

Unlocking Leadership Potential: How Autonomy Motives Excel Private Managers While Accountability Drives Public Sector Leaders

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Abstract

Leadership potential doesn't really "unlock" in the exact same, predictable way across all organizational situations. In the private sector, managers tend to do very well when they're handed autonomy, meaning they can steer their own calls, consider calculated risks, and funnel that inner drive into tangible outcomes. Meanwhile public sector leaders work inside a different motivational ecosystem, one where accountability, service oriented values, and institutional obligation push performance as strongly, if not more, than personal freedom. This piece looks at how these contrasting motivational setups end up shaping leadership effectiveness across both spaces. Using Self-Determination Theory, the Public Service Motivation perspective, plus newer findings from peer reviewed journals and institutional reports, it tries to explain why autonomy supportive settings often generate standout results in private firms while structured accountability frameworks seem to catalyze leadership inside public agencies. Broader observations from the OECD, Gallup, and several academic studies are pulled in to help frame the argument. The article also digs into the friction between both models, especially where hybrid arrangements and New Public Management try to graft private-sector style autonomy into public institutions, with mixed outcomes that don't always land cleanly. Along the way, practical takeaways for leadership development, organizational design, and the movement of talent across sectors are discussed, sometimes implicitly, sometimes quite directly.

Keywords: autonomy motivation, accountability leadership, public-private sector comparison, leadership potential, public service motivation, self-determination theory

I. Introduction

Ask a private equity partner what makes a great manager, and they'll probably say something about boldness, the willingness to make a call, owning the outcome and moving fast. Ask a senior civil servant the same question and the answer will likely look pretty different, almost like it's in a separate universe. They might talk about judgment, stakeholder management, integrity under pressure, and the responsibility for spending public money wisely, no shortcuts there. Both answers, yeah, reflect something real about leadership in their own worlds. The genuinely interesting thing is not just that the pictures differ, but why they look so different, and what that tells us about how human motivation actually works inside organizations, day to day.

Leadership is not a single, context free kind of skill. It gets shaped by institutional incentives, cultural values, the type of work being done, and critically by the motivational drivers that line up with organizational success in that particular environment. A manager who really thrives in a high autonomy tech startup might run into trouble in a government department where every decision, even small ones, needs sign off from multiple layers of hierarchy. Equally, a senior public official who is good at navigating political accountability and institutional constraint might find the freedom of private enterprise disorienting, rather than liberating.

Gallup's State of the Global Workplace 2025 report found that global employee engagement fell to 21% in 2024, matching the lowest level recorded since the pandemic began, with the decline costing an estimated \$438 billion in lost productivity worldwide (Gallup, 2025). These numbers kinda point at something systematic, in that organizations across both sectors are still struggling to align motivational settings with what really makes people lead well. Figuring out the sector specific conditions where leadership potential actually gets unlocked, isn't some clean academic exercise either. There are real consequences, for organizational performance, workforce staying power, and public value creation too.

In this article I argue that autonomy motives, meaning the intrinsic urge to self-direct, build, and take responsibility for outcomes, are the main fuel behind standout private sector leadership. But in public organizations the motivational math is different, accountability systems, prosocial values and a mission feeling that is tied to public service, all combine into a distinct leadership psychology which, when it's properly supported, can generate outcomes that are just as exceptional, though through different routes, and not in the same way as private firms.

II. The Theoretical Foundations

2.1 Self-Determination Theory and the Autonomy Imperative

The most influential framework people use to understand human motivation in workplace like contexts, mostly comes from psychologists Richard Ryan and Edward Deci . Their Self-Determination Theory (SDT) points to three key psychological needs, autonomy, competence and relatedness (Ryan & Deci, 2000). Among these, autonomy , the lived experience of choosing and acting in line with ones own values and volition, sits right at the center of what separates intrinsic drive from more instrumental extrinsic motivation.

SDT does not just say that people enjoy being in charge, it actually makes a sharper and more meaningful point. When individuals feel real autonomy, they tend to dig in harder on harder tasks, they also come up with more inventive solutions, they keep going longer after setbacks, and they often report stronger psychological wellbeing (Deci, Olafsen, & Ryan, 2017). A big meta analysis drawing on 486 samples and over 205,000 participants generally backed up SDT's main expectations, across different cultures and workplace contexts (Simply Psychology, 2026).

