavioral vision of the relation between the manager and the stakeholders. Charreaux (2005) show that there are the four major currents of the behavioral approach: Behavioral economy, finance behavioral, current behavioral "economic law" and the behavioral current in strategic management (Table 1).

The behavioral economy base on the contributions of the cognitive and social psychology for includes the behavior of manager during the grip of economic decisions in a situation of the uncertainty, Rabin (2002). On the other hand the behavioral finance becomes attached to the study of the behavior of the individual, when it is a question of making a decision of investment, a type of decision with which is confronted the manager of the company. Thus the objective this approach is the understanding and the prediction of the behavior of the agents on the financial market and the process of grip a decision. So, the behavioral finance can be seen as the application of the psychology in the finance. On the other hand the strategic current of behavior tries to study the influence of the behavioral ways (especially cognitive) on the strategic decision of steering for example the impact of board of directors on the manager's cognitive reflection, Langevoort (2001).

(Table following on the next page)

Table 1: The main currents of behavioral literature in economics and management sciences as Charreaux (2005).

		Objectif	Main Authors	
Behavioral Economics		<i>Illuminating the economic behavior with psychology, anthropology, sociology ...</i>	<i>Kahneman, Tversky, V. Smith, Rabin, Loewenstein...</i>	
	Neuroeconomics	<i>Study of brain imaging in economic decision-making</i>	<i>Camerer, Prelec...</i>	
	Law & Economics	<i>Improve the explanatory theories of law (paternalism ...)</i>	<i>Jolls, Korobkin, Langevoort, Cunningham...</i>	
Behavioral Sciences Management	Finance	Market	<i>Explain the anomalies</i>	<i>Shiller, Shleifer, Thaler, Barberis, Greenfich...</i>
		Company	<i>Understand financial decisions and the role of governance</i>	<i>Shefrin, Baker, Bigus, Charreaux...</i>
	Accounting	<i>Analyze failures analysts and financial auditors</i>	<i>Ricardo...</i>	
	Marketing	<i>Explain consumer behavior</i>	<i>Filser...</i>	
	Strategic Management	Understand decision making process	<i>Simon, March, Hogarth, Bazerman, Schwenk.....</i>	

➤ Behavior of manager and its responsibility in the company

Various behaviors are kept by the manager during its managerial decision-making. But how we can define the behavior of manager, which are its dimensions and its factors determining within the framework of commitment responsible for this manager?

The decision-making concerns any alive body endowed with a nervous system. It interests every individual and every group. It is about a method of reasoning which can lean on rational and/or irrational arguments. The theorists of the Carnegie School March, Simon, Cyert asserted that the complex decisions are more the result of factors bound to the behavior than the systematic research for an economic optimization. For them, the individual cannot spot all the possible choices then he chooses the satisfactoriness solution and not the maximizing solution. The manager thus motivated by its personal interest.

According to the traditional approach of the responsibility (financial approach) the manager follows generally two behaviors (the wait-and-see behavior and the adaptive behavior). Strap and Reynaud (2004) shows that the manager adopts a wait-and-see attitude when the not very clear situation and it is need for time to make a decision. According to the second case (current decision) the manager tries to solve the problems by a strategy which plans to return mainly the legal risks and by concern of protection the economic advantages and of the investment (economic and legal responsibility).

In reality, we find several aspects of behavior such as: deliberate versus spontaneous, cognitive versus emotional, individual versus collective. The maybe deliberate decision of

manager where there are mechanisms which are formalized, as the board of directors, the system of remuneration and incentive, or spontaneous where there are informal mechanisms for informal reliable networks, Charreaux (2002). As well as the behavior of manager can be based on a cognitive either emotional logic, according to Rabin (2002) we find the origin of these dimensions in the literary of psychology more than in finance where the feelings of the managers present to explain their decisions.

On the other hand, we find a lot of individual or collective behavior of manager in governance and corporate finance, where the manager must be responsible towards rulers (legal, political, social) to manage to realize the objective of the company. According to Chareaux (2003), and within the framework of the partnership approach of the governance, the manager makes the decisions in interaction with various relational and social networks (for example, the board of directors) that influence his behavior. A manager has more tendency to imitate the behavior of another manager in case he maintains with him a contact which allows to observe and to interpret his behavior and how he react concerning his responsibilities against the others.

Thus, the manager's networks may increase the mimetic behavior and afterward increase the collective cognitive biases of the behavioral finance. This type on the bias is a questioning of the initial decision of the decision-maker by aligning with the tendency. The fact of belonging to a community of the managers is susceptible to advance this bias. This questioning of the decision can be had a negative impact when it turns out against the initial decisions, but it has a positive impact when it is in compliance with the same decisions.

