

The impact of political interference on corporate strategy execution by the board of
directors in Namibian state-owned enterprises

Student Number: 24127231

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Abstract

This study investigated the impact of political interference on corporate strategy execution within Namibian state-owned enterprises (SOEs). Despite governance frameworks such as the Public Enterprises Governance Act, NamCode, and King IV, SOEs continue to underperform, largely due to systemic political influence. Using a qualitative, interpretivist multiple-case study design, data was collected through semi-structured interviews with board members, executives, government officials, and governance experts, complemented by documentary analysis.

Thematic analysis revealed that political interference is pervasive, primarily through loyalty-based board appointments, informal directives, and blurred boundaries between policy-making and oversight. These practices undermine board autonomy, foster anticipatory compliance, and disrupt strategic execution through project reversals, short-term priorities, and leadership instability. Institutional weaknesses such as weak enforcement of governance codes and absence of consequence management enable persistent interference.

The study contributes to governance scholarship by integrating agency and institutional theories to explain how informal norms override formal governance structures. It identifies a causal chain linking political appointments to governance paralysis and execution failure. Practical recommendations include merit-based independent board appointments, mandatory written shareholder directives, structural separation of ownership, oversight and operational roles, and enforceable performance contracts. These findings offer actionable insights for policymakers and regulators in their efforts to strengthen SOE governance in Namibia and similar emerging economies.

Keywords

State-owned enterprises, political interference, strategy execution, board autonomy, governance

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy in Corporate Strategy at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

24 November 2025

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CHAPTER 1: INTRODUCTION

1.1 Introduction and background

State-owned enterprises (SOEs) in Namibia constitute a critical component of the country's public and economic infrastructure, serving as pivotal instruments for achieving socio-economic transformation and delivering public services. According to the Ministry of Finance and Public Enterprises (2023), Namibia has 74 SOEs comprising 42 non-commercial, 21 commercial enterprises, and 11 extra-budgetary funds that collectively operate in key sectors such as transport, energy, communications, mining, and agriculture. These entities collectively account for a significant share of national employment and contribute approximately 10% of Namibia's Gross Domestic Product (GDP) through the provision of public goods, employment creation, and infrastructure development. Their hybrid mandate, combining public service delivery with commercial viability, positions them as central players in the national development agenda (Butzbach et al., 2021).

In Namibia, government ownership of business operations is guided by the government's Public Enterprise Ownership Policy and the Public Enterprises Governance Act, both of which seek to provide guidance through operational autonomy, accountability, and sustainable value creation within SOEs. While these are positive governance developments, Namibian SOEs are not without governance inefficiencies, weak financial performance, or poor performance tracking mechanisms (Lipumbu, 2021). As with trends common in other emerging markets, such issues are often indicators of embedded weakness within state administration, and conflict between political considerations and corporate governance structures in state ownership where the lines between the two tend to blur (Costa, 2020). Baron (2023) is aligned to this thinking, positing that such interchanges entail natural contradictions between political control and corporate autonomy that result in diluted power for governing boards' ability to take independent action in relation to long-term strategic objectives.

An institutional analysis of Namibia's SOE landscape reveals a post-independence state-led development legacy where state ownership is conceptualised as a mode of addressing unevenness and promoting inclusivity and equity (El Khatib, 2021). While these objectives are well-meaning as they are aimed at social upliftment and economic advancement, they have inadvertently fostered political patronage within governance structures. Consequently, SOEs often operate under conditions where political considerations override managerial rationality and (Ahunwan, 2021). The prevalence of

politically appointed boards and executives lacking technical expertise exacerbates capacity constraints and inefficiencies, undermining SOEs' dual role as providers of social services and commercially operating enterprises.

The socio-economic role of Namibia's SOEs is fundamental to national development. These entities are constitutionally mandated to deliver essential services and infrastructure aligned with priorities outlined in the Harambee Prosperity Plan II and Vision 2030. For instance, NamPower and NamWater ensure access to electricity and water, while TransNamib facilitates logistics and trade integration. Their existence is a priority for the government and, as such, they enjoy preference when it comes to industrial competitiveness and budgetary stability (Pfanelo and Chinomona, 2024). However, persistent governance shortcomings continue to impede their ability to fulfil developmental mandates effectively.

The dual objectives of commercial viability and socio-economic contribution often create conflicting priorities that undermine strategic governance. Butzbach et al. (2021) point out that SOEs suffer from what they refer to as a mission complexity dilemma, with policy-driven goals such as rural electrification or subsidised pricing competing against financial sustainability. In Namibia, political interference exacerbates this challenge, with political projects often taking priority over those aligned with longer-term strategic imperatives (Deruytter et al., 2022). De Villiers and Dimes (2021) also point out that SOE governance performance is a direct outcome of board capacity, independence, and accountability mechanisms that are compromised when political considerations prevail over meritocratic methods.

From a governance standpoint, SOEs are expected to adhere to principles outlined in King IV and NamCode, both of which emphasise transparency, accountability, and ethical leadership (IoDSA, 2016). Disappointingly, many SOEs treat these codes as procedural rather than substantive obligations (Nicolò et al., 2020). This attitude contributes to poor capital expenditure, weak internal controls, and recurring Treasury bailouts. Between 2015 and 2022, the Namibian government injected over N\$11 billion (approximately US\$623 million) into loss-making SOEs (Ministry of Finance and Public Enterprises, 2023). These bailouts divert resources from critical social sectors such as education, healthcare, and other impactful development programs.

Political interference is one of the most deeply rooted and structurally embedded SOE governance challenges in Namibia's SOE governance framework. It manifests in various forms, from politically driven board and executive appointments to direct contraventions

of governance policies and practices, including in key areas such as procurement (Dragomir et al., 2021). Although the Public Enterprises Governance Act prescribes merit-based appointments and accountability to the portfolio minister as shareholder representative, in practice, political connections often override meritocracy. This undermines board independence and misaligns organisational strategy with shareholder expectations (Niazi et al., 2023).

Abang'a et al. (2022) found that politically motivated appointments dilute board fiduciary duties in African SOEs, resulting in inadequate board capacity. Similar research by Klarner et al. (2021) confirms that excessive state influence undermines strategic control while incapacitating the board, the supposed corporate guardian. Namibia has seen instances where board members were dismissed for resisting political directives in sectors such as energy, aviation, and finance (Siyaya, 2020). These patterns reflect what Costa (2020) terms institutional fragility, where formal governance structures exist but lack enforcement due to political dominance.

Agency and Institutional theories provide a lens to interpret these dynamics. Agency theory suggests conflicts arise when agents (boards and executives) prioritise personal or political interests over organisational objectives (Jensen & Meckling, 1976). The institutional theory explains how underdeveloped regulatory and legal frameworks allow informal political norms to override formal governance arrangements (North, 1990). In Namibia, these theories converge to depict a governance environment where political legitimacy supersedes managerial competence, resulting in compromised strategy execution and weakened accountability.

Empirical evidence from Namibian SOEs provides a compelling narrative of how political interference and governance Air Namibia serves as a prominent case in point. Once regarded as a national flagship, the airline was liquidated in 2021 after years of operational inefficiency, poor financial performance, and unsustainable government bailouts estimated at N\$8 billion (US\$453,000,000) over two decades (Ministry of Finance and Public Enterprises, 2023). Public reports attributed the airline's downfall to pervasive government interference in executive decision-making, politically influenced procurement practices, and inconsistent strategic direction (Dragomir et al., 2021).

1.2 Business relevance of the study

The performance of SOEs is a critical determinant of Namibia's economic trajectory, fiscal stability, and developmental progress. Effective strategy implementation within

SOEs is essential for translating national policy objectives into tangible outcomes that support sustainable economic and social development. Namibia's 74 SOEs, as noted by the Ministry of Finance and Public Enterprises (2023), play a central role in employment creation, infrastructure development, and service delivery across key sectors such as energy, transport, and communications. Their strategic performance is therefore directly linked to achieving the goals of the Harambee Prosperity Plan II and Vision 2030. However, strategic performance within the majority of Namibian SOEs is subpar due to political interference being rampant, such that political agendas merge with commercial mandate (Bruton et al., 2015). However, widespread political interference - manifested through politically driven appointments, pressure to advance non-commercial agendas, and constraints on managerial autonomy - continues to undermine strategic coherence and organisational effectiveness, resulting in SOEs forming below expectations (Abang'a et al., 2022).

Successful strategy implementation is vital for SOE sustainability and operational viability, bridging strategic planning with value creation. Chatterjee (2022) emphasises that implementation, rather than planning alone, determines whether organisational objectives are realised. For SOEs tasked with delivering both economic returns and social services, uninterrupted implementation ensures that social objectives do not overshadow financial sustainability. Baron (2023) observes that SOEs governed by independent boards with technical expertise achieve stronger financial performance and enhanced service delivery, contributing positively to GDP. Conversely, weak implementation driven by political interference leads to inefficiencies and reduced levels of performance and sustainability. The cases of Air Namibia and SME Bank, both of which crashed from failures in governance, exemplify how governance lapses and political influence can derail strategic vision, imposing significant fiscal burdens on taxpayers (Siyaya, 2020).

The economic significance of this research lies in its examination of how political interference distorts SOE governance and impedes national development. Political intervention often prioritises short-term political gains over long-term strategic value creation (Costa, 2020). Butzbach et al. (2021) highlight the governance dilemma posed by overlapping regulatory and shareholder roles, which erodes efficiency and accountability. Furthermore, pervasive interference undermines the enforcement of governance codes such as King IV and NamCode, which emphasise independence, accountability, and ethical leadership (IoDSA, 2016). The debasement of these virtues

has severe macroeconomic consequences, including diminished investor confidence, recurring bailouts, and stagnant productivity within SOEs (De Villiers & Dimes, 2021).

Political interference significantly undermines the competitiveness of SOEs by restricting decision-making autonomy and stifling innovation. Deruytter et al. (2022) note that politically controlled organisations often exhibit strategic inertia, where executives and boards avoid market-sensitive decisions due to fear of political repercussions. This hesitancy results in delayed responses to technological changes, and reduced operational efficiency. In Namibia, where SOEs dominate key strategic sectors, diminished competitiveness creates broader economic spillovers, including higher service delivery costs and reduced economic benefits (Lipumbu, 2021). From an executive perspective, limiting political interference is not merely an administrative adjustment but a strategic imperative for institutional resilience and national economic sustainability.

Furthermore, effective governance and strategic performance within SOEs are essential for maximising public value. As publicly accountable entities, SOEs are expected to balance profitability with social responsibility. Olivieri et al. (2022) argue that their long-term legitimacy depends on generating both financial and societal returns. When political interference compromises board independence, inefficiencies arise that weaken enterprise performance and impair government's ability to deliver core services such as education, healthcare, water, energy, and transportation. This directly affects citizen welfare and undermines the state's developmental mandate. Consequently, the study's findings are vital for guiding governance reforms that enhance SOE accountability and optimise public resources utilisation.

1.3 Theoretical grounding

Agency theory and institutional theory collectively provide a robust framework for analysing the interplay between political interference, governance autonomy, and strategic implementation within Namibian SOEs. These theories elucidate the dynamics of power relations, accountability structures, and the influence of institutional norms on board behaviour and organisational performance. Their combined application offers a multidimensional perspective on structural and behavioural factors that shape governance outcomes under political influence.

Agency theory, introduced by Jensen and Meckling (1976), conceptualises the principal-agent relationship between shareholders (principals) and executives or board directors

(agents). In the context of SOEs, this framework is particularly relevant for examining how political interference distorts governance structures. Here, the government acts as the principal, while boards and executives serve as agents (Peng et al., 2023). When political appointees are placed on SOE boards at the expense of individuals with proven competence and performance records, political loyalty often supersedes organisational effectiveness. Such practices undermine fiduciary responsibilities and strategic execution due to misaligned performance incentives. Agency theory thus provides a valuable lens for assessing accountability gaps and incentive misalignments that compromise board independence and organisational outcomes in Namibian SOEs.

Central to agency theory are the duties of loyalty and care that directors owe to principals. Klarner et al. (2021) emphasise that boards function as strategic custodians, aligning corporate objectives with stakeholder interests. However, under conditions of political interference, these fiduciary duties are frequently neglected, as board members prioritise political directives over corporate goals. This misalignment discourages innovation and fosters long-term economic stagnation. Dragomir et al. (2021) document similar patterns in European SOEs, where political influence led to board dysfunction and ineffective strategic oversight, resulting in underperformance. Namibia reflects this trend, with politically motivated appointments often resulting in boards lacking requisite skills. Consequently, Agency theory serves as a critical analytical tool for understanding how weak governance, accountability failures, and breaches of fiduciary duty undermine strategic success.

Institutional theory complements agency theory by situating governance challenges within broader systemic and socio-political contexts. As North (1990) asserts, institutional environments - comprising formal laws, codified norms, and cultural practices - shape organisational behaviour and legitimacy. In Namibia, weak institutional enforcement and the dominance of political norms over formal governance frameworks have entrenched political interference as an accepted practice within SOEs. Li and Zhang (2022) observe that institutional fragility in emerging markets often enables politically driven decisions that undermine strategic coherence. Similarly, Butzbach et al. (2021) argue that when formal governance mechanisms lack effective enforcement, political networks fill the void, accelerating governance deterioration. Institutional theory thus explains how political culture, regulatory weaknesses, and ambiguous ownership structures perpetuate inefficiencies in Namibian SOEs.

The integration of institutional and agency theories offers a comprehensive understanding of why governance structures frequently fail to deliver strategic outcomes.

Agency theory addresses the micro-level dynamics of principal-agent relationships, while institutional theory examines the macro-level environment that shapes these interactions. Baron (2023) contends that institutional frailty in developing economies amplifies agency problems by embedding political influence within board processes. This convergence of personal ambition and systemic norms clarifies why governance reforms - such as Namibia's adoption of King IV and NamCode - have yielded limited results. Despite the presence of these frameworks, political considerations continue to dominate board appointments (Costa, 2020).

Successful strategy formulation depends on autonomy, accountability, and capacity - parameters directly determined through the quality of governance (Wang and Cheng-Han, 2020). When institutional frailties are accompanied by agency frictions, strategic choice becomes reactionary, piecemeal, and politically motivated. Chatterjee (2022) notes that under such conditions, boards lose their ability to provide strategic direction, resulting in misaligned objectives and poor performance outcomes. In Namibian SOEs, that implies rampant leadership changes, confused policy implementation, and waning confidence.

1.4 Problem statement

SOEs in Namibia continue to face persistent governance challenges that undermine their ability to execute corporate strategies effectively. Despite the implementation of comprehensive frameworks such as the Public Enterprises Governance Act of 2019, the NamCode (Namibian Stock Exchange, 2014), and King IV (IoDSA, 2016), governance failures remain rampant. These failures are usually linked to political interference, which exists in forms of gratuitous influence on strategic decision-taking, politically motivated board appointments, and pressure for pushing politically motivated agendas while compromising organisational performance. As claimed by Ahunwan (2021), such interference goes against SOE board's fiduciary duty and board independence.

In Namibia, such inertia in moving from policy to practice is particularly manifest in repeated underperformance and failures of SOEs that are critical to the economy. The liquidation of Air Namibia and the winding up of SME Bank are two instances that highlight political interference with executive and board decisions, resulting in misguided strategies and weak financial management (Lipumbu, 2021). These instances point to a systemic governance malady of formality of kind without corresponding informality to counter it: that is political power overstepping its limits. Dragomir et al. (2021) observe that in politically controlled corporations, board dysfunctions are commonly caused by

blurred lines that blur the distinction between corporate and political arenas, with consequent corollary loss of accountability and strategic clarity. Repetition of such interference bears witness again to extant governance structures' inability to shield boards from political interference and to guarantee them strategic autonomy.