In practice, there is also evidence that managerial autonomy travels down the chain. Leaders who experience autonomy tend to build surroundings where their subordinates , also, experience autonomy. And then this tends to lift performance ratings, increases job satisfaction, and strengthens organizational commitment (Gagné& Deci, 2005).

For private sector managers, these dynamics kinda align with organizational structure and incentive design. Private firms usually reward initiative, they tolerate strategic risk taking and they judge performance more on results than process compliance or, whatever. Autonomy is already baked into the expected manager profile, so it's not really treated like an extra benefit. A product manager at a consumer technology company, a regional director at a retail chain, or a partner at a consulting firm all work with real latitude over strategy, resource allocation, and people decisions. In a way the organizational environment keeps feeding that autonomy need, and when that need gets satisfied then performance tends to follow, more or less.

2.2 Public Service Motivation: A Different Kind of Drive

The public sector produces a somewhat different motivational profile, and researchers have really been digging into it since James Perry and Lois Wise introduced Public Service Motivation (PSM) in their core 1990 paper. PSM is about an individuals predisposition to react to motives that are rooted mainly in public institutions, not just one thing but a blend of rational normative and affective pressures, all aiming at collective benefit rather than personal gain (Perry & Wise, 1990)

This framework also brings along a counterintuitive but still major point. Public sector employees, especially leaders, often seem less energized by tangible rewards and status than people in private settings (Rainey, 1982, as cited in *Frontiers in Psychology*, 2022). Instead, what moves them is frequently harder to size up in numbers: the feeling that their work touches real people, that it pushes forward values they genuinely respect, and that the organization they serve has a legitimate mandate to keep going. That prosocial mindset can create unusually strong commitment, and at the same time it can be a kind of fragility too. When mission oriented individuals run into institutional breakdown or political interference, they may end up profoundly demoralized, because the very purpose that initially pulled them in starts to fade, or quietly gets eroded.

Using multilevel modeling, on a sample of about 300 civil servants and 64 managers, research found that accountability leadership, rule-following leadership, political loyalty leadership, and network governance leadership were all significantly positively tied to employees' PSM levels and job performance (Schwarz et al., 2020). In particular, accountability leadership— meaning the habit of justifying actions to stakeholders while nurturing transparency— seemed especially strong for boosting job performance, because it makes the link between individual effort and public impact visible. And verifiable, which matters.

III. Autonomy in Private Sector Leadership: The Performance Multiplier

3.1 Why Freedom Produces Results

The relationship between managerial autonomy and how well the private sector performs is pretty well documented, and honestly when you pause for a sec, it feels kind of intuitively obvious. Private organizations sit in markets that kind of punish slow decisions, they reward agile strategy, and they pretty much end up rating leadership by whether the enterprise grows or shrinks. If a manager is stuck inside too many bureaucratic approval lanes, they can't react fast enough when competitors show up with something new. But if that manager is given real latitude, over matters like team makeup, budget allocation, customer approach, product direction, then they can act decisively and also take personal accountability for what happens next.

Empirical evidence from SDT research in work organizations consistently backs this up. Studies by Deci and colleagues have reported positive connections between employees' need for autonomy and outcomes like work engagement and wellbeing at work (Gagné& Deci, 2005). The same stream of research also suggests that when a manager shows autonomy-supportive behaviour, meaning they offer subordinates genuine options, explain why directives exist, and acknowledge that different viewpoints can be legitimate, employees end up experiencing higher need satisfaction. From there, improvements often show up in performance evaluations, creativity, and persistence (Simply Psychology, 2026).

There's also research on leadership behaviours in private-sector digital transformation where empowering leadership turns out to be positively linked with employees' digital competence. The interesting part is that this happens specifically through the channel of employee autonomy, not through task-driven technical support, but rather through people experiencing self-direction (Höyng& Lau, 2023, as cited in ScienceDirect, 2025). So this pathway, from managerial autonomy to organizational results, seems to hold up across different industries and cultural settings, even if the specifics look a little different.

As illustrated in Figure 1, the relationship between perceived managerial autonomy and organizational performance indicators differs systematically between private and public sector contexts, with private sector managers reporting meaningfully higher autonomy scores and corresponding performance advantages.

