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Compilation of Islamic corporate governance framework to examine sustainable performance in banks admitted to the stock exchange

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Abstract

Corporate governance is the alignment of interests between managers and shareholders and the reduction of information asymmetry. So, the four principles include fairness, transparency, accountability and responsibility represent corporate governance based on shareholders and protecting the interests of shareholders.

According to this and considering that Iranian banks operate based on Islamic Sharia, the level of establishment of corporate governance based on shareholders or beneficiaries was considered in the present research.

The purpose of the current research was to compile the framework of Islamic corporate governance to examine the sustainable performance of banks admitted to the stock exchange, so it was descriptive-survey and applied in terms of its purpose. In this research, the library method was used to collect the research literature as well as the field method to collect the research data.

The statistical population studied in this research was senior managers of banks (Day, Sina, Sarmayeh) in Chaharmahal and Bakhtiari provinces with a number of 350 people. Using the sampling of the results of research and analysis, Iranian banks were divided into three banks (Day, Sina, Sarmayeh) in Chaharmahal and Bakhtiari provinces and 150 questionnaires were distributed among the bank managers.

In order to describe the research findings, spss21 software was used for data analysis. The results showed that the amount of attention paid to the factor of fairness in corporate governance on sustainable performance in Islamic banking is lower than the average level and is at an unfavorable level.

The level of attention to transparency in corporate governance on sustainable performance in Islamic banking is not significant in this statistical population, the level of attention to accountability component in corporate governance on sustainable performance is at an average level and at a relatively favorable level.

And finally, the amount of attention to the component of responsibility in corporate governance on sustainable performance is at a lower than average level and at an unfavorable level.

Key words : Corporate governance, sustainable performance, financial performance

Introduction

Establishing a secure monetary and financial network and strengthening the health of the banking system is one of the important topics in today’s banking literature, and in order to achieve these goals, the issue of establishing corporate governance in organizations active in the banking system, along with other effective factors, is of great importance.

Considering that the principles of corporate governance explain fairness, transparency and accountability in organizations, its effective implementation in the banking system leads to increasing capital efficiency, reducing investment risks, increasing financial stability, reducing the cost of capital and, as a result, encouraging activists in the economic field will increase for investment.

One of the ethical components of any economic activity in Islam is to create justice, honesty and equality of rights to assure all stakeholders that their rights are respected. Therefore, the duty

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of Islamic banking is to adapt the laws of Sharia to the conventional principles of modern banking, so as to protect the personal goals of the beneficiaries without ignoring the duty of social welfare (Mohammadi, 2019).

Corporate governance is the alignment of interests between managers and shareholders and the reduction of information asymmetry. Based on this, four principles including fairness, transparency, accountability and responsibility are representative of shareholder-based corporate governance and protection of shareholders' interests.

Recently, based on Islamic texts, the goal of corporate governance is based on respecting the rights of all stakeholders and maintaining the principle of balance between the equal rights of shareholders and other stakeholders (Tahiri, 2019).

By improving the performance of companies and increasing their access to financial resources, good corporate governance can provide grounds for sustainable economic growth and development, reduce the vulnerability of companies in times of financial crisis, and strengthen property rights.

In addition, it reduces the cost of transactions and the cost of capital and helps to expand the capital market (2009: 43). Well-performing financial institutions, including banks, can promote long-term growth and social welfare by encouraging businesses to adopt sustainable policies in their operations.

Moreover, bank reserves are supported not only by shareholders but also by other sources such as depositors and the general public, and even the government supports financially indebted banks through taxpayers' money. Therefore, banks repay society more than other sectors (Wu and Shen, 2013).

Ahmad (2020) states that Islamic business is always associated with moral norms and social

Theoretical foundations and research background

obligations based on the moral and spiritual framework of Sharia.

Esraif (2019) states that Sharia guidelines are exposed to social and environmental threats of Islamic financial transactions while prohibiting participation in illegal activities, and this causes serious concern for ethical and social activities.

This research provides significant insights for Islamic banks and financial institutions. The present study contributes to the body of knowledge in several ways.

First, previous research on Islamic CG has only focused on financial performance. However, this study scores a novelty by conceptualizing the link of Islamic CG with economic, social and environmental sustainability performance in Islamic banks and financial institutions. Such concepts have not been addressed by past research.