The conceptual gap existing between governance principles within SOEs along with political realities in Namibia is a gigantic intellectual and practical gap. Conceptually, institutional and agency perspectives suggest that separate agents are performing shareholder directives within well-governed structures (North, 1990; Jensen & Meckling, 1976). In practice, Namibian SOEs often deviate from this model since political actors use directives along with appointments as tools for guaranteeing control over the allocation of resources. This incongruity creates weak risk control along with poor oversight as performance worsens in sectors such as energy, transport and communication (Peng et al., 2023).

1.5 Research aim

The principal aim of this research was to explore the influence of political interference on corporate strategy formulation and implementation among Namibian SOE boards of directors. The research seeks to explore the scope, modes, and implications of political interference on SOE governance with particular attention to its potential to incapacitate board autonomy, strategic fit, and accountability. The research intends to add value both to theory and practice through recommendations of board independence-enhancing mechanisms as well as strategic performance improvement among Namibian SOEs.

1.6 Research objectives

The aims of this research were achieved through:

- Examining the nature and extent of political interference taking place in Namibian SOEs;
- Assessing how political interference impacts the strategic decision-making and execution processes within Namibian SOEs;
- Identifying challenges faced by Namibian SOE boards in upholding and implementing good governance standards in the midst of political interference; and

- Proposing operational strategies, as well as policy and legislative recommendations to mitigate political interference and strengthen the strategic execution capabilities of SOE boards in Namibia.

1.7 Research questions

This study attempted to answer the following research questions:

- How does political interference influence the autonomy and effectiveness of boards of directors in Namibian SOEs?
- In what ways does political interference affect the execution of corporate strategy within Namibian SOEs?
- What governance and institutional challenges enable political interference in Namibian SOEs?
- What governance measures or practices can be employed to enhance board independence and reduce political interference in strategy execution?

1.8 Research scope

Geographically, the research focuses on Namibia, where SOEs are a focal point of national socio-economic development. Namibia's public enterprise population comprises 74 organisations that are dispersed within commercial and non-commercial sectors (Ministry of Finance and Public Enterprises, 2023). The geographical restriction is rationalised through Namibia's peculiar governance landscape, particularly due to its institutional and legislative framework set by the Public Enterprises Governance Act (2019) and the NamCode principles (Namibian Stock Exchange, 2014). This national focus makes it possible that the research can explore governance deficiencies and strategic inefficiencies within defined regulatory, institutional and cultural contexts.

Sectorally, both non-commercial and commercial SOEs are considered within the research. Commercial SOEs such as NamPower and TransNamib are required to be commercially viable while achieving developmental aims, whereas non-commercial SOEs such as the National Housing Enterprise and Namibia Students Financial Assistance Fund are service-oriented, with a social focus. Butzbach et al. (2021) explain that it is with embedded contradictions that balancing commerciality with social mandates is ingrained in SOEs' governance structures that are exacerbated when political agendas trample over corporate autonomy. The coverage of both sectors ensures coverage of a

complete array of political interference effects across not only financial performance but service rendering, accountability over time, as well as sustainability. The double-sector coverage provides the study with a barometer to contrast political influence across a vast scope of entities, thereby better explaining board dynamics and governance performance (Chatterjee, 2022).

Conceptually, research is confined to board governance alongside corporate strategy implementation. It did not explore the entire spectrum of corporate operations, but rather focused on the interdependency between political interference and the board of directors' capacity to transform strategic intentions into actual outcomes. In this regard, governance entails board composition, independence, accountability as well as compliance with fiduciary obligations (Deruytter et al., 2022). As Alami and Dixon (2020) remark, political interfusion at this governance level undermines accountability mechanisms and damages the board's capacity to operate for the enterprise's best interests. The conceptual restriction of this research is thus narrowed down to governance interplay that directly impacts or undermines successful strategic outcomes within Namibian SOEs.

1.9 Research contribution

The study contributes to analytical reflection on corporate governance in emerging markets through an investigation into the under-analysed reality of political interference on Namibian SOEs. Most of the literature on governance in African is largely on South Africa, Kenya and Nigeria with little attention on Namibia despite its distinct institutional history (Siyaya, 2020).

The study further contributes to the conceptual association between board independence and strategic implementation performance by offering empirical observations that test prevalent assumptions in governance research (Chatterjee, 2022). Other than that, it makes sense of comparison made on differences between commercial and non-commercial SOEs, thereby filling on theoretical pluralism on earlier studies conducted on governance (Genin et al, 2021).

The study further enhances understanding of political interference in scholarly research, as it permeates the institutionally and behaviorally tainted governance facets of board governance, such as through political appointment procedures, accountability arrangements, and strategic alignment. In applying the institutional theory, political interference through political norms is found to compromise codification of governance

such as NamCode and King IV. Filling a governance scholarship conceptual gap on institutional weakness' interlude with political power, where it continues to be not well conceptualised (De Villiers & Dimes, 2021), these research findings are to contribute to cross-disciplinary scholarship, interlinking political science, management, and public administration cumulatively through Namibian SOEs as a cross-disciplinary case study that is to contribute to African-wide governance reform agendas.

In practical application, it makes recommendations to Namibian regulators, policymakers, and SOE boards. It can be utilised for governance framework revision tightening aspects such as board appointment processes, independence benchmarks, and control arrangements (El Khatib, 2022). As a research tool for professionals, it yields diagnostic understanding of political interference as hampering strategic clarity with attendant inefficiencies, losses, and organisational instability. In promoting governance structures with increased clarity and accountability, it supports existing public-sector reform initiatives. As a strategic tool for board directors themselves, it can help them navigate complex political environments while remaining compliant with governance codes and fiduciary duty requirements (Haerani et al., 2020). In addition to Namibia, it also has policy use for other nations with politicised state ownership approaches.

1.10 Structure of the dissertation

Chapter 1: Introduction

This chapter introduces the research by situating it within the Namibian SOE governance context and establishing its relevance from both a theoretical and practical perspective. It justifies the topic's significance by highlighting the persistent problem of political interference in SOEs, which undermines effective corporate strategy execution and national economic performance. The chapter also articulates the theoretical grounding of the study through agency and institutional theories, thereby framing the investigation within established governance paradigms. Key research questions, aims, objectives, and scope are clearly delineated, while the problem statement outlines the gap in both literature and practice. The section concludes with a discussion of the anticipated research contribution, which emphasises how the study advances academic theory and informs practical governance reform in Namibia's SOE sector.

Chapter 2: Literature review

The chapter synthesises critically popular scholarly debates as well as empirical scholarship on political interference, corporate governance, and strategy formulation

within SOEs. The chapter draws heavily on peer-reviewed journals from 2019 to 2024 to ensure scholarly credibility and currency. The chapter makes a theory-led case through a scholarly comparison of variations across various scholarly thoughts on governance questions within emerging economies, especially around board autonomy, accountability, and institutional weakness. It reveals gaps in knowledge based on what is available, most notably the lack of country-specific evidence, and provides a theoretical foundation for formulating research questions. The chapter is concluded through a conceptual framework that synthesises institutional as well as agency theories to shed light on how political interference thwarts governance structures to exert influence over strategic performance in SOEs.

Chapter 3: Research questions and propositions

Chapter 3 outlines research questions that form the core of this study, and propositions, linking them back to problem assertion and theoretical insight from Chapter 2 in a direct fashion. Each question is pilfered heuristically from extant literature and addresses a specific dimension of study focus: political interference's character, impact on board autonomy, strategic implementation consequences. The chapter ensures that conceptual coherence is present across theoretical framework as well as empirical research so that it can be demonstrated that the study seeks to yield evidence to address identified gaps. In this qualitative research, propositions would inform thematic research

Chapter 4: Research methodology

This chapter provides a detailed account of methodological and procedural approaches used in addressing research questions. It clarifies on the philosophical position (interpretivism) and the qualitative case study design. The chapter further outlines the level and unit of analysis, the selected sampling technique (purposive sampling), and the instruments used (document analysis and semi-structured interviews). It also clears on analysis of data with thematic analysis using Braun and Clarke's (2006) guideline approach. The chapter concludes with detailed accounts on research quality and rigor, consideration of ethics, as well as methodological approach limitations with special emphasis on transparency, reliability, and findings validity.

Chapter 5: Findings

Chapter 5 introduces empirical evidence plucked from qualitative interviews along with document analysis. The data is presented thematically on lines of research questions and main constructs, i.e., political interferences patterns, governance structures, and

decision-making patterns on board levels. The findings are further triangulated so as to be robust in analysis, while cross-checking emergent patterns. Verbatim quotations from respondents reveal main insights with a guarantee of anonymity. The findings are described descriptively without a literature source to support a theoretical explanation in the discussion chapter (Chapter 6).

Chapter 6: Discussion

This chapter provides a close examination of the findings in relation to existing research works and the conceptual openings presented in Chapter 2. It interprets results in terms of existing research works along with advanced theories on corporate governance, strategy formulation, and political control in SOEs. Each section systematically responds to a research question, exploring whether the result confirms, expands, or diverges from existing research perspectives. The analysis combines empirical and theoretical insights with due consideration to contribute to a nuanced observation on the intertwined institutional failures and political conduct that compromise board autonomy in strategy execution. The chapter is concluded with an updated conceptual framework that combines new evidence created through study.

Chapter 7: Conclusion

The penultimate chapter concludes with a showing of the main findings as well as the research study's empirical results. It stipulates main theoretical contributions highlighting means through which study adds value to governance theory within emerging economy settings. The research finding is again browsed, uncovering intellectual as well as practical applications for intellectual research on policy as well as board-governance reforms in Namibia. The chapter again provides recommendations to SOE boards, policymakers, and regulators on strengthening of institutional governance and board independence. It also highlights limitations regarding the scope, as well as methodological limitations. The chapter concludes with future research recommendations

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter provides a systematic review of existing research on political interference that disrupts board independence in the strategic implementation of SOEs. It aims to build on the theoretical, conceptual, and empirical foundation underlying the research. The review synthesises regional, international, and Namibian evidence to determine knowledge gaps. Political interference in this study refers to the unwarranted influence of political actors on the strategic and operational decisions of SOEs, in the form of politically motivated appointments, policy directives, and/or other forms of directives (Niazi et al., 2023). The board of directors is a governance structure that is mandated with a stipulation of strategic oversight, fiduciary duties performance and corporate accountability (Wang et al., 2020). Strategy implementation is defined as the procedural conversion of organisational objectives into measurable outcomes through operationalisation of such objectives (Abang'a et al., 2022).

The conceptual framework of the chapter follows five main themes: (1) performance of strategic governance of boards' role; (2) political interference reinforcements in SOEs; (3) impact of board autonomy on strategy implementation; (4) governance failures' theoretical explanations; and (5) SOE performance empirical evidence. The institutional conceptual combination of Institutional theory with Agency theory provides a theoretical framework for analysing governance (Klarner et al., 2021; North, 1990). In combined form, these place Namibian SOE context within the broader governance debate on emerging economies.

2.2 Theoretical and conceptual foundations

2.2.1 Agency theory: Principal-Agent dynamics and conflicts in SOEs

The study enriches stakeholder theory through the demonstration of how communicative participation enhances institutional legitimacy in the public sector. The study also enriches the organisational trust theory through linking open communication practice with post-crisis reputation recovery. Further research findings enrich the participatory communication theory through evidence that dialogue-based participation enhances cooperation and good governance within resource-dependent sectors.

2.2.2 Institutional theory: Formal vs informal governance structures and political norms

The institutional theory complements the agency theory through escalation of the analysis from that of individual's behaviour to that of a system-structural level. Through the institutional theory lens, the research zooms into how organisations are embedded in a web of institutional norms, and social expectations that prescribe their organisational behaviour (North, 1990). In Namibia, SOEs are embedded in that combined institutional framework that depicts statutory regulations, such as the Public Enterprises Governance Act (2019) and the NamCode, alongside political practice that is often more powerful than these structures. Their impact is that those SOEs can be paper-compliant while remaining embedded in those politically driven orientations of decisions that are in stark contrast to strategic coherence and accountability (Deruytter et al., 2022).

In relatively weak institutional settings such as Namibia, the oftentimes blurred line between enterprises and the state disables the intended functioning of governance frameworks. The co-existence of commercial and social mandates of SOs makes them prone to political interference due to divergence in focus as per Butzbach et al. (2021), who argue that political administrators often use the social nature of SOE mandates to justify their directives on operational matters such as procurement and appointments (Chatterjee, 2022). Institutional frailty is therefore worsened through weak enforcement capacity such as when regulatory agencies lack political will, capacity or autonomy to enforce non-compliance (Costa, 2020).

Institutional pressures also shape SOE board legitimacy-seeking behavior. Genin et al. (2021) observe that politically exposed organisations are inclined to align with political expectations rather than technical efficiency in return for unwavering state support. In Namibia, it is not uncommon for politically connected individuals to get into strategic leadership positions with relative ease, in a bid to sustain institutionalised patrimony networks (Siyaya, 2020). Trends of this nature are a betrayal of what North (1990) describes as path dependency, where historical political institutions continue to shape current governance performance. The prevalence of unofficial political norms thus makes it such that even with embracing international best-practice codes such as King IV, Namibian SOEs remain score with governance failures. The institutional inertia maintains strategic misfits and inefficiency of resources, resulting in constrained long-term strategies formulated with a view to sustaining developmental outcomes.

2.2.3 Stakeholder theory: Balancing competing political and public interests

The stakeholder theory is another perspectival framework broadening analytical horizons from principal–agent dyad, as it takes into account several actors whose interests determine how governance fares. Influenced by Freeman (1984), it claims that organisations are pushed to reconcile various stakeholders' interests (shareholders, employees, customers, and society as a whole) to build sustainability over time. In SOEs' case, balancing and reconciling such interest is easier said than done, as the advocate for economic return and societal well-being is largely one and the same – the state. SOEs' dual mandate of generating financial value and achieving social outcomes tends to be the cause of tension between board directors and executives on the one hand, and the shareholder on the other, further exacerbated through political interference, when present (Rock, 2020). When political actors are stirred up by short-term populist agendas, key business considerations such as strategic investment – an important an important ingredient for sustainability - may be compromised.

In Namibia, multiplicity in SOE governance beneficiaries makes it difficult for the board's decision-making arena to balance. Pressure on the board is increased as it tries to balance directives from government with pressure from regulators, employees, and expectations from citizens who see SOEs as tools of service provision to society. Nielsen (2021) notes that such board environments are subjected to mutually opposing performance indicators: while finance metrics serve to compute efficiency, political and social scores serve to meet compliance with government policy. The divergence creates confusion on accountability. Munteanu et al. (2020) note that in Eastern European SOEs, such opposing pressure from stakeholders created strategic inertia and mixed organisational purpose, a phenomenon that is now prevalent in Namibia's SOEs. SOEs are frequently asked to deliver projects initiated on political grounds with limited or no capability to serve strategic, business and economic purposes.