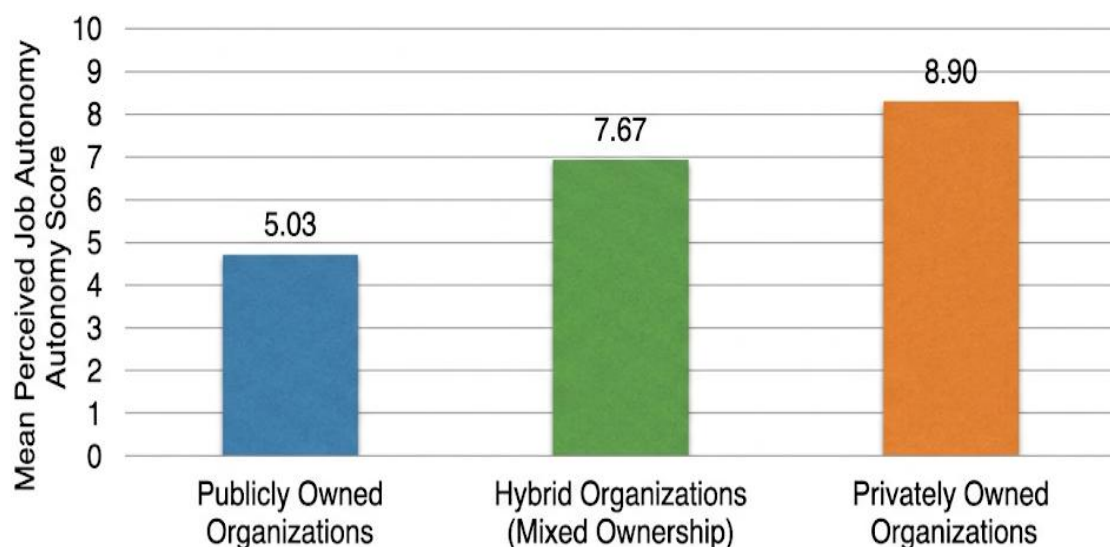


Figure 1: Perceived Managerial Job Autonomy Scores in Public, Private, and Hybrid Organizations

This comparative bar chart sort of shows perceived managerial job autonomy scores across three different organizational types, like publicly owned organizations, hybrid organizations (mixed public-private ownership), and privately owned organizations. The scores are on a 0 to 10 scale, meaning they come from self reported levels of decisional freedom in leadership positions. Overall , privately owned organizations tend to have the top autonomy scores, then come hybrid organizations, and publicly owned organizations look like they're always at the bottom , for perceived autonomy. The horizontal axis basically lists the three ownership categories, while the vertical axis shows the mean autonomy scores. The data is sourced from Jacobsen (2022), "Room for Leadership? A Comparison of Perceived Managerial Job Autonomy in Public, Private and Hybrid Organizations," which was published in the International Public Management Journal. The main take away is that the ownership type really does have a measurable and rather steady influence on perceived managerial autonomy, even when you consider organization size, sector, or the professional composition.

3.2 The Confidence to Fail and Learn

One thing about autonomy-rich private sector settings that people kinda under notice is the tolerance for failure. Autonomous managers in private firms are usually expected to place bets on new hires, new markets, new strategies, and you know, assume some will not work. The org culture kind of takes that in, recalibrates itself, and then it just keeps moving. That openness to try, experiment, and even stumble a bit, is basically a leadership capability that only really forms when autonomy is actually granted, not just waved at or nominally endorsed on paper.

Transformational leadership research also supports this link. In work that appeared in Sage Journals, researchers noted that transformational leaders, whose approach is tied tightly to empowering people and delegating decision-making autonomy, can materially raise project success. They do it through psychological

empowerment, meaning employees end up feeling more ownership and drive because they are trusted to act with real discretion, not just delegated responsibility in name (Fareed, Su, & Aslam, 2023). So the whole thread runs leader autonomy → leadership style → employee empowerment → organizational outcomes, pretty cleanly.

And it's worth being clear, because autonomy is not the same as zero accountability in private organizations. Private sector managers still face heavy performance accountability, from boards, investors, customers, and the ongoing pressure of market signals. The main difference versus the public sector is the kind of accountability involved: it's mostly outcome-based, rather than process-based. Private managers are essentially asked, "What did you achieve" not "Did you follow the procedure.". That small-seeming distinction has big motivational effects, and it shows up in how people choose to commit, learn, and adjust.

IV. Accountability in Public Sector Leadership: The Trust Architecture

4.1 When Rules and Oversight Create, Not Limit, Leadership

The word "accountability" tends to come with a kinda negative vibe in leadership discussions, like it's something put on leaders by outsiders to keep them in line. But in public sector leadership scholarship, that whole picture gets flipped pretty fast. A growing body of research suggests that accountability mechanisms, when they're designed in a careful, thoughtful way, can actually fuel leadership drive inside public organizations, instead of crushing it.