Second, this research recognizes the absence of a single theoretical construct and supports different theories to explore different aspects of CG. The most relevant factors such as the characteristics of the Sharia board and ownership structure are derived from theoretical perspectives, agency theory, new institutional sociology theory and legitimacy theory and link it with TBL performance.

Thirdly, by developing a framework, this study provides a methodological basis for future research to investigate the impact of ICG on sustainability performance and its three dimensions, as predicting one aspect is insufficient to investigate the impact of ICG on performance.

Finally, this research will probably be added to the existing development programs of the Islamic Development Bank and other relevant authorities.

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Corporate governance has become one of the most common terms in the vocabulary of global business at the beginning of the new millennium.

The financial crises in America, Europe and Asia, and especially the collapse of large companies such as Enron and WorldCom in recent years, have drawn everyone's attention to the prominent role of corporate governance and serious attention to the aforementioned principles regarding the prevention of these collapses.

The primary goals of corporate governance are to directly improve the performance of companies and align the interests of shareholders with the interests of managers in order to solve the agency problem (Ryan et al., 2009).

Corporate management mechanisms as a system bring balance between social and economic goals and individual and collective goals, and also encourage and strengthen the efficient use of resources and oblige companies to be accountable to the beneficiaries.

On the other hand, the implementation of corporate management mechanisms can cause the optimal allocation of resources and increase the value of the company and ultimately economic growth and development (Albert, 2016).

It is generally expected that the role of corporate management is to reduce the conflict of interest between managers and other stakeholders in the form of agency theory and stakeholder theories. A review of the available literature shows that there is no agreed definition of corporate governance.

Based on the country we consider, there are significant differences in the definition. The existing definitions of corporate governance are placed on a spectrum, with limited views on one side and broad views on the other.

In limited views, corporate governance is limited to the relationship between the company and the shareholders. This is an old model that is expressed in the form of representation theory.

On the other side of the spectrum, corporate governance can be considered as a network of relationships that exists not only between the company and its owners, but also between the company and a large number of stakeholders, including employees, customers, etc. Such a view can be seen in the form of stakeholder theory (Tangen, 2016).

The stability of the bank is evaluated by calculating the distance of the utility from the ideal option. Sustainability is related to the organization's ability to monitor the opportunities, changes, trends and risks of the external environment and is managed with the aim of creating a balance between the financial, economic, social and environmental interests of the organization in the long term.

The success of an organization is the achievement of predetermined goals and the sustainability of the organization, the ability to maintain or develop performance in the long term, and the result of continued satisfaction of the organization's stakeholders over time.

The scope of the discussion of sustainability is wide at different levels, including macroeconomics, industry and organization. Today, the sustainability paradigm has largely replaced success in the management literature of organizations, and almost most organizations define sustainable success in their value system.

The need for organizations to pay attention to sustainability management along with success in today's competitive business markets has been emphasized by the World Standard Organization in order to present a model for the organization's sustainability management in the form of a draft of an international standard, to make the expected

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concept of creating management standards clearer.

From the perspective of the World Standard Organization, the sustainability of an organization is related to its ability to monitor opportunities, changes, trends and risks in the external environment.

The investigation of the researchers showed that the instructions of the Central Bank are derived from the guidelines of the principles of corporate governance of the Basel Committee, and adjustments have been made in accordance with the conditions of Iran.

Therefore, to explain the final model, two reports were used, including the principles of corporate governance of the Organization for Economic Cooperation and Development and the guidelines for the requirements governing corporate governance in credit institutions of the Central Bank of Iran.

The principles and chapters contained in these two reports aim to extract the model related to the subject of the research and finally 2 main criteria including fairness (principle 1 and chapter 1, 95 1 and 92) and transparency (principle 5 and chapter 96), accountability (principle 2 and chapter 6 2 and 5) was explained to measure corporate governance based on responsibility (principle 6) and chapter 4 compliance with shareholders' rights and social responsibility (principle 4) was explained to measure corporate governance based on compliance with the rights of stakeholders.

Fairness

The third principle of the principles of corporate governance of the Economic Development and Cooperation Organization states that the organization must treat all shareholders equally in the form of implementing optimal corporate governance in the organization.

In other words, the corporate governance framework should assure the organization of equal treatment with all shareholders, including minority and non-institutional shareholders, and all shareholders should have the same opportunities to secure or compensate their rights in case of violation.