The stakeholder theory also puts forward considerations of the ethical aspect of corporate governance in politically interfered SOEs. According to Baron (2023), board choices in public enterprises should always entail a sense of moral duty in balancing equity with increased efficiency. But with political motives often at play, it is not a rare affair that equity considerations are distorted in favour of those of partisanship and relations. Practice such as appointing directors with limited technical skills but extensive political networks violates both equity-based governance and stakeholder inclusivity (Lipumbu, 2021). In contrast, where consultations with stakeholders are institutionalised

as with disclosure to public and consultative decision-making, SOEs are better equipped to deliver balanced outcomes (Olivieri et al., 2022).

2.3 Conceptualising the role of boards of directors in strategy execution within SOEs

2.3.1 Corporate governance and strategic oversight functions

Corporate governance implements the institutional framework within which board of directors exert control, accountability, and authority. It entails structures and processes through which organisations are directed and governed to achieve long-term strategic objectives while upholding transparency, integrity, and responsiveness to stakeholder needs and interest. In SOEs, governance roles are further compounded owing to dual profitability and service to society objectives. Alami & Dixon (2020) indicate that strategic oversight of the board entails expression of explicit performance expectations, review of executive action, as well as ensuring that corporate strategies are aligned with both commercial and socio-economic mandates. In Namibia, however, such role of oversight is oftentimes poisoned with overlapping political and administrative interests, where directives from Minister and other interested political players overshadow independent board decisions (Siyaya, 2020). The Public Enterprises Governance Act (2019) and the NamCode (2014) articulate such governance principles as board independence and merit-based political considerations, although the unavoidable alignment with one side or the other tends to result in diluted strategic accountability (Deruytter et al., 2022).

Empirical evidence confirms that board oversight quality directly influences strategic performance. Chatterjee (2022) reveals that independent SOEs boards are more operatively resilient and financially stable compared to politically controlled SOEs. Politically appointed boards, however, always sacrifice long-term corporate sustainability in fulfillment of political agendas (Costa, 2020). This incongruence was observed in Namibian SOEs where political appointees are lacking in sector-specific knowledge with resultant weak strategic evaluation and delayed implementation of corporate strategies (Lipumbu, 2021). This is again comparable to Baron's (2023) findings that where independent board oversight is ineffective, managerial opportunism surges with resulting misuse of resources and ineffectiveness. Successful SOE governance therefore involves board composition with a mix of technical knowledge and moral uprightness, with a view to strategic overview that is both informed and impartial.

2.3.2 Board leadership and strategic decision-making

Successful leadership is at the core of boards' capacity to oversee organisational strategy. Board leadership is about directors' overall and collective ability to lead with vision, and strategic control with an urge for balance between compliance and innovation. As per Klarner et al.'s (2021) understanding, strategic decision making within board entails scanning of one's external environment, as well as consideration of alternatives with aligning of organisational aims with stakeholder expectations. In SOEs, such role is critically central, owing to SOEs' dual role as both vehicles of public policy and commercial business enterprises. In Namibia, political directives are counteractive to board leadership through centralising of discretion on central strategic arenas such as capital allocation, priority on investment, and executive recruitments (Butzbach et al., 2021). Interference souse board confidence levels and defiles long-term thought, with strategic reason replaced with compliance with political dictate in a reactive manner.

Empirical international research anchors leadership autonomy as relating to strategic performance. It was proposed that such politically educated boards which are endowed with good leadership unity and expertise diversity deliver good strategic performance (Trullen et al., 2020). Abang'a et al. (2022) further proposed that SOEs in Kenya delivered improved performance outcomes when board chairpersons held office under merit-based structures as compared to politically informed structures. Leadership stability in Namibia is also commonly interrupted through politically motivated dismissals, which dislodge institutional memory and implementation consistency of strategies (Lipumbu, 2021). The resultant instability debases not only corporate levels of performance, but also discourages long-term investment and innovation.

Board leadership performance is also necessary with transformational and ethics-based leadership traits. According to what was postulated by Costa (2020), leadership that fosters accountability and openness creates organisational settings which facilitate effective strategic planning and strategic implementation. Politically driven leadership is however likely to maintain less-transparent decisions in service of self- and party-interests. In Namibia, absence of well-formulated performance-based board leader appraisal criteria subverts accountability. In such a case, leadership performance is thus oftentimes decided on political loyalty as opposed to exhibited strength. The conceptual gap thus pinpoints governance reforms that shift board leadership on lines of independence, ethics-based leadership and strategic strength as opposed to political opportunism and populism.

2.3.3 Board composition, independence and accountability

Board composition mixtures of executive, non-executive, and independent directors has a leading role to play in an organisation's capacity to perform good governance and deliver on strategies. The agency theory postulates that board independence is a leading technique of reducing agency costs through subjective monitoring of managers (Jensen & Meckling, 1976). In SOEs, however, independence is often undermined by political appointments that cherish representativeness rather than competence. Politically exposed directors may be aligned with political principals rather than with organisational objectives, with deleterious implications on accountability and monitoring, according to Niazi et al. (2023). In Namibia, that is prevalent; several board members are actively in political roles, creating proximity to shareholder representatives with concomitant conflicts of interest that divert governance performance (Siyaya, 2020).

Empirical findings provide strong support for the connection between board composition and strategic performance. Thenmozhi & Sasidharan (2020) indicate that SOEs with a larger independent directors' composition demonstrated better monetary and strategic performance compared to politically controlled boards. In a related manner, Baron (2023) points out that independent audit committees significantly support openness and suppress corruption and other unethical conduct among state-held corporations. Nevertheless, in Namibia, the enforcement mechanisms of independence remain weak. Although the NamCode (2014) lays down definite guidelines for board composition, compliance is often ritualistic, as the power to appoint SOE board directors rests with political actors (Ministry of Finance and Public Enterprises, 2023). As such, boards are often homogeneous in political background and lack diversity of viewpoints (Chatterjee, 2022).

2.3.4 Interaction between political oversight and managerial autonomy

The intermeshing of political oversight with managerial autonomy is one of the most significant determinants of SOE performance. Although political oversight is reasonable in terms of aligning with national development plans, excessive interference disrupts operational efficiency and strategic implementation. The workings of institutions are best when formative inhibitions (laws and regulations) are combined with informal guidelines that support autonomy and accountability (North, 1990). In Namibia, political interference is usually demonstrated through direct ministry interference within executive appointments, procurement, and budgetary allocation decisions (Lipumbu, 2021).

Instances of interference blur governance and bureaucratic lines, leading to role duplication and bureaucratic lethargy.

There is empirical support for excessive political control having negative impacts. Dragomir et al. (2021) noted that highly politically intervened European SOEs suffered from limited innovation and strategic inflexibility. However, Butzbach et al. (2021) found that political limitations often deter managerial risk-taking, to adopt leading enterprises adopting safe approaches and resulting in stagnation. In Namibia, boards are oftentimes accountable to several principals: line ministries, the Ministry of Finance and Public Enterprises and the Cabinet, allowing for contradictory lines of accountability to occur (Siyaya, 2020). This multiplicity of control erodes decision-making speed and creates strategic ambiguity.

However, absolute lack of political oversight is neither possible nor preferable in SOEs that play developmental roles. Chatterjee (2022) makes a point that strategic congruence across government and management can result in improved social value creation when framed through well-defined governance structures. For example, policy congruence in energy and infrastructure sectors can guarantee that SOE strategies contribute to national development agendas. The challenge is finding a balance between policy leadership and operational autonomy. In Namibia, the Public Enterprises Governance Act (2019) makes an attempt at meeting this balance point, but gaps in enforcement are left open. Institutional disintegration and political tutelage still hamper managerial freedom, limiting strategic rollout. Optimal governance is therefore made attainable through political oversight's redefinition in terms of strategic congruence without operational interference.

2.3.5 Board effectiveness and performance measurement

Board effectiveness includes the aggregate ability of directors to attain strategic, operational, and governance goals. It is a multifaceted construct that encompasses board composition, processes, leadership, and behavioral dynamics. According to Costa (2020), effective boards regularly assess performance through the evaluation of defined strategic benchmarks. In SOEs, however, performance assessment is usually hampered by ambiguous goals and lack of definite accountability benchmarks. Deruytter et al. (2022) add that performance compacts among boards and the state are prevalent within developing nations even though their utilisation is not regular due to political influence on evaluation processes.

In Namibia, the Ministry of Finance and Public Enterprises (2023) presented an ownership policy aiming to supplement SOE performance monitoring. Still, most entities do not meet reporting requirements, evidencing weak governance enforcement. Baron (2023) confirms that board performance evaluation is essential both formatively and summatively, operating on developments and accountability grounds. In Namibian SOEs, however, assessments are mostly reactionary, made only subsequent to crises or CEO transition. This is a culture that inhibits learning and strategic adjustment, entrenching inefficiency. Chatterjee (2022) underlines that effective boards are ones that create self-assessment culture with regular reviews of decision-making processes as a means of boosting responsiveness and cohesion.

Internationally, empirical evidence supports the worth of systematic performance measurement. Trullen et al. (2020) proved that Asian SOEs using balanced scorecards for board appraisals realised better strategic performance. Similarly, Haerani et al. (2020) reported that training and capacity-building initiatives improved governance quality of SOEs in Indonesia. By extrapolating these lessons to Namibia, board effectiveness can be enhanced through systematic capacity development, periodic reviews, and open-based reporting procedures. In its absence, boards will become mere ceremonials as opposed to strategic governance structures that cannot deliver on corporate vision substance-wise. In that regard, board effectiveness in Namibian SOEs becomes both governance and developmental priority that is needed to deliver national economic sustainability.

2.4 Political interference in state-owned enterprises

2.4.1 Conceptualising political interference

Political interference in SOEs means excessive political players' involvement in organisational decision-making, governance, and operational control, usually outside the proper shareholder supervisory role of the state (Ahunwan, 2021). In theory, governments control SOEs to attain economic and social aims, but when political considerations take precedence over corporate missions, strategic and financial performance diminishes (Alami and Dixon, 2020). The practice is rooted in the dual role of the state as both policymaker and owner, which induces fuzzy lines between governance and political power (Rock, 2020). In emerging economies like Namibia, whose institutions are still young and governance structures less institutionalised, such overlap breeds fertile ground for political brokerage and corporate processes' capture (Nielsen, 2021).

From a governance point of view, political interference violates the basic principles of board independence, accountability, and fiduciary duty (Deruytter et al., 2022). It injects rival interests that are non-aligned with organisational purposes, leading to suboptimal decision-making and corporate integrity leakage (Zhou, 2023). Furthermore, such interference has a propensity to warp the corporate governance framework with politically driven appointments and directives that compromise SOE board independence (Costa, 2020). In most African realities, as is also the case with Namibia, political influence is typically imposed through manipulation of board appointments, budgetary approvals, and policy directives that cumulatively compromise enterprise operational independence (El Khatib, 2022).

The conceptual roots of political interference can be traced back to institutional and agency theories. The agency theory proposes that while the state as principal entrusts control to the board as agent, political interference interferes with this delegation when it introduces intermediary political elites whose self-interests may not be aligned with those of the principal or the enterprise (Klärner et al., 2021). The institutional theory regards political actors as influencing behaviour in organisations with weakly institutionalised environments where informal norms are more powerfully institutionalised than formal rules, shaping behaviour through coercion and formulative informal expectations (North, 1990). In Namibia, political interference has continued due to weak enforcement of governance codes such as NamCode and Public Enterprises Governance Act, thus inhibiting professionalisation of boards and impairing strategic oversight abilities of such boards (Siyaya, 2020).

2.4.2 Forms and mechanisms of political influence

Political interference occurs through various channels that cumulatively breach the autonomy of SOEs. The most common is politicisation of board appointments, with directors being appointed on account of loyalty or political affiliation instead of proficiency or experience (Li and Zhang, 2022). This habit undermines corporate governance structures that value independence and diversity of skills (Kakero, 2020). In Namibia, board appointments are frequently conditional on ministerial nod and cabinet approval, bringing with them an implicit requirement that board decisions be made within political terms of reference (Ministry of Finance and Public Enterprises, 2023). This leads to breached fiduciary duty, since politically aligned board members may give priority to political principals over the enterprises they serve, as well as public interest (Abang'a et al., 2022).

Another form of political interference occurs through executive and ministerial directives that dictate strategic or operational choices, such as procurement decisions, investment priorities, or recruitment policies (El Khatib, 2021). These directives circumvent corporate governance structures and undercut managerial discretion, literally turning boards into administrative arms of government (Hoban et al., 2020). For instance, in Namibia's parastatal sector, boards are often directed to carry out state policies for development even when such policies are adversarial to the enterprise's financial sustainability (Lipumbu, 2021). The ensuing tension between political expectations and commercial mandarins usually creates inefficiencies and mission creep (Baron, 2023).

The third form is political pressure and unofficial coercion that may come in subtle forms of threat of dismissal, withholding or withdrawal of funding, or damage to reputation in case of disobedience to political pressure from boards that oppose political agendas (Genin et al, 2021). Pressures of such a nature create a culture of compliance over one of strategic autonomy, suppressing dissident professional discretion (George and Seo, 2022). This is in tandem with institutional theory that claims that unofficial institutions such as networks of patronage dominate official governance structures under weak regulatory settings (North, 1990). Pressure from a political angle may also manifest as interference in procurement, such that contracts are offered on political favour as opposed to efficiency and competitiveness (Ahunwan, 2021).

2.4.3 Comparative evidence: Political interference in African SOEs

Political interference is not peculiar to Namibia; it is a common pattern within African SOEs, where political dictates in governance are often preferred over governance structures. In South Africa, the national power firm Eskom is a prime example of endemic politicisation of corporate governance. Research shows that political elites significantly influenced board appointments at Eskom in the 2010s, causing strategic lines to be crossed, and causing financial instability (Dragomir et al, 2021). This political capture then enabled corruption and maladministration to thrive to the detriment of energy security (Pfanelo and Chinomona, 2024). In a similar manner, political interference in editorial coverage and executive decisions was rampant at the South African Broadcasting Corporation (SABC), with board chairs frequently being discarded as well as replaced due to defying political influence directions (Deruytter et al., 2022).

Similar trends are seen in Kenya as well, where SOEs such as Kenya Airways and Kenya Power experienced governance failures from politically driven appointments and interference in procurement (Kakero, 2020). In Nigeria, political patronage and corruption

within SOEs such as the Nigerian National Petroleum Company (NNPC) are identified as wearing down transparency and profitability (Nwafor et al., 2020). The above cases highlight that interference from politicians is not simply a governance challenge but a developmental barrier, since SOEs are frequently key drivers of national infrastructure and service provision (Butzbach et al., 2021).

Comparative evidence also implies that political interference in African SOEs is connected with weak institutional safeguards and limited board professionalism. Mbidzo (2020) stresses that lack of distinct political-managerial role segregation makes it possible for ministers to exercise excessive control over SOE governance. In much the same manner, Genin et al. (2021) point to China's restructured SOEs, where professional boards have become institutionalised, performance results improved, showing depoliticisation's positive effect. The African record therefore reveals a pattern: where governance reform enforces autonomy, SOEs perform well; where political dominance continues, inefficiencies become deepened (George and Seo, 2022).

2.4.4 Effects on strategic decision-making and organisational performance

Political interference significantly impacts SOEs' strategic choice-making processes and performance. At a strategic level, political interference corrupts corporate goals by diverting attention from long-term commercial viability to short-term political gainfulness (Abang'a et al., 2022). Board choices, especially investments, joint ventures, and restructuring decisions, become politicised with priority for politically salient projects over those on strategic agendas (Hlaváčková, 2020). In Namibia, it has taken the form of instructions on taking up politically fashionable but commercially unsustainable projects with a compromise on organisational sustainability (Lipumbu, 2021).