How it works is mostly through PSM. Public sector leaders who care about shared results, and also about institutional integrity, tend to read accountability frameworks as evidence. Evidence that their efforts are consequential, that it's not just invisible bureaucracy, that it is noticed, and that someone really is tracking whether the job is being done with integrity. One study using multilevel modeling found that accountability leadership boosted job performance, by pushing transparency and stakeholder engagement, while the effects ran through higher PSM scores in employees (Schwarz et al., 2020, citing work published in *Public Administration Review*). So in this view, accountability is not a box. It's more like a signal, that the work has weight, the kind of weight that deserves to be watched.

The OECD's 2025 analysis of public sector leadership documented that close to 90% of OECD countries mark senior public officials as a particular group, subject to specific management frameworks, with those frameworks clearly mixing performance accountability and leadership development as complementary, rather than as competing pressures, (OECD, 2025). In the same report, it was also observed that even skilled public sector leaders can hit barriers when limited autonomy and rigid management systems are not countered with sufficiently strong accountability tools. This is why it calls for both elements, not just one.

4.2 The Mission-Accountability Bond

Public sector leaders who do the best work, tend to have a thing in common, really, they've kinda absorbed the mission of their organization so fully that any external accountability setup feels less like someone watching them all the time, and more like confirmation, you know, validation. When a health agency director actually believes in the public health results her department is going for, then performance reviews, parliamentary scrutiny, and audit findings aren't treated like threats. Instead they come off as information, like feedback, on the stuff she cares about in a personal and serious way.

That pattern matches what Perry and Wise described as the normative and affective parts of PSM, meaning the idea that public service is the proper action (normative), plus the emotional tie to the people being helped (affective). Leaders who operate from these motivational roots tend to see accountability as a straightforward extension of their own values, not as intrusion. And research in *PLOS ONE* on public service motivation and organizational performance backed this up, showing that PSM pushes toward better organizational performance especially because public employees "value organizational results and fate as their own" (Zubair, Khan, & Tariq Mukaram, 2021).

Then there's Canada's 2024 Public Service Employee Survey, which gathered answers from 186,635 employees across 93 federal departments. It reported that 82% of public servants agreed with the statement "I am proud of the work that I do", which is a fairly notable signal of mission alignment, it implies that the motivational base behind public sector accountability is not just theoretical, it is present and shared across government workplaces (Treasury Board Secretariat of Canada, 2024).

V. The Tension Between Sectors: When Models Collide

5.1 New Public Management and Its Limits

Since the 1990s, governments in a lot of countries tried to boost public sector performance by bringing in private sector management logic, giving managers more operational autonomy, tying pay to results, and trimming down procedural constraints. This whole current, often called New Public Management (NPM), was

mostly built on the idea that the autonomy→performance link people observe in private organizations would migrate pretty cleanly into public ones, like it would just fit.

On that point, the evidence is... mixed, at best. Jacobsen's 2022 study, still one of the more rigorous comparative looks at managerial job autonomy across ownership types, found that perceived managerial autonomy in publicly owned organizations tends to be lower than in private and hybrid ones. And importantly, the NPM reforms haven't fully sealed that gap (Jacobsen, 2022). Related work in the NPM stream also cautioned that if you emphasize managerial autonomy too strongly, you might weaken the democratic accountability that helps public institutions stay legitimate. In other words, you can end up with a kind of built in tension between two needs public sector leadership has to hold at the same time (Christensen & Laegreid, 2022, as cited in Taylor & Francis, 2024).

The issue isn't that autonomy is inherently wrong for public managers. It's more that the motivation environment, the context where autonomy actually gets used, isn't the same in the public sector. Autonomy without an obvious purpose can feel arbitrary. Purpose without real accountability can feel invisible. Public sector leaders need both, enough room to act and lead, and enough accountability so their leadership feels consequential, in the ways that truly motivate them.

5.2 Cross-Sector Learning Opportunities

These differences really don't mean the two models have nothing to teach each other. In the private sector, organizations are increasingly seeing that purpose centered, mission aligned cultures, the same kind that PSM research describes in public agencies, can lead to greater staying power, tighter team cohesion, and steadier performance than environments that rely only on incentives. Gallup's 2025 report said managers account for at least 70% of the variance in employee engagement scores across organizations, and this still shows up across both sectors. It really highlights the pivotal role that individual leadership quality plays, regardless of context (Gallup, 2025).