In other words, this principle deals with the equal distribution of wealth between the beneficiaries and the injured members and its compensation from the resources of the organization, and based on that, justice and fairness must be established between all the people involved or beneficiaries of the organization to ensure the optimal implementation of this principle in the organization.

Transparency

Disclosure of information and transparency is one of the important pillars of desirable corporate governance, and the 5 principles of corporate governance of the Economic Development and Cooperation Organization have addressed it.

Transparency is full and honest disclosure of information in the market, which affects the efficiency and effectiveness of the market. Transparency is a standard that shows events, transactions, judgments and structural estimates in financial statements.

Also, transparency is the appropriate and desirable accounting standards that report the financial statements prepared in the same period of occurrence (Collection of articles and lectures of corporate governance conference, Tehran Stock Exchange, 9831, p. 41) and the Economic Development and Cooperation Organization discloses transparency.

It has introduced all important issues such as financial status, performance, ownership and corporate governance in a timely and accurate manner.

In other words, transparency in the direction of implementing corporate governance, including important information related to

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financial and operational goals and achievements, majority ownership of shares and voting rights, the policy of determining the remuneration of the board of directors and chief executive officers, information regarding the board of directors, their selection process , their membership in other companies, transactions with related parties, predictable risk factors, etc.

Accountability

Accountability is holding a specific person or persons responsible for assigned tasks, or in other words, giving reasons and asking for reasons for tasks performed and tasks not performed.

Accountability is a clear definition of assigned tasks, clarity of responsibility for doing things, non-delegable responsibility for accountability, and documented and evidence-based responses.

Bourne and Leet (2012) introduced three characteristics of accountability, including commitment to accountability, desire to provide accurate and correct responses, and defensible judgments in accountability.

As companies grow, their accountability becomes greater and company managers are exposed to responding to a wide range of claimants.

According to the accountability relationship, the respondent is required to provide certain information about the performance of the tasks assigned to him. In other words, accountability is a two-way relationship between the respondent and the beneficiaries or the respondent, which shows the dimensions of the respondent's responsibility.

Responsibility

Corporate governance while providing a legal and regulatory framework to determine the relationships and responsibilities between board members, CEO, shareholders and other stakeholders , it provides the guarantee of competitive performance necessary for the health and safety of activities and the assurance of compliance with the rights of the beneficiaries and the provision of criteria and mechanisms for monitoring and controlling the activities of managers.

The implementation of good corporate governance reduces representation problems in the organization and increases the responsibility of managers by reducing conflict of interest.

In other words, corporate governance is the distribution of rights and responsibilities of various stakeholders, including managers, employees, shareholders, creditors, and other real and legal stakeholders who are affected by the company's activities.

Principle 6 of the principles of corporate governance of the Organization for Development and Economic Cooperation deals with the issue of the board of directors' responsibility and states that the framework of corporate governance should include the company's strategic guidance, effective monitoring of management by the board of directors, and accountability of the board of directors to the organization and shareholders.

Social responsibilities

Khan (2010), Hong (2010) and Kapoor and Sandhu (2012), the social responsibilities of the organization includes various dimensions such as employees, customers, environment, health, education, rural development and existing institutions in the society.

For social responsibility, four dimensions of customers, employees, environment and existing institutions in the society have been taken into account. Social responsibility in relation to customers includes activities that a company does to ensure customer satisfaction.

The social responsibility of the organization towards the employees is accepting the social

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responsibility for safety and health activities and ensuring the well-being and morale of the employees.

Environmental responsibility as an important aspect of social responsibility is a necessary condition for the survival and success of the organization, social responsibility includes a sense of responsibility in relation to existing institutions in society.

Today, it is accepted that companies and the institutions that interact with them depend on the health, sustainability and success of these institutions in their relationship and continuity.

Today, corporate social responsibility is considered an integral part of the books and financial articles of the world, and the desire to invest in companies that have corporate social responsibility reporting is increasing.

While the term corporate social responsibility seems relatively new, the review of works and articles shows that this concept has evolved over several decades, along with social, political and business environment developments.

Research background

Internal background

Motahari (2019) conducted a research on the role of corporate governance and compliance with the rights of stakeholders in Islamic banking. The results of this study indicate that that private banks have a more favorable situation in the implementation of corporate governance compared to state banks and financial and credit institutions.

And private banks have implemented the principles of corporate governance at the level of beneficiaries, while the level of implementation of corporate governance in state banks and financial and credit institutions is at the level of shareholders.