The main origin of these biases is psychological are many in the literature and we can classify these biases according to two criteria the first one cognitive / emotional and the second individual (decision-making in isolated way) / collectives (the decision-making in a collective frame), Charreaux (2005). The consideration these behavioral biases concerning the manager can explain the various stakes in his responsibilities (shareholder, partnership, and societal).

We quote for example from these biases the bias of mimicry) as a cognitive and collective bias which has a major influence on the behavior of manager. Other bias which can drive to an inequitable behavior is cognitive biases based on the phenomena of groups (sharing of the same initial training which leads to a cognitive homogeneity between the managers). Greenfinch (2005) presented the main behavioral biases following the various behavioral dimensions for the finance and governance of company, (Table 2).

(Table following on the next page)

Table 2: The various on the bias behavioral types¹.

	Individual bias	Collective bias
Cognitive bias	Anchor, attention allocation, beliefs, cognitive overload, cognitive dissonance, framing, heuristics, irrationality, representativeness, mental compartmentalization, usually retrospective, home ...	Cascades, common beliefs, consensus, handling, memes (*), mimicry, paradigms, percolation, rational expectations (positive feedback / positive feedback), social learning ...
Emotional bias	Addiction, endowment effect and inheritance wait and magical expectations, denial, greed, fear, loss aversion and regret, wishful thinking, optimism, confidence, pride, status quo	Conformism epidemic / contagion, mania, thoughts or whims group / inhibitions, mass hysteria, fashions, herd behavior, peer pressure ...

(*)Cultural transmission units

Concerning the main determiners of the behavior of company director. Simon (1955) shows that the success of manager in his way to make the decisions depends firstly in the relevant and clear knowledge and his capacity to collect the useful information and afterward to handle this information to incorporate into his decision-making. But the behavior of manager influenced in this stage of decision (collect and handle the information) by the reference biases such as the faiths, Shefrin (2001). The manager would be influenced by the self-interests in particular their values and the power of this manager would result characteristic personal and of the nature of the pressures with which he is confronted, thus we find that the frame rather plays an important role at the hour when the leader to face his responsibilities towards his company, where this frame gets organized generally author of the value, the influences of the partners, and the uncertainty. Simon (1995).

The behavior of manager depends as well on its capacity to estimate the available alternatives where he is responsible for making the best choice, and here the knowledge, the learning and manager's cognitive capacity plays a remarkable role. We can evoke also that the optimism and the reliable supplement can lead the manager to a profitable behavior for the shareholders just as the manager is interested in his profits. Baker and al. (2004). At the end the manager can be selfish at the time of his choice through the personal research for his advantages such as his payment, his crawling, and his legitimacy either heard altruism (in the sense of their responsibilities) and to act in interest of the various parts of the company and the company generally.

Finally, the following table presents a synthesis concerning the responsibilities of the managers and his potential behavior according to the various theoretical approaches of the company.

¹ This Table by Charreaux (2005).

Table 3: The responsibilities of the managers and their potential behavior according to the various theoretical approaches of the company.

	Contractual approach		Cognitive approach		Behavioral approach
	Shareholder	partnership	strategic	Neo-institutional	
The company's main objective	Production function and economic and financial objectives	Economic, financial, and social objectives	Competitive and sustainable objectives	Cultural and intermental objectives	Objectives of profitable behavior for all groups
Manager roles and responsibilities	Responsibility results in maximizing shareholder wealth	Responsibility results in maximizing stakeholder wealth	Responsibility is reflected in the ability to optimize the production and selection of slimming company's strategy	Responsibility is reflected in the satisfaction of the objectives of the entire "network" of stakeholders	Behavioral responsibility of the relationship between the manager and the stakeholders
Controls the behavior of manager	Seeks to reduce conflicts of interest and agency costs	Seeks to reduce conflict and balance the different interests	Seeks optimal use of different resources	Seeks to adopt legally acceptable and competitive behavior	Seeks to reduce the influence of behavioral biases on leadership decisions
Type of corporate governance	Shareholder governance	Partnership governance	Cognitive governance	Cognitive governance	Behavioral governance

Source: author

11. CONCLUSION

In the complex situations the company managers try to find a model of responsibility on which they are going to base themselves at the time of decision-making to try to reduce the unpredictability and the uncertainty in which they are. The objective of this paper was to clarify the concept of the responsibility generally and the various types of the manager's responsibility in private individual in the sense of the company, as well as the explanatory theories of this responsibility through various perspectives such as economic, political, social and behavioral. These theories offer the ground the most exploited in the understanding of certain behavior in the company, they show that the manager tries to adopt justifiable behavior and at the same time responsible.

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