Empirical evidence shows that politically interfered boards are usually characterised by low independence levels, weak oversight, lower accountability, which are usually damaging strategic coherence (Nicolò et al., 2020). Chatterjee's (2022) study reveals that political interference dissolves board coherence and weakens directors' capacity to question management decisions objectively. This contributes to herd behaviour when dissenting voice is marginalised, with a result of strategic stagnation and delay in execution. In addition, political appointments are usually negatively related to firm performance measures such as revenue growth, return on assets and operational efficiency (Costa, 2020).

From an organisational performance standpoint, politically driven directives are also common causes of financial inefficiencies and resources misallocation (Tahir et al., 2020). In Namibia, it is evident that SOEs that are exposed to political interference suffer from repeated deficits in budget spending, weak audit results, and deteriorating service deliverance performance (Ministry of Finance and Public Enterprises, 2023). Comparable findings are seen in South Africa's Transnet, with political interference in procurement resulting in inflated contracts and financial losses (Pfanelo and Chinomona, 2024). The outcome is not only underperformance, but also systematic destruction of stakeholder confidence and public trust (Rock, 2020).

2.4.5 Mitigation strategies and governance reforms

Eliminating political interference calls for institutional and governance reforms aimed at consolidating autonomy, accountability, and professionalism in SOEs. The initial step is depoliticising board appointments through open, merit-based selection procedures (Baron, 2023). In independent nomination committees and publicly advertised board vacancies, Singapore and New Zealand have shown that credibility and competence can be improved (Deruytter et al., 2022). Namibia's Ministry of Finance and Public Enterprises (2023) has already started overhauling its Public Enterprise Ownership Policy to introduce independent appointment panels a reform that, when fully implemented, can help diminish political patronage.

Secondly, clarity on ownership and governance roles is essential. The state is to be a shareholder, not an operator, with limits on directives from ministers to strategic policy advice only, leaving strategic and operational matters to boards and executives (El Khatib, 2020). This involves strengthening legislative instruments such as the Public Enterprises Governance Act to lay down clear differences between political control and managerial control (Nielsen, 2021).

Thirdly, increased transparency and reporting processes can act as a discouragement to political interference. Public disclosure requirements for board decisions, financial performance, and procurement contracts can narrow down manipulable openings (El Khatib, 2022). Online transparency tools such as digital dashboards on SOE financial performance have worked well to increase accountability in Indonesia as well as Romania (Munteanu et al., 2020). Implementation of such mechanisms in Namibia can bring its governance practice on par with international best practice and facilitate scrutiny of politically sensitive decisions publicly.

The fourth mitigation method is capacity-development of SOE boards to make them more resistant to political interference (Chatterjee, 2022). Ongoing professional training in governance ethics, risk-taking, and fiduciary obligations equips directors with confidence to stand up for independence and observance of governance codes (De Villiers and Dimes, 2021). Institutionalisation of such capacity initiatives can be undertaken in Namibia in association with organisations such as the Namibia Institute of Corporate Governance, while encouraging professionalism and accountability cultures.

Lastly, wider institutional reforms are required to deal with system enablers of political interference. These include strengthening anti-corruption agencies and judicial independence, as well as performance-based SOE board evaluation systems (Ahunwan, 2021). Globally, it has been observed that technocratic capture can result from autonomy without accountability; thus, reforms are needed to balance independence with performance tracking (Butzbach et al., 2021). The aim is to develop a governance framework where political and corporate interests' borders are well defined so that SOE boards can carry out their strategic functions and participate in national development with minimal interference.

2.5 Strategy execution in politically influenced environments

2.5.1 Strategy execution models and board accountability

Successful implementation of strategy usually follows derivative institutional integrity and accountability arrangements that align organisational objectives with operational conditions. In SOEs, models of strategy implementation such as Kaplan and Norton's Balanced Scorecard, McKinsey's 7S approach and Lynch and Cross's Performance Pyramid have frequently been adapted so that both commercial and social mandates are aligned (Butzbach et al., 2021). Organisational alignment across commonly held structures, systems and values is emphasised within these models while organisation-wide coherence is taken as a derivative of these alignments. However, application of these models within politically contested environments such as Namibia's SOEs is uneven. Accountability dimension blurs at board level, owing to performance being gauged not with measurable output but with political compliance arises (Deruytter et al., 2022).

Board accountability is a cornerstone of enterprise governance, with obligations to act within the best interests of organisations and stakeholders (Abang'a et al., 2022). In SOEs, however, such accountability is undercut through political appointments and

private performance reviews. The King IV Report (IoDSA, 2016) and Namibia's NamCode (Namibian Stock Exchange, 2014) both insist that board directors practice vigilance, expertise, and prudence, but political loyalties can easily trample such board obligations. In Namibia, for instance, board members have been removed following confrontations with ministry directives, a clear exhibition of board autonomy weakness (Lipumbu, 2021). Examples are TransNamib and Air Namibia. This pattern reveals misalignment between formal accountability structures and practical application within politically motivated settings.

Empirical research on emerging economies underpins this challenge. Politically exposed boards in SOEs in Nigeria and Kenya become aligned with projects that align with government agendas instead of organisational strategy, with attendant inefficiencies and weak accountability structures (Kakero, 2020; Nwafor et al., 2020). In such cases, accountability shifts upward to political principals instead of outward to shareholders and society, thus creating a governance gap that hinders strategic plan implementation (Alami and Dixon, 2020). In Namibia's institutional context with overlapping supervisory authority of ministers with shareholder responsibilities, boards are confronted by double accountability, to enterprise mission and political principals who appointed them (Siyaya, 2020). This double accountability weakens decision autonomy and strategic follow-up.

The agency theory examination discloses that politically discolored environments are vulnerable to principal-agent ineptness from over political interference. The principal (government) transfers control to the board as its agent. However, political intermediaries come in and introduce divergent ends (Klärner et al., 2021). The board as a strategic control system is hijacked as directors are more compelled through political survival than performance accountability (George and Seo, 2022). Institutional theory contributes that political patronage and factionism as additional-formal accountability norms cloud even robust governance structures, mingling organisational culture with strategic non-performance as the norm (North, 1990). While robust governance structures do exist in some SOEs, performance is dependent on institutional enforcement power and the integrity of the prevailing political ecosystem.

2.5.2 Governance failures and execution barriers

Failures of governance are a main barrier to effective implementation of strategic plans in politically motivated SOEs. These failures often come about as a result of blurring of roles, politicised unjust appointments without merit, substandard performance control, and board oversight deficiencies (El Khatib, 2022). In Namibia, repeated failures of

governance resulted in perpetual failures of governance that led key SOEs such as Air Namibia and SME Bank to insolvency due to poor administration and political interference (Ministry of Finance and Public Enterprises, 2023). The problem is exacerbated by institutionalised frailties in the system of governance such as lack of transparency and control measures to monitor board performance (Siyaya, 2020). The overall impact is to weaken strategic plan implementation since implementation is hindered through repeated leadership changes, interference from mixed agendas, and bureaucratic complacency.

Research across emerging markets suggests that governance failures in SOEs are systematic instead of isolated. Criticism from Hoban et al. (2020) includes excessive political interference leading to distorted governance chains. Similarly, criticism from Haerani et al. (2020) is that under such a condition, strategy implementations are hampered through weak communication lines and uneven decision-making patterns. Double accountability of SOE boards to ministries and to the enterprise in Namibia and creates role confusion that defaces governance coherence. This is experienced in sectors such as water and transport where boards are compelled to juggle developmental directives with political agendas at the bearpit of strategic performance (Lipumbu, 2021).

Execution barriers are also caused by leadership discontinuity and political unpredictability. Constant board composition shifts, often due to political shift alignments, lead to institutional memory loss and strategic discontinuity (Genin, van den Heuvel and Slabbert, 2021). In South Africa, Eskom's board-CEO merry-go-round is one such instance where political unrest sabotages strategic continuance (Pfanelo and Chinomona, 2024). Namibia's SOEs are no exception with boards replaced mid-term for flouting political directives, leaving strategic initiatives half-done (Baron, 2023). This unpredictability gives rise to indecisiveness amongst administrative teams, hampering innovation and long-term investment in organisations capabilities.

Another main challenge is the diminishing sense of meritocracy in board selection. Tekin and Polat (2021) describe how politically motivated appointments lead to skills-strategy mismatch, such that directors lack technical qualifications and expertise needed for strategic control. In Namibia, this mismatch is prominent within industries such as energy and aviation owing to the sophisticated nature of operation. Absence of merit in board director selection diminishes cognitive diversity and analytical capacity required for appropriate decision-making (Chatterjee, 2022). Owing to this challenge, boards are

unable to translate strategic risks and performance indicators, thus rendering them incapacitated in monitoring progress of implementation.

Institutional weakness adds to governance weakness. Mbidzo (2020) asserts that weak enforcement of corporate governance codes leaves political influence unchecked. In Namibia, despite adoption of the Public Enterprises Governance Act and NamCode, enforcement is not sufficient to ensure compliance. Without punitive measures or external scrutiny, governance infringements go unchecked with breeding a culture of impunity (Nielsen, 2021).

2.5.3 Role of institutional context and regulatory integrity

Institutional environment and regulatory integrity are the foundation upon which successful strategy implementation is built. In emerging economies, inadequate institutional settings exacerbate the unintended consequences of political interference through the mostly self-serving corporate governance boundaries of political authorities (Bruton et al., 2015). This is precisely what is seen from the state's double role as owner and regulator, which tends to give birth to conflicting interests that, in turn, blur regulatory neutrality (Peng et al., 2023). As perceived by North (1990), it is institutions that dictate society's "rules of the game". Sadly, when these are vague and weakly enforced, then informalities such as patronage and rent-seeking become the dictates of organisational behaviour. In such cases, strategic choices within SOEs are made on political negotiation and administrative influence as opposed to evidence-based governance.

Regulatory integrity is essential in shielding SOEs from excessive interference and guaranteeing that governance codes translate on the ground. The Public Enterprises Governance Act (2019) and the NamCode were crafted with intents to create well-defined oversight structures. Their enforcement is, sadly, still patchy. El Khatib (2020) notes that where governments are both regulators as well as shareholders, regulatory capture becomes unavoidable. This is evident in Namibia, where ministries exercise control over SOE boards under the guise of shareholder oversight, thus rendering nugatory the autonomy intended under governance legislation (Siyaya, 2020). The outcome is a regulatory framework that sanctions interference as okay while subverting strategic implementation through diverging mandates as well as accountability distortions.

Comparative evidence supports institutional integrity as central autonomy in governance. In China, independent regulatory bodies instituted through SOE governance reform

rendered strategic alignment much stronger, and improved performance results significantly (Genin et al., 2021). In sub-Saharan Africa, however, where independent regulatory capacity and enforcement is relatively weak, politically connected SOEs underperform (Nwafor et al., 2020). Namibia's institutional environment reflects this pattern: regulatory structures are paper deep rather than impacted negatively through political freedom in application (Ministry of Finance and Public Enterprises, 2023). Institutional fragility makes it possible for boards to develop habituated practice under changing rules, rendering strategic implementation unpredictable and inconsistent.

The institutional framework also dictates the operations of accountability mechanisms. De Villiers and Dimes (2021) contend that good reporting mechanisms are good for transparency and dissuading political interference. Yet, in Namibia, mandatory disclosure requirements for performance of SOEs are lacking, thus limiting public scrutiny. Without measurable benchmarks, strategic underperformance cannot be revealed through political discourse, and cannot, therefore, be curbed. Institutional scholars like Nielsen (2021) point out that institutional legitimacy rests on both formal arrangements and the integrity of those responsible for enforcement and regulation. If regulators are themselves politically connected, then governance reforms would in the end be superficial.

In addition, cultural and bureaucratic bequeaths influence institutional conduct. The post-colonial governance framework of Namibia bequeathed a centralised bureaucratic culture that is centered on loyalty rather than accountability (Siyaya, 2020). This inertia of culture limits independent governance norm development and entrenches decision-making hierarchies that are resistant to decentralisation. The institutional landscape thus impacts not only the regulatory machinery but also forms organisational culture within SOEs, instilling compliance behaviour that is attuned to political aligning rather than strategic performance (Rock, 2020).

In order to boost regulatory integrity, Namibia needs to reinforce institutional independence through transparent appointment processes, functional insulation of ownership and oversight mandates, as well as enforcement tools that sanction violations of regulatory requirements. In the absence of these, the institutional framework would continue to give credence to political interference in strategy implementation, limiting SOE board capacity to deliver on national developmental agendas.

2.5.4 Governance tools enhancing strategic alignment

To mitigate political interference and enhance strategy implementation, SOEs need governance tools that can create alignment among organisational priorities, regulatory requirements, and board accountability. The most essential among these are performance management tools, integrated reporting and board evaluation tools. Gikaria (2021) points out that well-crafted performance management tools help SOEs to translate strategic expectations into measurable outputs, providing a clear connection between board activities and organisational performance. In Namibia, however, performance appraisal tools are weakly developed with board appraisals usually informally and intermittently undertaken, and lacking definite criteria (Ministry of Finance as well as Public Enterprises, 2023). The lack of systematic appraisal restricts accountability for strategic implementation amongst directors.

Integrated reporting, as pushed for by De Villiers and Dimes (2021), provides another means of boosting coherence. By integrating financial, operating, and governance data, integrated reporting gives a comprehensive view and understanding of performance and supports evidence-based decision-making. In South Africa, utilisation of King IV's integrated reporting framework has enhanced strategic harmony in SOEs through connecting corporate performance with sustainability and governance metrics (IoDSA, 2016). Namibia's NamCode makes comparable recommendations, but adoption has varied due to inadequate board capacity and poor regulatory enforcement (Lipumbu, 2021). Improving reporting quality could thus reinforce transparency, dissuade political interference, and enhance stakeholder confidence in SOEs' strategic trajectory.

Another essential governance vehicle is risk management integration. Tahir et al. (2020) comment that risk management structures align strategic agendas with risk tolerance so that political or external pressures do not deflect corporate aims. In Namibia, however, risk management is frequently framed as a compliance exercise rather than a strategic role (Siyaya, 2020). Integrating risk evaluation within strategic planning horizons can allow boards to see political or regulatory disruptions coming and develop mitigation tactics. This is both a matter of technical competence and independence, attributes frequently watered down through politically driven board compositions.

Capacity-building is also a governance tool for strategic alignment strengthening. Chatterjee (2022) contends that regular director education increases board performance through imparting board members with competency on strategic data interpretation and warding off pressures from outside forces. Institutionalisation of that for Namibia through

the bodies such as NICG would be valuable for Namibian SOEs. Professionalising board governance can help SOEs build accountability culture that can endure political turbulence as well as create long-term strategic consistency.

Digital governance tools also offer prospects for aligning strategies in a stronger manner. Munteanu et al. (2020) revealed that digital transparency platforms that publish SOE performance data in real-time increase public scrutiny and diminish corruptive opportunities. The inclusion of digital governance through SOE financial performance dashboards Namibia can increase transparency and facilitate tracking of strategic goals achievements by both citizens and regulators. This is a technical approach that aligns with international best governance practices as seen in Singapore and New Zealand, where open data initiatives widened government SOE administration credibility among citizens (Baron, 2023).