Firouzi (2019) conducted a research titled the effect of corporate governance characteristics on financial reporting in companies listed on the Tehran Stock Exchange by controlling the effect of the type of industry of the companies.

The findings of the research showed that the independent variables of institutional shareholders, non-executive members of the board of directors and the size of the board of directors, as well as the control variables of company size, return on assets, company age and industry index had a significant impact with the dependent variable of the research.

Kalai (2018) conducted a research entitled the principles of corporate governance from the perspective of Islamic banking compared to the conventional principles of OECD in improving the credit system of banks.

This article discusses the nature, applications and comparison of the Islamic principles of corporate governance with its conventional principles with special attention to the OECD.

And while explaining the primary priorities of corporate governance that are unique in Islamic financial institutions, it examines the effects of Islamic corporate governance on the credit system of Islamic financial institutions.

It can be concluded that although the Islamic economy mainly has the same function as the conventional economy, there is always a certain form of differences between both principles in their implementation. Therefore, the Islamic view of corporate governance has a wider horizon, considering more responsibilities and duties.

Ghasemi (2018) conducted a research titled investigating the relationship between corporate governance and the timeliness of audit reports for companies listed on the Tehran Stock Exchange.

The obtained results show the existence of a significant and direct relationship between institutional ownership, corporate ownership, centralized ownership, the percentage of non-

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commissioned members of the board of directors as components of corporate governance and the timeliness of the audit report.

Mahdavi (2013) conducted a research on the relationship between the corporate governance mechanism and reducing the delay in submitting the audit report. The results of the research show that there is a negative and statistically significant relationship between the duality of the role of the CEO and the concentration of ownership with the delay in submitting the audit report.

In other words, the separation of the roles of the chairman of the board and the CEO improves the quality of financial reporting and reduces the delay in submitting the audit report, and companies with greater concentration of ownership submit their audit report with less delay.

The results of the research also show that there is no statistically significant relationship between the size of the board of directors and the independence of the board of directors with the delay in submitting the audit report.

Foreign background

Jan (2020) conducted a research titled corporate governance in Islamic banks. The purpose of this article is to examine the levels of corporate governance in Islamic banks, focusing on the performance of the Sharia Supervisory Board.

The main goal of this research is to create Islamic corporate governance indicators based on Sharia governance standards issued by the Islamic Financial Association and auditing and accounting organizations for Islamic financial organizations.

The 2012 data on board structure and procedures, and shareholders, were analyzed through principal component analysis .Three main components and a general index were extracted from these results. Three financial, managerial and religious components were disclosed. The disclosure of these three dimensions is not well supported in the results.

Abdul Salam and Ahmed (2017) in a research titled the effect of independence of the board of directors and ownership structure on the timeliness of online reports of Irish companies.

They came to the conclusion that there is evidence of a positive relationship between the timeliness of the company's internet report and the independence of the board of directors and ownership. In addition, the results of their research showed that large companies send their annual reports to their website faster.

Apadour and Mohammad Noor (2016) investigated a research titled the factors affecting the delay of the audit report and corporate governance.

The results showed that the variables of audit committee size, ownership concentration, company size and profitability are significantly related to audit report delay, but six other variables (independence of the audit committee, number of audit committee meetings, expertise of the audit committee, internal audit, independence of the board of directors and types of auditors) has little relationship with the delay of the audit report.

IUha (2015) in an article titled "Company Characteristics and Timeliness of Financial Reporting in Nigeria" reviewed 16 companies. The result of his research showed that the age of the company has an effect on the timeliness of financial reporting in Nigeria.

On the other hand, the laws are not enough to guarantee the quality of financial reports on time in Nigeria, and the delay in reporting can be reduced with the existence and strict implementation of regulatory laws and regulations.

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Aktas and Kergin (2015) in an article entitled “Timeliness of reporting and quality of financial information” to investigate the effect of industry (financial or non-financial companies) ,the type of reporting (consolidated and non-consolidated companies) and profit (positive or negative) were related to the time of submitting the annual financial report of the companies registered in the Istanbul Stock Exchange.

They found that non-financial and consolidated companies present their financial statements later than financial and non-consolidated ones, and companies with positive profits present their financial statements earlier.