As illustrated in Figure 2, the key motivational drivers of leadership effectiveness differ structurally between sectors but converge on a shared outcome, high performance, through distinct psychological pathways.

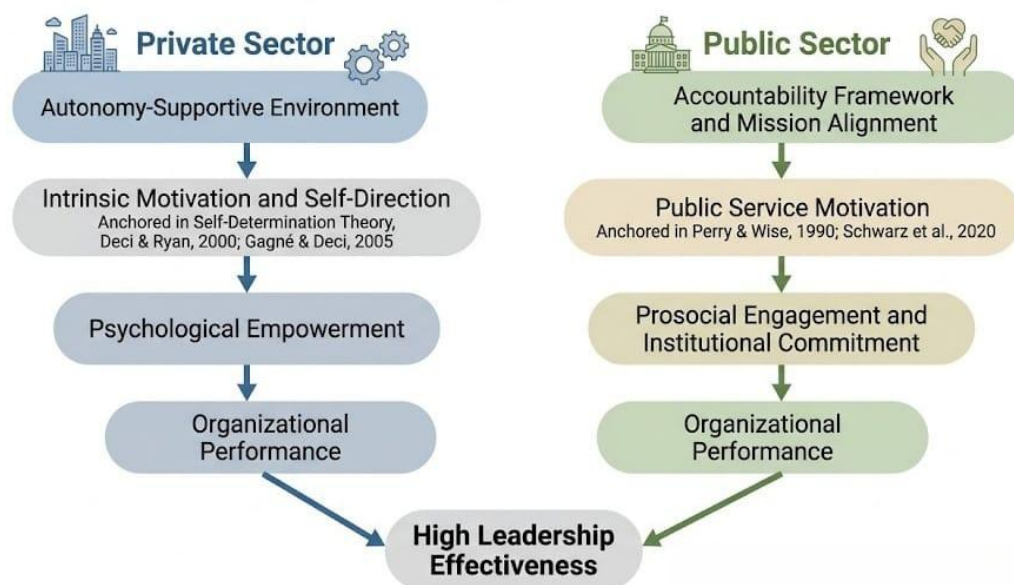


Figure 2: Motivational Pathways to Leadership Effectiveness in Private vs. Public Sectors

This conceptual dual pathway diagram shows two parallel motivational chains that kind of end up at the shared outcome of "high leadership effectiveness". On the left side, the pathway is labeled "Private Sector", it starts with "Autonomy-Supportive Environment", then it moves into "Intrinsic Motivation and Self-Direction" (anchored in Self-Determination Theory, Deci & Ryan, 2000; Gagné& Deci, 2005) and from there it flows through "Psychological Empowerment", finally reaching "Organizational Performance".

On the right side, the pathway is labeled "Public Sector", it begins with "Accountability Framework and Mission Alignment", then it flows into "Public Service Motivation" (anchored in Perry & Wise, 1990; Schwarz et al., 2020), after that it continues through "Prosocial Engagement and Institutional Commitment" and arrives at "Organizational Performance" again. Both pathways converge at the same outcome node, so the destination is the same but the motivational architecture, differs quite a lot between sectors. The diagram itself

doesn't show any kind of quantified data, it more or less synthesizes theoretical frameworks and empirical findings drawn from several peer-reviewed sources, and those sources are cited throughout this article.

VI. Conclusion

Leadership potential is not a fixed quantity waiting to be measured. It is something that emerges, or fails to, depending on whether the organizational environment provides what the individual leader's motivational profile actually needs. For private sector managers, that typically means autonomy: the room to self-direct, to innovate without excessive procedural constraint, and to experience direct ownership of outcomes. For public sector leaders, the catalyst is more complex: a combination of accountability mechanisms that make their work visible and consequential, alongside a genuine mission orientation that connects daily decisions to collective impact.

These are not competing models of leadership. They are complementary insights into how human motivation operates in different institutional contexts. The danger lies not in recognizing these differences, but in ignoring them, in designing leadership development programs, hiring frameworks, and organizational structures as if motivation were context-free.

The gap between recognizing these dynamics and acting on them is where much of the \$438 billion in lost engagement productivity identified by Gallup actually lives. Closing that gap requires organizational designers, policy makers, and senior leaders across both sectors to take motivational architecture as seriously as they take strategy, talent, and technology. The leaders are there. The potential is there. The question is whether the organizational environment gives it somewhere real to go.

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