Lastly, legislative and policy reforms are macro-level governance instruments that insitutionalise accountability. It is possible to strengthen Public Enterprises Governance Act to entrench independent oversight bodies and performance-based appointment mechanisms, reducing political discretion in selecting board members (El Khatib, 2021). Internal governance instruments would be supplemented through such reforms with an environment that promotes ethical leadership and strategic alignment. The institutional theory points out that tools are effective only when reinforced with believable enforcement structures and cultural buy-ins (North, 1990). In Namibia's case, strategic execution excellence, through embracing governance instruments and embedding them within integrity-based practices can go a long way in enhancing strategic alignment.

2.6 Empirical insights from global and African literature

In both regional and international contexts, substantial empirical evidence highlights that both performance and governance of SOEs are heavily influenced through political interference's extent institutional integrity. Studies from both Asia and Latin America affirm that even in reformist environments, SOEs remain vulnerable to excessive state control that distorts strategic emphasis and undermines efficiency. Butzbach et al. (2021) noted that while SOEs are hybrid organisations that need to balance commercial and political agendas of public policy, political intrusion in such instances frequently undermines such balance through preferred short-term political deliverables, as opposed to longer-term corporate sustainability.

In China, empirical research through Genin et al. (2021) finds that institutional reform across high-speed rail subsectors reduced political control, improved technological innovation and increased strategic coherence, implying that whenever governance reform significantly limits political discretion, strategic implementation improves. Conversely, Tekin and Polat (2021) concluded from Turkish evidence that political appointments and ministers' interference brought inconsistency within SOE decision-makings that ate at both board accountability as well as finance discipline. Each of these consequently highlights that political influence is amongst the most persistent threats to strategy implementation and corporate efficiency within SOEs globally.

In Europe, Dragomir et al. (2021) investigated politically controlled airlines and concluded that political interdictions in executive recruitment and capital investments created governance instability that reduced operational performance, leading to eventual insolvency. The same patterns are repeated in developing economies such as Indonesia and Romania, where political considerations thrive over business compulsions (Munteanu et al., 2020). Costa (2020) verifies this observation with a highlight that ownership form within SOEs determines the degree of state control, thereby exerting influence on both governance quality and strategic performance. In Romania's public sector, Sadeh et al. (2021) reported that governance codes alone proved ineffective without institutional enforcement since boards always bowed to pressure from ministers. These instances affirm that structural reforms without meaningful political will to respect board independence are ineffective in achieving desired governance outcomes. As such, international empirical findings consistently reveal a recurring governance paradox: institutional structures are erected to enable independence, while political informality becomes paramount, dominating decision-making and, on occasion, silently dictating its terms to strategy implementation.

In the African context, political interference is more forcefully experienced due to frail institutional arrangements, networks of patronage, as well as blurred lines of government ownership and regulation. Politically motivated board appointments in Kenya led to mismatching enterprise strategy with state policy as reported by Abang'a et al. (2022), leading to subpar performance of SOEs. Similar patterns were reported by Nwafor et al. (2020) in Nigeria, where SOEs in Imo State had minimal strategic-execution capacity due to constant political interference within managerial operations. Similar patterns are reported from Zambia and Ghana, where political dictums regularly overlaid SOE investment priorities with those that were not commercially viable as reported Munsanje (2021). In South Africa, political patronage within Eskom and Transnet was observed to

compromise board cohesion as reported by Pfanelo and Chinomona (2024) that executives within these SOEs were either dismissed or redeployed due to shifts within political alliances. Such patterns indicate that political interference is not only significantly impactful on performance within operations; it distorts strategic coherence, and upsets leadership continuity and breeds inefficiency under the broader governance matrix.

Empirical evidence also reveals that political influence significantly gets mediated through the institutional environment. Mbidzo hypothesises that African SOEs' governance failure is more attributable to institutional accountability weakness rather than ownership. Siyaya (2020) registered similar patterns in Namibia: despite the Public Enterprises Governance Act and NamCode, absence of enforcement structures left room for political interference to exert itself unchecked. The discovery aligns with institutional theory that posits that under weak governance settings, formal regulations are replaced with informal norms (North, 1990). Zambia, Zimbabwe, and Botswana's comparative study makes further revelation that regulatory ineffectiveness maintains interference. Zhou (2023) makes an observation that political elites in Zimbabwean SOEs are good examples of continued disregards of efficiencies due to institutional loopholes that they exploit for purposes of strategic control captivity. The Namibia case is a mirror of that regional pattern of political interference thriving despite well-meaning parliamentary reforms aimed at depoliticising corporate boards.

International empirical research also provides lessons on mitigation. De Villiers and Dimes (2021) cite that performance-linked accountability and open-ended reporting mechanisms can help curtail political interference. In well-performing enterprises such as Norway's Equinor and Singapore Airlines, board appointments are done through strong merit-based processes with performance measurement attuned with well-defined outcomes (Baron, 2023). Again, Olivieri et al. (2022) concluded that when SOEs venture on corporate citizenship modes with performance linked to ethical governance arrangements, political interference diminishes significantly. The international cases suggest that successful governance reforms are dependent on depoliticising appointments, institutionalising accountability and elevating board professionalism. In Namibia's own case where political and administrative machinery are highly intertwined, lessons from such cases suggest that Namibia has lessons to learn on structurally segregating ownership, oversight and policy formulation functions.

2.7 Synthesis of literature and identification of research gap

The meta-analysis of literary empirics on theory suggests multi-dimensional accounts of the impact of political interference on strategic SOE governance. Research converges on assumptions that political interference on corporate decision-making deceives strategic attention, minimises accountability, and diminishes institutional confidence (Bruton et al., 2015; Klarner et al., 2021). The agency theory rationalises these trends as due to principal-agent ties that are misaligned, while institutional theory highlights how political norms formally substitute governance arrangements (North, 1990). Despite avoiding these developments on theoretical intellection, a gap continues to remain in conceptualisation of these trends' deviations occurring under African context, particularly in small economy developing countries such as Namibia whose institutional frailty and centralised political power reinforces interference. Literature is fertile with conceptual coverage despite that being predominantly on big emerging markets such as China and India with innumerable pieces of empirical evidence on political interference's strategic outcome impacts.

Research in European and Asian settings typically take efficaciously functioning regulatory control and high transparency levels assumptions (Costa, 2020; Genin et al., 2021). In African environments, governance structures are plausible without power enforceable. This gap reveals void on theoretical cross-popping governance structures from developed economies settings to emerging economies' settings with political fragility, as well as weak managerial capacity and blurred lines of accountability.

Another critical gap is that of under-researching interaction within governance structures along with institutional capacity. Studies such as that of Mbidzo (2020) and Nwafor et al. (2020) point to weak institutions allowing interference, but few studies go on to empirically investigate whether SOE boards are successful in overcoming these challenges on the ground. In Namibia, exercise of political control continued despite compliance with NamCode and King IV principles such that traditional structures of governance alone cannot guarantee independence (Siyaya, 2020). The study falls short however of empirically revealing its teeth on political pressures, bureaucratic norms and institutional inheritance with a tendency collectively to delimit board freedom. Furthermore, interaction within governance codes and host country political culture is under-researched. Specifically in comparison to South Africa, Namibia is weakly developed in terms of culture of civil society monitoring which constrains external pressure necessary to forcefully enforce board accountability. This is an institutional and

empirical gap ploughed in by this study when it investigates governance structures as operating within Namibia's unique socio-political terrain.

The study also brings to light a methodological gap. Various earlier studies are based on the quantitative approach that record performance without decomposing power association along with institutional conduct embedded into those findings. George and Seo (2022) also point out a qualitative study gap that studies board members' everyday life under political constraint. The qualitative study approach of this study therefore fills that gap by probing SOE executives' and directors' perceptions, tactics, and coping strategies under complex political situations. There is also dominance in African countries' comparison study of concern with macroeconomic performance indices with a relative lack of concern with strategic procedures that link governance with performance (Pfanelo and Chinomona, 2024). This leaves a gap in research.

In Namibia, the gap is three-layered: theoretical, empirical, and contextual. Theoretically, there is a lack of due intertwinement of institutional and agency frames on why political behaviour contravenes governance structures. Empirically, evidence of Namibian SOE board directors and executives' lived experience and functioning within political interference while seeking to deliver strategic agendas, is lacking. Contextually, it is a lack of research on distributive effects of political interference as a consequence of Namibia's unique institutional terrain and political power dynamics, miniature corporate landscape, and evolving governance reforms acting on political interference scope and impact limits.

With these gaps, this research makes a fillip to governance theory refinement in new economies, as well as practical insights from which those with intentions to insist institutional reform and board professionalisation for SOE performance improvement can draw lessons.

2.8 Conceptual framework

The conceptual framework synthesises the theoretical postulations of institutional theory and agency theory to describe political interference's impact on board autonomy which, in turn, impacts strategy implementation and organisational performance in Namibian SOEs. The model presented below gives a logical sequence that connects the independent variable (political interference) with the dependent variable (organisation performance), with board autonomy and strategy implementation as mediaries. It conceptualises political interference as an external institutional factor that distorts board

decision-making processes and board autonomy levels, and undermines strategic accountability (Klarner, Yoshikawa & Hitt, 2021).

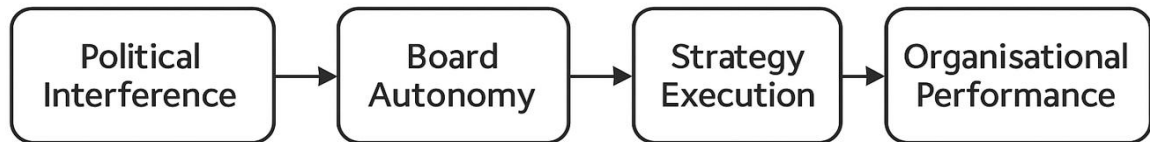


Figure 1: Conceptual framework for the study

Source: Researcher's own (2025)

The diagram envisions a chain relationship such that political interference is postulated to compromise board autonomy so that the board is incapacitated from effective implementation of corporate strategy. Decreased efficiency in strategy execution then jeopardises organisational performance in SOEs. In contrast, where political interference is controlled and board autonomy is safeguarded, SOEs stand a greater chance of strategic alignment and better performance results (Costa, 2020; Chatterjee, 2022).

Theoretical Justification

The agency theory developed by Jensen and Meckling (1976) gives a root explanation for this mismatch of interests between principals (the State) and agents (SOE boards). In Namibia, this principal-agent relationship is made complex due to political actors who corrupt the principal-agent relationship with direct and indirect interference in board compositions and decision-taking processes. Political appointees can place loyalty to political masters above their duty of care to the enterprise, as a result compromising accountability and effective implementation of strategy (Abang'a et al., 2022; Niazi et al., 2023). From an agency point of view, such conduct is a transgression of directors' fiduciary duty of care, skill and diligence as codified in both King IV and NamCode (IoDSA, 2016; Namibian Stock Exchange, 2014). The political interference thus injects moral hazard and agency loss due to inefficiency within allocation of resources along with poor strategic deliverables (Dragomir et al., 2021).

Complementing the agency theory, Institutional Theory provides a wider socio-political framework within which political interference can be explained as a persistent phenomenon. According to North (1990), institutional arrangements – both formative and

immaterial – determine organisational behavior through stipulation of the “rules of the game.” In weak institutional settings such as Namibia, political norms such as loyalty and patronage transcend over formative governance structures (Peng et al., 2023). The outcome is institutional capture through which political elites flout governance procedures for political gain. Empirical cases from analogous settings such as Nigeria and Kenya confirm that such interference undermines board independence and short-term political gain over longer-term strategic considerations (Nwafor et al., 2020; Kakero, 2020). The institutional approach thus supplements agency theory in that it clarifies why governance reforms are prone to failure in their effort to insulate SOEs from political control, despite formative regulatory measures being in existence.

A combination of these two theories reinforces the conceptualisation of the framework of this study: political interference as a systemic institutional barrier that undermines board autonomy with suboptimal strategy implementation ensuing, resulting in reduced organisational performance. The above causal chain also includes board autonomy as a central governance construct with its mediatory role. When political influence corrupts board composition and decision-making processes, independent action on behalf of directors is limited so that strategic implementation that meets organisational commercial and developmental mandates becomes weak (Li & Zhang, 2022; Chatterjee, 2022). In Namibia where SOEs play in both service provision and economic advancement focal points, such a phenomenon became prominently manifested within Air Namibia and SME Bank collapses, where politicised decisions were amongst factors that led to strategic and financial bankruptcy.

Linkage to Research Questions

The conceptual framework is connected to the four research questions informing this study in a direct manner with each research question interrogating a different relationship within the model.

The initial research question how political interference impacts SOE board autonomy and performance corresponds to political interference on board autonomy (First Link: Political Interference → Board Autonomy). Existing research shows that political appointing practice and command-oriented governance restrict freedom of action that limits independent action on the part of directors (Ahunwan, 2021; George & Seo, 2022). The framework suggests that interference negatively moderates board autonomy, reducing strategic control as well as accountability.

The second research question on how political interference impacts corporate strategy execution maps to the second relationship (Board Autonomy → Strategy Execution). Agency and institutional theorists concur that independent boards exercise effective strategic control and balance operational choices with longer-term aims (Thenmozhi & Sasidharan, 2020; Genin et al., 2021). Politically interfered boards on the other hand experience dispersed choice-making as well as riskiness aversion hindering strategy implementation (Munsanje, 2021). The framework thus hypothesises that reduced autonomy directly corresponds with poor execution and performance.

The third research question on how governance and institutional weaknesses facilitate political interference relates to the wider institutional framework within which the framework exists. As identified through El Khatib (2022) and Nielsen (2021), institutional weakness, lack of enforcement, and overlapped ownership-regulation roles are facilitative factors which enable and support political interference. In Namibia, such institutional deficiencies sustain a governance culture which overrules board independence formally despite compliance with governance codes.

Lastly, the fourth research question on how governance interventions can reinforce board independence while minimising interference is associated with the framework's implicit feedback mechanism. Institutional enforcement strengthening, merit-based board selection, and open performance evaluation are suggested as governance interventions that can buffer the adverse causal chain. There is empirical support for such association; De Villiers and Dimes (2021) demonstrate that open performance disclosure increases board accountability, while Baron (2023) calls for clear segregation of political and corporate oversight roles to better strategic implementation and performance.

Integrative Evaluation

This conceptual framework positions board autonomy as the mediating mechanism between political interference and organisational outcomes, thus providing a diagnostic lens for assessing governance effectiveness in Namibian SOEs. It synthesises theoretical insights from agency and institutional perspectives to highlight that political interference is not merely an episodic challenge but a structural feature of weak institutional environments. By empirically testing the relationships among these constructs through a qualitative inquiry, this study aims to advance theoretical understanding and generate policy-relevant insights for enhancing governance in the public enterprise sector. The framework therefore serves as both a conceptual roadmap

for the research and a practical tool for interpreting how institutional and governance reforms can restore board independence, improve strategy execution, and enhance organisational performance in Namibian SOEs.

2.9 Conclusion

The reviewed literature demonstrates that political interference is a core limitation to successful strategy implementation within SOEs, especially in emerging markets with weak (but maturing) governance structures. The empirical research reveals that such interference occurs through board appointments based on patronage, executive interference, and politically driven performance agendas, all of which result in undermined board independence and strategic focus (Baron, 2023). The evidence from Namibia and analogous African settings supports the common pattern that state ownership obfuscates the corporate political mandate boundary, thus breeding inefficiencies, misalignment, and loss of organisational reputation (Lipumbu, 2021). Although codes such as NamCode and King IV stipulate formal governance requirements, literature attests that such is almost always subverted through political control habituated within SOEs' structures.