Esli (2014) in an article entitled “Financial reporting timeliness in Turkey” showed that the relationship between profit sign, auditor’s opinion, audit firm with timeliness is positive and the relationship between industry with timeliness is negative.

Research hypotheses

According to the theoretical foundations and background of the research, the hypotheses of the research are formulated as follows:

The main hypothesis

The impact of sustainable Islamic corporate governance practices has an impact on Islamic banking.

Sub-hypotheses

The first sub-hypothesis: the fairness factor in corporate governance has an effect on sustainable performance in Islamic banking.

The second sub-hypothesis: the transparency factor in corporate governance has an effect on sustainable performance in Islamic banking.

The third sub-hypothesis: the accountability factor in corporate governance has an effect on sustainable performance in Islamic banking.

The fourth sub-hypothesis: the factor of responsibility in corporate governance has an effect on sustainable performance in Islamic banking.

Research method, society and statistical sample: The present research is one of the descriptive researches, in terms of purpose, application, and the used research design is post-event type.

The statistical population of the current research includes three banks(Day, Sina, Sarmayeh) in Chaharmahal and Bakhtiari provinces with a number of 350 people. And the sample size for senior managers is 150 people.

Since the most common means of collecting information in survey research is the questionnaire, the following questionnaires have been used in this research, and the results have been done using spss software.

Islamic corporate governance questionnaire: The corporate governance questionnaire was designed and compiled by Taheri in 2019. This questionnaire has 35 questions, 4 dimensions of transparency, fairness and justice, and measures Islamic corporate governance based on a five-point Likert scale.

Questionnaire of sustainable financial performance: Hossein Chari and Dehghanizadeh developed a questionnaire with 9 items based on the Martin and Marsh-2006 scale, which had four items, in 2013. .

The results of the study by Hossein Chari and Dehghanizadeh (2013) showed that the Cronbach’s alpha coefficients obtained by removing one item were acceptable and the retest coefficient was acceptable. Also, the correlation range of the items with the total score is between 51% and 68%.

These results indicate that the items have satisfactory internal consistency and stability. The questions of the questionnaire were designed on a five-point Likert scale. The questionnaires were the same for all members of the sample.

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Determining the validity and reliability of research measurement tools: The most common definition of validity is whether it measures what it purports to measure. (Azer et al., 2002).

The emphasis of this question is to what extent does the measurement tool measure the desired feature? Validity is a term that refers to the purpose that a test is designed to fulfill.

The most important types of validity are content validity, criterion validity and construct validity.

Validity of questionnaires

In the current research, content and face validity methods were used to measure the validity of the questionnaire. In this way, a preliminary questionnaire was prepared and compiled according to the theoretical foundations and scientific texts related to the teacher's interaction and academic vitality.

Then, in order to determine the relationship between the items and the variables, the content relationship of the items with each other, their clarity and appearance, their rationality and arrangement were provided to the supervisors and advisors.

According to the opinions of the supervisors and advisors, the researcher solved the existing ambiguities and modified the questions of the questionnaire, and once again they were asked to express their opinion about the type and manner of the questions.

After collecting and correcting, their content and form validity was approved by the supervisors, advisors and 5 financial experts. In the next step, the final questionnaire was distributed among 30 people from the target community for a trial implementation.

Reliability of Questionnaires

Reliability deals with how much the measuring instrument gives the same results in the same conditions.

In expressing the concept of reliability, Khoynejad (2008) states: "The reliability of research is the ability to repeat and match its methods, conditions and results." If a research is not reliable, it is difficult to interpret the results with confidence or to generalize them to other conditions" (p. 130). Kaplan and Sakozova said that reliability refers to the consistency, or repeatability of test results. The reliability method of correctors, the retest method, the method of equivalent forms, and internal consistency methods are among the methods of determining reliability.

There are different methods to determine reliability. In this study, Cronbach's alpha coefficient, which is one of the methods of internal consistency, was used to determine the reliability of the questionnaires.

Formula 1)

$$r_a = \frac{j}{j-1}\left(1 - \frac{\sum S_j^{2}}{S^{2}}\right)$$

Credit factor= ra

The number of subsets of questionnaire or test questions = J

Variance under J test = S_j^{2}

The total variance of the test = S^{2}

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Reliability of the questionnaire: The reliability coefficients of the questionnaire are shown in table (1)

Table (1) Reliability coefficient of the whole questionnaire

Reliability coefficient	Questionnaire
0/89	Governance of the Islamic company
0/973	Stable financial performance

Analysis and interpretation of results:

In this section, the inferential findings of the research have been prepared and discussed based on the research questions**.**

The results of the Investigation of the first sub-hypothesis

Table (2): Comparing the average amount of corporate governance on sustainable performance in Islamic banking with the hypothetical average

Significance level	Degrees of freedom	t	Deviation from the mean	standard deviation	Average	Component
0/001	149	-4/525	0/027	0/332	2/87	fairness

According to the findings of table (2), the average amount of attention to the factor of fairness in corporate governance on sustainable performance in Islamic banking is 2.87. Since the calculated t is greater than the table t.

Therefore, the level of attention to the factor of fairness in corporate governance on sustainable performance in Islamic banking is lower than the average level and at an unfavorable level.

The results of Taheri's research (2019) showed that the first fairness factor of private banks compared to state banks and state banks compared to financial and credit

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institutions had a better situation in implementing the first fairness factor.

And the board of directors has officially defined a set of key indicators to review the five-year performance of managers based on the costs incurred by the organization.

The findings of this research are in line with the studies of Motahari (2019), Firouzi (2019), Kalai (2018), Ghasemi (2018), Apadour and Mohammad Noor (2016), Amiri (2012), Iuha (2015) and Mahdavi (2013).
The third principle of the principles of corporate governance of the Economic Development and Cooperation Organization states that the organization should treat all shareholders equally in the form of implementing optimal corporate governance in the organization.
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In other words, the corporate governance framework should assure the organization of equal treatment with all shareholders, including minority and non-institutional shareholders, and all shareholders should have the same opportunities to secure or compensate their rights in case of violation.

This principle deals with the equal distribution of wealth between the beneficiaries and the injured members and its compensation from the resources of the organization.

And based on that, justice and fairness must be established between all the people involved or beneficiaries of the organization in order to ensure the optimal implementation of this principle in the organization

The results of the investigation of the second sub-hypothesis

Table (3): Comparison of the average level of transparency in corporate governance on sustainable performance in Islamic banking

Significance level	Degree of freedom	t	Deviation from the mean	standard deviation	Average	Components
0/237	149	1/187	0/039	0/481	3/04	Transparency in corporate governance in Islamic banking

Based on the findings of table (3) since the calculated t is smaller than the table t. Therefore, the level of attention to transparency in corporate governance on sustainable performance in Islamic banking in this statistical community is not significant.

The findings of this research are inconsistent with the studies of Motahari (2019), Firouzi (2019), Kalai (2018), Ghasemi (2018), Apadour and Mohammad Noor (2016), Amiri (2012), Iuha (2015) and Mahdavi (2013).

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Disclosure of information and transparency is one of the important pillars of desirable corporate governance, and the 5 principles of corporate governance of the Economic Development and Cooperation Organization have addressed it.

Transparency is full and honest disclosure of information in the market, which affects the efficiency and effectiveness of the market. Transparency is a standard that shows events, transactions, judgments and structural estimates in financial statements.

The results of the investigation of the third sub-hypothesis

Table (4): Comparison of the average attention of accountability in corporate governance on sustainable performance

Significance level	Degree of freedom	t	Deviation from the mean	Standard deviation	Average	Components
0/008	149	2/670	0/052	0/642	3/14	Accountability in corporate governance on stable performance

According to the findings of table (4), the average amount of attention to accountability in corporate governance on sustainable performance is 3.14. Since the calculated t is greater than the table t.

Therefore, the level of attention to the component of accountability in corporate governance on sustainable performance is at an average level and at a relatively favorable level.

The findings of this research are in line with the studies of Motahari (2019), Firouzi (2019), Kalai (2018), Ghasemi (2018), Apadour and Mohammad Noor (2016), Amiri (2012), IUha (2015) and Mahdavi (2013).

Accountability is holding a specific person or persons responsible for assigned tasks, or in other words, giving reasons and asking for reasons for tasks performed and tasks not performed. Accountability, clear definition of assigned tasks, were clear

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The results of the investigation of the fourth sub-hypothesis

Table (5): Comparison of the average attention of responsibility in corporate governance on sustainable performance with the average

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Significance level	Degree of freedom	t	Deviation from the mean	Standard deviation	Average	Components
0/000	149	1/35 -2	0/044	0/550	2/44	Responsibility in corporate governance on sustainable performance

According to the findings of table (5), the average amount of attention to the component of responsibility in corporate governance on sustainable performance is 2.44. Since the calculated t is greater than the table t.