From a theoretical angle, institutional and agency theories offer explanatory counterparts to these governance ills. The agency theory sheds light on the interest mismatch between political principals and managerial agents with interference perverting accountability mechanisms (Jensen & Meckling, 1976). The institutional theory, in contrast, frames continuing interference because of weak institutional settings and unofficial political norms (Peng et al., 2023). The above models converge on showing that governance reform alone cannot eliminate interference without institutional capacity improvements and those of accountability framework occurring in tandem.

CHAPTER 3: RESEARCH QUESTIONS

3.1 Introduction

This chapter formulates the research questions that motivated and guided this study. It proceeds from the stated research problem discussed in Chapter 1 and theoretical and empirical synthesis constructed in Chapter 2. While Chapter 1 outlined the systemic governance issues that face Namibian SOEs such as diffusion of political and corporate power, Chapter 2 critically discussed how these issues have been conceptualised under the agency and institutional theoretical perspectives. This chapter moves on from this analysis by interpreting theoretical findings in terms of guiding questions that concretise the research study's inquiry. The aim is to develop a crisp framework that guides political interference's qualitative discovery of board autonomy and strategy implementation.

In the Namibian context, SOEs are in a dual economic and social mandate, while governance structures are constantly compromised through political control mechanisms (Baron, 2023; Lipumbu, 2021). From prior research, it is indicated that when political players politicise board appointments and strategic choices, these boards' autonomy and effectiveness suffer, leading to subpar strategy implementation and lacking organisational performance (Bruton et al., 2015; Abang'a et al., 2022). This chapter thus frames research questions to explore the extent of such interference, manifestations, and institutional fragility that fosters these. Further, propositions are made as explanatory statements that build theoretical anticipation that is drawn from extant literature. The propositions are later put to test and refinement through qualitative empirical examination as described in Chapter 4.

The chapter's logical flow tracks with research design. The semi-structured interview protocol is informed by research questions, while propositions inform thematic coding and qualitative data interpretation. This approach makes it possible for the study to investigate institutional regularities as well as individual understanding of political interference and strategic governance. In this way, propositions fill the gap in the conceptual discourse of literature and contextual realities of Namibia's SOEs with a coherent analytical framework under which political, institutional, and governance forces interact in influencing strategy implementation (Costa, 2020; Klarner et al., 2021).

3.2 Research questions

The grand research objective is to investigate the extent and meaning of political interference for the governance and strategic performance of Namibian SOEs. To this

end, four core research questions are developed, based on theoretical understanding and empirical gaps identified in earlier chapters.

RQ1: How does political interference influence board autonomy and effectiveness in Namibian SOEs?

The first research question is relevant to political interference and board independence. The Chapter 2 – literature review – identified that political appointments usually undermine board autonomy through the infusion of loyalty-based governance practices instead of merit-based ones (Chatterjee, 2022). In Namibia, such governance practices led to governance failures in and collapse of enterprises such as Air Namibia and SME Bank, through political loyalty overrunning fiduciary responsibility, and strategic oversight (Lipumbu, 2021). The question tries to investigate the extent to which directors view and react to political influence within decision making processes and, specifically, on strategic planning, accountability, and performance appraisal.

RQ2: In what ways does political interference affect the execution of corporate strategy within SOEs?

The second research question connects political interference with the executive dimension of strategy implementation. Scholars underline that movement from strategy formulation to implementing is a chief test of governance quality (Abang'a et al., 2022). When executives and boards are under political influence, they may lean towards politically convenient decisions over long-term strategic plans (Baron, 2023). This research question therefore investigates how much political interference upsets executional processes such as allocation of resources, performance monitoring, and communication with stakeholders.

RQ3: What institutional and governance challenges enable political interference in SOEs?

The third question examines the enabling environment that enforces political interference. As concluded in Chapter 2, based on the institutional theory, weak formal institutions and strong informal norms enable governance manipulation in developing nations (Peng et al., 2023). In Namibia, interlocking roles among ministries, regulators, and boards obscure accountability structures as well as enforcement mechanisms (Ministry of Finance and Public Enterprises, 2023). The question thus seeks to determine institutional loopholes, cultural behaviors, and policy inconsistencies that render SOEs vulnerable to political intrusions.

RQ4: What measures can strengthen board independence and reduce political interference?

The fourth question is normative, aiming to investigate governance reforms and instruments that may reduce political interference and promote board independence in Namibia as the immediate geographical focus of the study – acting as a proxy of the African context. Existing literature recommends open forms of appointment processes, board professionalisation and robust oversight institutions as critical discouragers of interference (George and Seo, 2022). Still, enforcement of these initiatives within developing settings is always hampered by deep-rooted patronage networks and anti-accountability defiance (Nielsen, 2021).

3.3 Propositions

Since this research is qualitatively inclined, it uses propositions instead of hypotheses. Propositions in qualitative research are interpretive statements that assert anticipated relationships between constructs as prisms through which data is interpreted and analysed (Creswell & Poth, 2023). The propositions that are drawn directly from conceptual bases of agency and institutional theories along with empirical knowledge synthesised within Chapter 2 are as follows:

P1: Political interference negatively affects board independence and governance quality.

This argument asserts that political interference jeopardises SOE board governance integrity and autonomy. Politically driven appointments render board oversight and decision-making non-objective Chatterjee (2022). Baron (2023) expands on this assertion, noting that when political control is equated with state ownership, governance quality is reduced with attendant inefficiencies and strategic freeze. Dragomir et al. (2021) empirically illustrate that political control over SOE boards in Europe led to sustained losses from operations. In Namibia, analogous trends have developed, with SOEs suffering leadership changes, weak financial performance, and strategic freeze due to open political interference (Siyaya, 2020; Lipumbu, 2021). This argument will inform research on how such interference occurs destroys independence, professionalism, in accountability in Namibian SOE boards.

P2: Board autonomy enhances effective strategy execution in SOEs.

The second proposition maintains that autonomy with power empowers boards to implement corporate strategies more effectively. Studies confirm that independent boards are best placed to lead long-term goals over short-term political considerations (Abang'a et al., 2022). When directors bring independent judgment and act within their fiduciary obligations, they reinforce strategic consistency and monitoring performance mechanisms (Wang et al., 2020). Compromised autonomy usually results in policy flips and misaligned strategies that dilute outcomes of execution (Costa, 2020). In Namibia, more independent-structured boards like those at the Namibia Ports Authority have shown more consistency in implementing long-term infrastructural projects compared to those infested with political play. Hence, this proposition underlines the assertion that board independence is a condition that undergirds efficient implementation of strategies and sustainable organisational performance.

P3: Weak institutional frameworks facilitate persistent political interference.

This argument draws on the institutional theory to explain system causes of interference. North (1990) argues that informality depth in institutional settings determines the level of predictability and accountability in organisational governance. In Namibia, weak governance enforcement codes and weak regulatory control allow political interference to thrive (Ministry of Finance and Public Enterprises, 2023). Similar patterns are observed in Kenya and South Africa, where poor institutional strength failed in curbing political influence over SOEs (Mbidzo, 2020). Peng et al. (2023) also point out that institutional voids in emerging economies create room for political agents to exploit regulatory loopholes in advancing personal and party agendas. This argument therefore anticipates Namibia's institutional weaknesses transposed through overlapping mandarins, weak accountability, and a lack of transparency fuel enablers of political manipulation in SOE governance.

P4: Implementation of strong governance mechanisms improves strategy execution outcomes.

The final proposition asserts that good governance structures facilitate effective strategic fulfillment through enforcer of accountability, professionalism, and performance discipline. Cross-country research evidence suggests that governance reforms grounded on King IV and OECD principles significantly enhance board effectiveness and organisational performance (Deruytter et al., 2022). According to Costa (2020),

interjection of strong governance principles, performance contracts, and disclosure mechanisms can suppress discretionary political interference. In the same light, Sadeh et al. (2021) concluded that Romanian SOEs improved operational performance following interjection of governance monitoring mechanisms. In Namibia, successive policy interventions such as Public Enterprises Governance Act have endeavored to enroot performance assessment and board accountability (Ministry of Finance as well as Public Enterprises, 2023). This proposition will inform analysis of whether such governance structures can significantly suppress interference and restore strategic effectiveness in Namibia's SOEs.

3.4 Conclusion

This chapter outlined the main research questions and propositions guiding the qualitative political interference and strategy implementation research within Namibian SOEs. From Chapter 2's theorised constructs that developed, hypotheses represent an interpretive connection that ties political interference, board autonomy, institutional integrity, and strategy implementation performance. Research questions represent a systematic framework that is used to guide empirical research such that inward detailed understanding can be developed on political interactions with Namibia's enterprise public enterprise society practice.

The thesis cumulatively anchors chapter 4 data analysis and collection procedures since thematic patterns derived from documentary analysis and interviews are subjected to these theory expectations. P1 and P3 are against political interference restrictions and institutional frailty, while P2 and P4 investigate enablers of good governance and strategic performance. The framework ensures that empirical research is both descriptive and analytically dependent on extant theories, and scholarly literature. Finally, Chapter 3 converts conceptual synthesis from Chapter 2 to actionable research logic that is good grounding on which to ground board members, executives, and policy-makers' lived experiences with Namibian SOEs.

CHAPTER 4: RESEARCH METHODOLOGY

4.1 Introduction

This chapter provides a methodological background of the study by describing philosophical assumptions, research design, and methods applied to investigate the impact of political interference on corporate strategy execution in Namibian SOEs. The study used a qualitative research design, underpinned by an interpretivist paradigm to mirror participants' lived experiences, and contextual understanding of governance practices. According to Creswell and Creswell (2023), interpretivism is used in studies of complex social phenomena that can be understood only through behaviour and perception. This approach was used since political interference within SOEs is a social and institutional phenomenon that can be better understood through informal norms, power relationships, and contextual governance (North, 1990). In focusing on the scale of interpretation rather than measuring scale, the study highlighted the manifestation of interference in strategic decision-making and challenges to board autonomy.

The qualitative framework allowed an in-depth study on how political influence impacts strategic governance through purposive sampling of SOEs across sectors. The case-study design suggested by Yin (2015) facilitated an in-depth examination of governance-related events in relevant contextual settings, as well as the complexities of political interference. The research design also combined document analysis with qualitative semi-structured interviews, which enabled triangulation of narratives, governance reports, and policy papers (Creswell & Poth, 2023). This pluralist approach brought both credibility and interpretive depth. The adopted approach, together with the study's institutional and agency theories, which conceptualised how political principals' relationships with SOE boards decrease both coherence and tension (Jensen & Meckling, 1976; Peng et al., 2023).

The methodological choices adopted are directly related to research questions that seek to study political interference and how it impacts board autonomy, constrains strategy implementation, and influences organisational performance outcomes in Namibian SOEs. With the placement of research investigation within interpretivist framework, the research emphasised that SOE governance realities cannot be limited to measurable variables only, but must extend to a rich contextual understanding of actors, relationships, and institutional norms (Klarner et al., 2021). The qualitative study design, as a result, ensured that the data represented real managerial, political, and governance realities in line with claims from Abang'a et al. (2022) and Chatterjee (2022) on context-

specific board performance within SOE settings. The applied methodological framework ensured that postulated philosophical presumptions, research design, and analysis protocols are coherently interlinked, thus insuring research rigor and coherence.

4.2 Research philosophy and paradigm

The researcher used an interpretivist epistemology and a constructivist ontological position when examining the phenomenon of political interference in Namibian SOEs. The interpretivist philosophy is premised on the understanding that social reality is subjective and can be understood only through interpretations by individuals, based on their lived experiences (Creswell & Poth, 2023; Al-Ababneh, 2020). The epistemological position considers that knowledge is co-constructed through social interaction rather than being an individual, objective discovery. The researcher thus acknowledged that the experiences of SOE board members, executives, and policymakers regarding political interference represented the socio-political and institutional settings within which these groupings exist. This position was suitable for the current research since the impact of political influence on board autonomy and strategy implementation is not a readily measurable phenomenon, but is intertwined with multifaceted governance relationships, institutional norms, and subjective meanings (Lim, 2024; Patton, 2015).

The ontological foundation of the study assumed that reality is multiple and context-dependent. This means that the governance experiences of one SOE may be different from those of another, even within the same national framework. For example, the lived realities of directors at Air Namibia, an enterprise that faced political interest before its collapse, would differ from those of directors at Namport, which maintains relative autonomy in its strategic operations. This pluralistic ontology enabled the researcher to appreciate such nuances, allowing multiple interpretations to coexist rather than imposing a singular position. As Yin (2015) and Merriam and Grenier (2019) assert, qualitative research grounded in interpretivism is particularly suited to exploring governance complexities that arise from human perceptions, ethical dilemmas, and contextual decision-making processes.

The adoption of a qualitative paradigm was driven by its capacity to extract rich, contextualised insights from the lived experiences of board members and policymakers. Quantitative paradigms, which rely on measurement and generalisation, would have been inadequate for capturing the subjective meanings behind board decisions influenced by political pressures. In governance studies, particularly in contexts of developing countries, a qualitative inquiry allows the researcher to capture subtleties of

power, autonomy, and institutional norms that quantitative methods might obscure (Ahunwan, 2021; Costa, 2020). This paradigm facilitated in-depth engagement through semi-structured interviews, permitting participants to express their perceptions freely and reflectively. The researcher's role in this interpretive study involved identifying patterns and meanings emerging from these narratives.

4.3 Research design

The research used a qualitative multiple-case study design which was suitable in examining complex interlinkage of political interference, board autonomy, and implementation of strategy in Namibian SOEs. As explained by Yin (2015), a case study design is best used when conducting research on a modern phenomenon that is not well defined from its setting. Political interference is a rooted governance problem which plays differentially across institutions; therefore, examining it through a case-study approach ensured a holistic understanding of its operations and its influence.

The justification for a case study design was that it would be feasible to combine interviews, texts of policies, and governance reports to develop a rich description of board practice and strategic decision-making. As De Villiers and Dimes (2021) and Deruytter et al. (2022) illustrate, governance processes are multi-dimensional and can only be triangulated to grasp institutional complexities. The research thus examined a purposive sample of SOEs from strategic economic sectors such as transport, energy, finance, and education, covering both commercial and non-commercial mandates. This made analytical generalisation possible through comparison of patterns within different governance environments. In this way, comparison of the liquidated Air Namibia with a well-functioning SOE with mature governance structures revealed differences in board independence and approaches of dealing with political pressures.

The single-case design option was overshadowed by a multiple-case design, as the latter is best suited for facilitating conceptual strength in research studies. Multiple-case analysis provided the researcher with an opportunity to identify common governance patterns and variations, thereby differentiating enterprise-specific challenges from systemic institutional weaknesses (Genin et al., 2021; Chatterjee, 2022). The design was also appropriate under the interpretivist approach as it provided an opportunity to explore the ways in which various actors conceptualise political interference within their organisational settings.