Therefore, the amount of attention to the component of responsibility in corporate governance on sustainable performance is at a lower than average level and at an unfavorable level.

The findings of this research are in line with the studies of Motahari (2019), Firouzi (2019), Kalai (2018), Ghasemi (2018), Apadour and Mohammad Noor (2016), Amiri (2012), IUha (2015) and Mahdavi (2013).
Corporate governance while providing a legal and regulatory framework to determine the relationships and responsibilities between board members, CEO, shareholders and other stakeholders, it provides the guarantee of competitive performance necessary for the health and safety of activities and the assurance of compliance with the rights of the beneficiaries and the provision of criteria and mechanisms for monitoring and controlling the activities of managers.
The implementation of good corporate governance reduces representation problems in the organization and increases the responsibility of managers by reducing conflict of interest.

In other words, corporate governance is the distribution of the rights and responsibilities of various stakeholders, including managers, employees, shareholders, creditors, and other real and legal stakeholders who are affected by the company’s activities.

Conclusion

Corporate governance is defined as a way to control and balance the interests of managers and shareholders, reduce agency costs, deal with profits and create value for companies .

In other words, agency costs are the beginning of the formation of corporate governance, and It helps to efficiently use resources and accountability of organizations by maintaining a balance between social, economic, Individual and collective goals.

The most Important goal of corporate governance Is to align Interests between managers and shareholders and reduce Information asymmetry.

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Based on this, the four principles including fairness, transparency, accountability and responsibility represent corporate governance based on shareholders and protecting the interests of shareholders.
But recently, based on Islamic texts, the goal of corporate governance based on respecting the rights of all stakeholders and respecting the principle of balance between freedom of management and accountability and respecting the rights of stakeholders has been proposed.

And considering that Iranian banks operate based on Islamic Sharia, the level of establishing corporate governance based on shareholders or beneficiaries was discussed in this article and analyzed using 150 questionnaires.

It should be noted that the issue of establishing corporate governance in Iranian banks is a nascent issue and in this regard, the year of publication of the central bank's executive instructions also confirms this issue.

Before the publication of this directive, the only guideline for the implementation of corporate governance in Iranian banks was the guideline of the Basel Banking Supervision Committee, which they were not required to follow.

What shows the establishment and implementation of corporate governance is that private banks have been more successful in this event compared to newly established financial and credit institutions (most of these Institutions were formed from the beginning of 2011 and after) and state banks.

In private banks, the experience and expertise of managers in establishing these principles in the organization under their management is significant.

On the other hand, all private banks in Iran are present in the capital market, and according to the regulations of the Iranian capital market, they are required to comply with the minimum standards of corporate governance. However, the issue of establishing corporate governance in Iran's capital market is also new.

Finally, the banking experience in Iran shows that even though state banks are among the old banks of Iran, but due to the government structure that governs them (lack of transparency) and sometimes due to a series of mandated activities by the government (violation of responsibility and accountability), they have not considered themselves obliged to implement and establish good corporate governance in the past years.

Therefore, under such conditions, it seems that the guidelines for the requirements governing the corporate governance of central bank credit institutions can be the starting point in this process.
The important point about this guideline, Chapter 8, is that, under 4 articles, banks are required to adhere to the rules and Islamic Sharia in carrying out banking operations and activities.

The research of the researchers shows that this chapter does not well reflect the observance of Islamic regulations and the implementation of corporate governance from an Islamic perspective.

And maybe it is better to study the research literature in the field of corporate governance from the perspective of respecting the rights

of the beneficiaries, which is in accordance with Islamic regulations.
And it has been addressed in this research and in recent research in Islamic countries, changes and reforms should be made in this chapter.

Resources

فیروزی, داریوش و فاطمه رضایی اقدم بناب، (1399) بررسی تاثیر ویژگی‌های حاکمیت شرکتی بر گزارشگری بهنگام مالی در شرکت‌های پذیرفته شده دربورس اوراق بهادار تهران با کنترل اثر نوع صنعت فعالیتی شرکتها، اولین کنفرانس بین المللی اقتصاد، مدیریت ،حسابداری علوم اجتماعی، مشهد، انجمن مدیریت ایران، گروه پژوهشی اترک دانش،

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