In opting for an exploratory design, the researcher aimed to build empirically reputable understanding instead of hypotheses-testing. In selecting in-depth semi-structured interviews as the research method, the researcher left room for participants to narrate their own experiences and rationalise their organisational behaviour. This allowed the researcher to identify patterns through iterative analysis of the data (Miles et al., 2019). Furthermore, this method enabled contextual learning, a fundamental feature of governance research that unveils how cultural, institutional, and political dimensions interweave to inform strategic conclusions (Baron, 2023; Bruton et al., 2015). In adopting qualitative multiple-case study design as its design method, the researcher was successful in accomplishing contextual depth and comparison breadth, resulting in strong research findings capable of informing governance reforms and policy development, not only for Namibia but also for other SOE settings in Africa.

4.4 Population and research setting

The research was undertaken on Namibia's SOE sector, which represents a significant part of the national economy. There are 74 SOEs in Namibia, made up of 21 commercial SOEs, 42 non-commercial SOEs, and 11 extra-budgetary funds (Ministry of Finance and Public Enterprises, 2023). These SOEs are distributed across essential sectors, including energy, transport, agriculture, communication, finance, and education, and are tasked with promoting both commercial and socio-economic objectives. Commercial SOEs such as NamPower, Namport, and Telecom Namibia are required to attain profitability levels while ensuring service delivery efficiency, while non-commercial SOEs like the Namibian Broadcasting Corporation and National Housing Enterprise are concerned with developmental and social charges. The extra-budgetary organisations such as the Namibia Students Financial Assistance Fund (NSFAF) and the Environmental Investment Fund are tasked with quasi-fiscal roles through social and environmental initiatives, respectively. Collectively, these SOEs are central to Namibia's Vision 2030, all while enduring governance difficulties related to political interference and institutional weak control (Lipumbu, 2021; Costa, 2020).

The population included board of directors, chief executive officers, senior managers, governance experts, and senior government officials responsible for SOE administration and with direct participation in strategic governance and policy implementation. In prior research, it is emphasised that communication among these groups dictates governance quality and strategic performance in SOEs (Abang'a et al., 2022; Bruton et al., 2015). Hence, learning from them was central to uncovering political interference as it emerges, and understanding its influence on board autonomy and strategic decision-making.

The choice of Namibia as the research context is appropriate due to its representativeness of developing-country governance environments where political patrimony and state control continue to prevail. The governance architecture of Namibia grounded in the Public Enterprises Governance Act (2019), NamCode (2014), and King IV (IoDSA, 2016) has a formal framework for SOE governance. Nonetheless, politically driven appointments persist, along with executive directives, which shows dissonance in institutional formularies from actual governance practice (Dragomir et al., 2021). Hence, this context presented an empirically sufficient site for understanding the interconnection between state ownership, board dynamics, and strategic implementation within a maturing institutional landscape.

The cases were selected on the principles of relevance and representativeness. The study was confined to SOEs from sectors that are known to have had governance controversies over the years (energy, transport, communication, finance, and education). The cases involved a range of commercial and non-commercial mandates, to make a comparative understanding of the impact of political interference on profit-oriented and developmental enterprises possible. The multi-sector coverage facilitated generalisation of research findings to a broader Namibian SOE arena while remaining rooted in contextual particularity.

4.5 Level and unit of analysis

The research used a multi-level analytical framework that included both organisational and individual levels of observation. At organisational level, principal units of observation included board directors, chief executive officers, senior managers, and government officials who are mandated with SOE administration functions. The actors were purposively sampled due to their direct involvement in corporate governance practice, strategic planning, and implementation processes. According to Kumar (2018), and Shaw (2016), people are appropriate analytical units when research is attempting to capture subjective perceptions, decision patterns and lived experience within institutional settings. From the semi-structured interviews, the researcher gained deep understanding of what the participants felt, and what they thought of political influence and interference in governance practice.

At organisational level, the chosen unit of analysis was useful in tracking patterns of governance behavior and implementation of strategy through various structural, policy and contextual factors. This level retained organisational characteristics such as board composition, ownership patterns, reporting lines, and sectoral mandates. As highlighted

by Damşa and Jornet (2021), multi-level design is used to connect individual interactions with institutional patterns, with the aim of attaining a more comprehensive understanding of governance phenomena. This is due to the fact that SOEs have different levels of political exposure, autonomy, and political dynamics, with different strategic outcomes.

The analysis thus worked on two interrelated levels: (1) the micro-level on which behaviour of individuals, perceptions, and moral judgments were studied; and (2) the meso-level on which political supervisory structures and board compositions were surveilled. This complementarity facilitated the revelation of the point at which institutional structures and individual agency merge to determine corporate governance performance (Chatterjee, 2022; Klarner et al., 2021). The interjection of levels added interpretive validity to the research findings such that both behaviourally and systemically prompted motives of political interference in Namibian SOEs are understood.

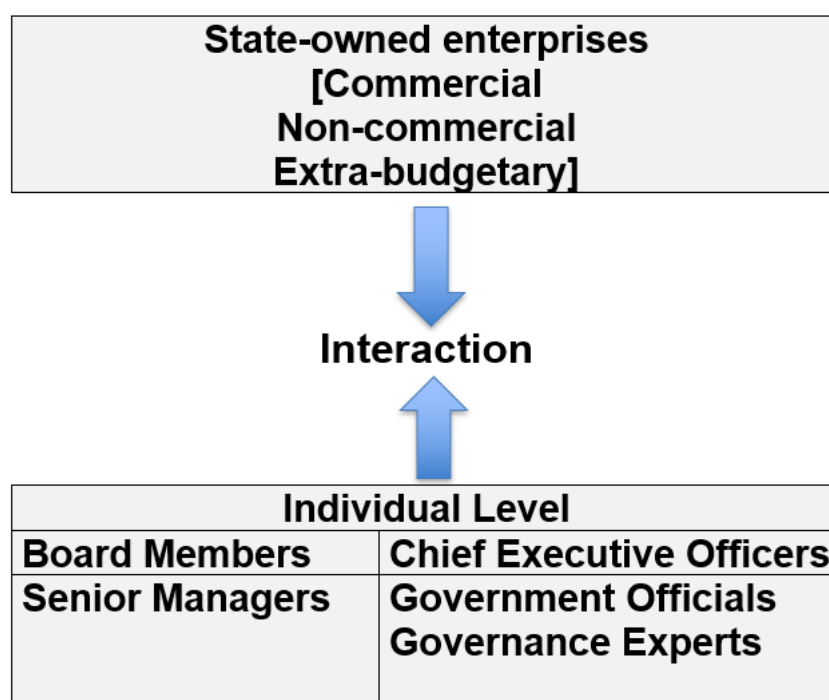


Figure 2: Level and unit of analysis in the study

Source: *Researcher's own (2025)*, based on Kumar (2018) and Damşa & Jornet (2021)

The above diagram shows the inter-relatedness of the level of analysis with that of the unit used in this research. This analytical framework enabled the research to cross over from the micro to the macro governance arenas. The framework was compatible with the interpretivist research paradigm that places focus on contextualised and multi-dimensional understanding (Creswell & Poth, 2023). This double-layer approach ensured that both the cognitive outlooks of those involved in SOE governance, and the

SOEs' structural realities were appropriately captured to enrich the study's empirical and theoretical contributions.

4.6 Sampling method and sample size

The research used a purposive sampling approach that is commensurate with qualitative research philosophies that are known to value depth and relevance at the expense of statistical generalisability (Creswell & Creswell, 2023). Purposive sampling was used owing to its ability to allow the researcher to intentionally determine participants and cases that are most well-informed about the studied phenomenon - political interference in SOE governance, and strategy execution. The main criterion used when selecting samples was participants' direct participation in strategic decision-making, governance oversight, and formulation of policies impacting Namibian SOEs. This encompassed individuals who held or had held office as board members, chief executives, senior managers, government officials, and governance specialists with first-hand experience with SOE operations.

The sampling frame was comprised of SOEs that constituted around 10% of Namibia's population of SOEs. Both commercial and non-commercial enterprises participated in the study, ensuring that a comparison was made between the profit-driven enterprises and those with mainly public-service motives (Abang'a et al., 2022). Furthermore, sampling across sectors including energy, transport, telecommunications, finance, and education ensured that diversification in SOE structures was represented, allowing for wider generalisability of findings across broader governance settings.

Participants were classified under four main categories: (1) board chairpersons and non-executive directors; (2) chief executives and senior managers; (3) policymakers and government officials from the government ministry responsible for SOE administration; and (4) independent governance professionals and scholars. This multicategory composition aided triangulation of viewpoints and ensured that both operational and policy levels of experience were ascertained (Bell et al., 2019; Yin, 2015). In each SOE, 1-3 participants participated in interviews. This number was considered sufficient to attain data saturation, when further interviews contribute no new understanding (Hennink & Kaiser, 2022; Guest et al., 2006).

The sample adequacy was also rationalised by the extensiveness of the professional practice of the researcher in Namibia's SOE sector, which made it possible to access top-level participants and add credibility to the research. This level of access enlarges

both participants' openness to share sensitive governance experience, and authenticity of data (Patton, 2015). Furthermore, such accessibility combined with the topicality of political interference in Namibia's discourse on policies ensured that participants saw the need to participate meaningfully.

4.7 Data collection methods

The research used multi-source research collection methods through a combination of semi-structured interviews and documentary analysis, to reinforce the validity of results through triangulation. This practice was commensurate with the interpretivist research paradigm and qualitative multiple-case study design, and allowed the researcher to integrate both subjective understanding and institutional records on political interference in Namibian SOEs. As highlighted by Creswell and Poth (2023) and Yin (2015), employing multiple data sources promotes contextual knowledge, and enhances research credibility through attenuation of biases related to single-method research.

4.7.1 Primary data

Primary data was gathered through semi-structured interviews, a method that was structured enough to balance flexibility and form, which increased participants' ability to portray their experiences sincerely while permitting the researcher to probe emergent themes without influencing the participants. This was especially appropriate since political interference is a sensitive governance matter that is usually informed by personal perceptions and lived experiences (Patton, 2015; Lim, 2024). Interviews were held with board members, executives, policymakers, and governance experts within seven SOEs with a duration of about 30 to 60 minutes per session. The open-ended questions served to lead the conversation such that it was consistent across participants while still adaptable to unique contexts.

The interview protocol was framed on four thematic regions reflecting study aims: (1) forms of political interference, (2) impact on board autonomy, (3) effects on strategy implementation, and (4) governance structures for mitigation. This framework ensured that data gathering was aligned with research questions, an important research practice emphasised by Silverman (2022). Interviews occurred in physical and remote locations (through Microsoft Teams) due to the participants' schedules, especially considering their seniority and anonymity issues. All sessions were audio-recorded with participants' informed consent. In compliance with research ethics measures, participants' anonymity was ensured with removal of identification details at transcription level.

4.7.2 Secondary data

Secondary data was gathered using documentary and policy analysis as part of filling in and cross-checking interview results. It involved documentary analysis of SOE's annual reports, board charters, strategic plans, and the Public Enterprises Governance Act (2019). Documents of this nature offered factual proof of governance structures, reporting processes, and state interference patterns (Costa, 2020; Deruytter et al., 2022). Analytic attention was directed at uncovering agreement or dissonance within formal principles of governance (e.g., King IV and NamCode) with participants' descriptive practicalities.

The addition of secondary data facilitated methodological triangulation through cross-checking of qualitative accounts with institutional proof (Yin, 2015; Creswell & Creswell, 2023). The data was coded systematically with NVivo along with interview records so that cross-checking was made feasible amongst participant understanding and policy proof. This was ensured that results from the study did not become exclusively opinion driven, but a coherent base for enhanced credibility and analytical rigor.

4.8 Research instrument

The study employed an interview guide as its principal research tool. The guide was developed such that it elicited detailed relevant answers with contextual grounding. It consisted of open-ended questions structured with reference to the four principal aims of the study so as to facilitate conceptual congruence with research questions, and with the theoretical framework. Its form was such as to conform to Patton's (2015) and Bell et al.'s (2019) recommendation that in research tool terms, with reference to interviews, flexibility must be weighted with concentration so as to yield rich meaningful data.

The main section of the questionnaire explored political interference, board autonomy, implementing plans of action, and governance resilience. Each section comprised 2-3 open-ended questions that were accompanied by focused probes to uncover latent motives and institutional forces. Examples of questions included *“Can you describe instances where external or political factors influenced strategic decisions taken by your board?”* This method balloted reflective answers and shed light on interference mechanisms with board workings. The latter part of the interview asked participants to suggest reforms and governance solutions, thus stretching analysis from analysis of symptoms to prescription. The development of the interview guide entailed a

consideration of existing tools from previous SOE governance research (Deruytter et al., 2022; Chatterjee, 2022; Baron, 2023).

4.9 Data analysis

Thematic analysis was premised on Braun and Clarke's (2006) guidelines on qualitative research. Qualitative research was selected for its versatility, its systematic identification interpreting abilities, and reporting of patterns (themes) in rich textual datasets. Thematic analysis was appropriate in an interpretivist study of multiple-case design since it allows for meanings to inductively emerge from narratives that emerged from participants (Creswell & Poth, 2023).

The qualitative analysis applied Braun and Clarke's (2021) six-step method. Under Step 1 (Data Familiarisation), a careful study of interview transcripts was done, reading transcripts multiple times, while cross-referencing with audio files for accuracy. This was done on initial identification of repeated concepts such as "ministerial influence," "board independence," and "strategic misalignment." Field notes with reflective memos were then read side-by-side to attain contextual understanding.

Under Step 2 (Initial Coding), transcripts were placed on the NVivo media program where open coding was applied. Codes such as *political appointments*, *directive compliance*, *autonomy constraints*, and *strategic inertia* were scientifically allocated to appropriate text passages. This was a stepwise procedure with new codes arising as analysis of data was ongoing (Saldaña, 2021).

Step 3 (Theme Generation) entailed bundling related codes within wider conceptual categories. For instance, codes such as *board appointment bias* and *executive turnover* were consolidated under the theme *manifestations of political interference*, while *unrealistic policy alignment* and *budgetary redirection* developed the theme *interference in strategic implementation*. NVivo question and matrix tools facilitated finding these co-occurring patterns such that themes had evidence base across cases rather than isolated statements (Miles et al., 2019).

In Step 4 (Theme Review), the researcher reduced themes through ongoing review for coherence with coded extracts, and with the overall data set. Some overlapping themes such as *political accountability* and *governance compliance* into a single theme titled *institutional fragility and governance contradictions* were merged. This procedure achieved internal homogeneity & theoretical coherence as advocated for by Braun & Clarke (2021).

Step 5 (Definition & Naming of Theme) defined content of each theme with documentary proof & participants' quotations in support. The theme was descriptively & analytically defined through connecting institutional & agency theory's theoretical constructs with institutional & empirical discoveries.

Lastly, in Step 6 (Reporting), the researcher created an interpretive narrative that integrated conceptual analysis with empirical discoveries. NVivo visualisation tools were used to portray relationships amongst constructs *political interference* → *board autonomy* → *strategy execution* → *organisational performance*. Document-based evidence was included to support participants' narratives, maximising triangulation and credibility (Yin, 2015).

This systematic practice ensured that data analysis progressed from descriptive to theory-guided interpretation that would uncover political interference as subverting governance structures, diluting board independence, and diluting strategic fit across Namibian SOEs. The systematic usage of Braun and Clarke's (2023) framework and NVivo-assisted mixed-mode analysis ensured transparency (Creswell & Creswell, 2023).

4.10 Research quality and rigor

The research utilised several strategies to guarantee methodological soundness and rigor as suggested by Lincoln and Guba's (1985) credibility, dependability, transferability, and confirmability framework. These four principles are considered postulated qualitative counterparts of validity, reliability, generalisability and objectivity in quantitative research (Creswell & Poth, 2023).

Credibility was ensured through allocation of confidence in truthfulness of data through triangulation, the researcher's longer residence in governance, and validation through participants. The researcher involved participants from varied categories of stakeholders including board of directors, executives, governance specialists and policymakers to acquire varied viewpoints. The triangulation was also made through cross-comparison of documentary resources with interview findings such as SOE's annual reports, and Public Enterprises Governance Act). As suggested by Yin (2015) and De Villiers and Dimes (2021), methodological triangulation ensures authenticity since it provides room for merging of several varied evidence from different sources.

Dependability was secured through methodological recording of procedures in such a way that another researcher would be able to replicate the research findings. The researcher developed a dependable audit trail comprising field notes, records of coding,

and journals prepared while analysing the data. The application of the NVivo software provided for an auditable form of ordering of data that made replicability easier (Miles et al., 2019). In compliance with Daniel's (2019) TACT guidelines (transparency, accuracy, consistency, and trustworthiness), the researcher regularly cross-checked emergent patterns with both raw and conceptual definitions.

Transferability was secured with context-based portrayal of Namibia's SOE operating environment context, political environment, governance culture, and regulatory framework. As Merriam and Grenier (2019) observed, contextualisation makes it possible for others to assess applicability of findings in other analogous settings. The multi-case study research design across SOEs from energy, transport, finance, communication and education sectors brought extra transferability with cross-sector coverage of governance patterns such that outcomes are transferable across analogous emerging-economy settings (Abang'a et al., 2022; Chatterjee, 2022).

Lastly, confirmability was ensured through reduction of researcher subjectivity through triangulated data interpretation and reflexivity. The study retained a reflexive journal that mapped personal assumptions, decisions, and aging insights through fieldwork. The reflexive exercise highlighted research positionality as governance practice while ensuring that inferences drew conclusions from evidence of participants rather than subjective bias (Creswell & Creswell, 2023). Triangulation of documentary and interview data through NVivo-supported thematic coding ensured neutrality of analysis. The intermarriage of these ensured that the study was reliable, and that its conclusions on political interference and strategy implementation in Namibian SOEs was both replicable within qualitative research terms, as well as reliable.

4.11 Ethical considerations

The study strictly adhered to guidelines on ethics, based on international research standards and institutional policies. Before data was collected, ethical clearance was obtained from the Master's Research Ethics Committee of the University of Pretoria (Gordon Institute of Business Science). Such ethical clearance approval appended to this report.

Informed consent was the main moral requirement. Participants' consent was obtained in writing, prior to participating in the interview. According to Creswell and Poth (2023), consent of informants ensures transparency and autonomy.

Strict controls ensured anonymity and information security. All identifiers were deleted during transcription and replaced with anonymised phrases like “Participant A1” or “Board Member B2.” The computer files of interview data were encrypted so that only the researcher could access them. For any direct quotations made in the report, identification details like names of organisation were generalised in a bid to disable attribution. This protected participants from reputational or political risk, a worthwhile consideration as political interference has sensitive connotations (Ahunwan, 2021; Alami and Dixon, 2020).

The study remained ethically neutral throughout proceedings without succumbing to political partisanship or conflict of personal interest owing to the researcher’s earlier professional practice with the Namibian SOE extensively dealing with board members and senior executives.

4.12 Limitations of research design and methods

Although research design and methods were strong and suitable for uncovering the relationship between political interference and corporate strategy implementation in Namibian SOEs, a methodological limitation was revealed. The qualitative multiple-case study research design used was depth-oriented rather than breadth-oriented. Accordingly, whereas findings offered insights of subtle governance dynamics, generalisability across the entire Namibian SOE population was weak. Qualitative research provides contextual insight. It is, by design, not of statistics coverage capability, (Yin, 2015; Silverman, 2022). Accordingly, whereas trends that are identified may be observed in different SOE settings, application is impossible universally, especially with the application of the study to the African and other jurisdictional contexts, for purposes of comparison.

Sample size accompanying some 15 to 20 participants from seven SOEs was adequate for attaining saturation of the data (Hennink & Kaiser, 2022) but narrow for embracing Namibia's SOE sector in its diverse entirety. Some organisations and individuals did not participate due to the political sensitivity of the research topic, with the possibility of exclusion of different points of view. Purposeful sampling, despite its ability to ensure relevance, was accompanied by a potential selection bias, with participants who accepted possibly having stronger opinions on political interference than those who did not accept. This limitation was offset with triangulation of interview insights with documentary evidence that brought in institutional corroboration of participants' narratives (Creswell & Creswell, 2023).

Another limitation was to the single use of qualitative data. Document reviews and interviews created rich understanding of governance practices that those without numerical measures (e.g., economic performance data) would otherwise affirmatively substantiate patterns of interference. However, due to its explorative nature, this study's design made it suitable to provide qualitative emphasis due to its fascination with meanings and mechanisms rather than hypotheses testing.

National peculiarity of Namibia created another limitation. The political culture, regulatory system, and SOE framework in Namibia are unique compared to other Third World countries. However, according to Merriam and Grenier (2019), highly contextualised qualitative narratives build analytical rather than statistical transferability so that other scholars are able to draw similarities with corresponding institutional settings.

Despite these restrictions, methodological robustness was provided in the research through triangulation and peer corroboration among research participants.

4.13 Conclusion

This chapter provided a detailed description of the selected research method, demonstrating that philosophical and procedural decisions offered coherent support to study objectives in investigating the impact of political interference on strategy implementation in Namibian SOEs. The study assumed an interpretivist, qualitative case-study design that involved a combination of documentary analysis and semi-structured interviews, allowing for triangulation and credibility of findings (Creswell & Creswell, 2023). The interpretivist approach acknowledged that governance procedures are lodged within political, institutional, and cultural settings (Al-Ababneh, 2020). The methodological decision was thus rationalised on the ground that quantitative measurements alone would disregard subtle board-state interaction patterns that determine strategic outcomes.

The chapter prescribed the research population, sampling design, and instruments of data acquisition. The design facilitated comparison across different political interference levels and its impact on strategic governance performance (Guest et al., 2006; Hennink and Kaiser, 2022). Semi-structured interviews with chief executive officers, senior managers, board members, and policymakers offered first-hand accounts while secondary sources such as governance codes and annual reports ensured cross-verification of emergent trends. Thematic analysis was employed on data using protocols that included iterative coding, identification of themes, and meaning interpretation.

Finally, the chapter specified consideration of ethics and trustworthiness with detail through methodological transparency, reflexivity, and triangulation of how credibility, dependability, confirmability, and transferability were ensured (Merriam & Grenier, 2019). The methodological design inscribed a sound foundation on which the ensuing chapter is built, analysing, and interpreting collected data. Chapter 5 follows on such methodological foundation to interpret empirically its findings through frames of theory with interlinking political interference, board autonomy, strategic implementation, and organisational performance within Namibian SOEs.

CHAPTER 5: FINDINGS

5.1 Introduction

In this chapter, key findings from interviews conducted with twelve participants, comprising SOE directors and executives, the shareholder ministry, and governance experts, are presented. The researcher aims to demonstrate how political interference affects the enforcement of governance strategies by boards of directors in Namibian SOEs, following data analysis steps that Braun and Clarke (2006) advocate for.

Table 1: Data analysis steps

Step	Step description
1	Review organised data: read through transcript and typed notes
2	Generate codes and code the data
3	Identify/generate themes: group codes into themes
4	Review themes
5	Define and name themes
6	Write report

Source: Adopted by researcher from Creswell & Creswell (2023); Braun & Clarke (2006)

The chapter is structured in line with the themes generated from the research questions to provide a cohesive narrative that reflects the interviewees' perspectives and experiences. It begins with a description of the participants in terms of their roles, years of service, and the governance ecosystems of SOEs, followed by a detailed exposition of the thematic outcomes.

5.2 Demographics of the participants

This section outlines the participants in terms of their occupation framework, the hierarchies in their organisations, their tenure in governance, and the breadth of their governance exposure, to provide context from which to evaluate their perspectives on political interference. The inclusion of governance experts added value to the data as they provided alternative perspectives from the governance contexts at the regional and global levels.

The intricacy of the governance structures of SOEs is reflected in the sample's composition. Four participants were non-executive board members who, during their tenure as board directors, which ranged from two to eight years, performed a variety of functions related to strategic oversight, policy approval, risk monitoring, and leading committees. Board members engaged in committees focusing on audit, investment, procurement, and governance, which placed them at the centre of political dynamics, particularly concerning significant restructurings, procurement and partnership deals, where political sponsorship overshadowed economic rationality. This enabled board members to identify the points in the strategy execution process where political interference compromises the enforcement autonomy of their mandate.

Three participants were government officials, coming from the government ministries / agencies responsible for SOE management and National Planning. All were senior government officials and engaged on the oversight and alignment of policies and the monitoring of SOE performance. With experience ranging from six to ten years, the participants provided institutional knowledge on how the impact of transitions in political leadership affects the realignment of strategy, and how the prioritisation and focus of projects change. They discussed internal government pressures, including from senior politicians who bypass set regulatory processes, resulting in informal control of SOEs. They focused on the expectations framed in policies that politicians are empowered to take disproportionate and destructive actions that undermine the governance structures and justify their actions.

Three participants were from the SOEs executive management (chief executive officer, chief financial officer and chief operations officer). With over six years of SOE leadership experience, and by virtue of their roles, they operate at the frontline of strategy execution where interference can lead to derailment and failure. They detailed the political interference that they witnessed derail SOE strategies, and its operational consequences.

They pointed out political meddling in the implementation of strategies, emphasising the abrupt, unplanned cancellations of strategies and the issuance of informal and verbal instructions that bypass prevailing legal frameworks.

The final group of participants comprised two governance experts and practitioners, with over fifteen years of experience in SOE reform and governance standards settings in the region and internationally. They juxtaposed Namibia with other countries, focusing on

the advanced stages of governance maturity, mechanisms of depoliticisation, and the structural protections of board independence. They also mentioned that in Namibia's case, the problem is not necessarily the lack of governance tools, but the inconspicuous separation of politics from corporate governance. Their feedback confirmed and expanded on the views of the internal SOE stakeholders.

5.3 Summary of themes and sub-themes

The analysis of the data yielded four primary themes, corresponding to the research questions. Firstly, this research shows the boards' autonomy and effectiveness is susceptible to the consequences of political interference. Although governance frameworks bestow absolute control upon boards when it comes to strategic oversight, it appears that this control is largely theoretical, with participants pointing to instances of political interference that resulted in diminished autonomy.

Secondly, the findings drew attention to the ways in which the politically motivated stalling of strategy execution affects the flow of a corporation's strategic initiatives, where priorities with a short-term focus are added and politically charged reversals of initiatives are implemented. Thirdly, the lack of institutional frameworks results in more prominent interference, such as centralised control over appointments, weak governance frameworks, and politically shielded actors who face no consequences for their interference.

Finally, the study identified the most likely means of curtailing interference: meritocratic board appointments, mandatory written directives from shareholders, full separation of ownership from policymaking, and enhanced accountability measures that focus on political compliance rather than strategic execution.

Table 2: Research questions, themes and sub-themes

Research questions	Themes (Derived from questions)	Sub-themes (Emerging from interview transcripts)
RQ1: How does political interference influence the autonomy and effectiveness of boards of directors in Namibian SOEs?	Theme 1: Influence of political interference on board autonomy and effectiveness	Sub-theme 1: Politically motivated board appointments (appointments based on loyalty, patronage and networks) Sub-theme 2: Limited board autonomy and conditional decision-making power (decisions

		require informal ministerial approval; autonomy exists only on paper) Sub-theme 3: Fear, intimidation, and self-censorship during board deliberations (board members avoid challenging political expectations to keep their positions) Sub-theme 4: Role ambiguity and obstruction in the exercise of operational discretion (political actors interfere with operational matters instead of providing governance oversight)
RQ2: In what ways does political interference affect the execution of corporate strategy within Namibian SOEs?	Theme 2: Political interference and its effect on corporate strategy execution	Sub-theme 1: Sabotage or reversal of strategic initiatives to protect political interests Sub-theme 2: Prioritisation of short-term political gains over long-term strategic sustainability (focus on quick wins for publicity) Sub-theme 3: Strategy discontinuity due to changes in political leadership (new minister = new priorities = abandoned strategies) Sub-theme 4: Political patronage networks influencing strategic decisions (benefiting politically connected individuals or suppliers)
RQ3: What governance and institutional challenges enable political interference in Namibian SOEs?	Theme 3: Governance and institutional weaknesses enabling political interference	Sub-theme 1: Concentration of board appointment and removal power in ministers (board tenure depends on political favour) Sub-theme 2: Weak enforcement of corporate governance frameworks (NamCode, PEG Act, King IV not enforced) Sub-theme 3: Lack of accountability and consequence management for interference (political actors interfere without repercussions) Sub-theme 4: Unclear roles and power boundaries between shareholder, management, and board (role confusion enables interference)
RQ4: What governance measures or practices can be employed to enhance board	Theme 4: Measures to enhance board independence and	Sub-theme 1: Independent and merit-based board appointment

independence and reduce political interference in strategy execution?	reduce political interference	mechanisms (no political control over appointments) Sub-theme 2: Clear, written shareholder directives (eliminates informal verbal interference and phone-call instructions) Sub-theme 3: Clear structural separation between policymaking and SOE ownership Sub-theme 4: Strengthened accountability and performance evaluation mechanisms (evaluate boards based on strategy execution, not politics)
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Source: Researcher's own (2025)

5.4 Theme 1: Influence of political interference on board autonomy and effectiveness

5.4.1 Sub-theme 1: Politically motivated board appointments

The interviews highlighted how Namibia's SOE governance is shaped by political clientelism. Appointees prioritise political allegiance over SOE interests. Predictably, SOE governance systems also have politically induced capture at the recruitment phase. Political patronage, as described by the interviewees, is strong enough to eliminate any perception of independence in governance, as it creates a sense of obligation to the patron. This contributes to strategic governance disempowerment, politically induced compliance, and restricted political oversight. The design of these governance systems also explains the behaviour of politically aligned SOE actors who, as described in the interviews, divert attention away from strategic governance to the political placement mandates in order to satisfy political enablers. This further reinforces a politically patronised reliance by SOE governance systems on political actors, while autonomy and the integrity of governance systems are formally surrendered.

Table 3: Quotations of evidence – Theme 1, sub-theme 1

Politically motivated board appointments	
Quotation	Quoted Participant
<i>"I would estimate that more than 70% of appointments are politically motivated... the shortlist typically already includes</i>	P1

<i>individuals aligned to certain politicians before interviews even begin”.</i>	
<i>“Board appointments are heavily influenced... sometimes CVs are requested, interviews are done, but you can already tell the preferred candidates were chosen long before the process started”.</i>	P2
<i>“You can often predict who will be appointed based on their public alignment with certain political individuals or factions”.</i>	P3
<i>“Board appointment recommendations often come from senior political figures even before the advertisement is published”.</i>	G2
<i>“The Minister appoints and dismisses the board - independence is limited”.</i>	E3

Source: Researcher’s own (2025)

When boards are befallen by political meddling, they can rarely function optimally. Various respondents pointed to political pressure being a concern that brings out behaviour that is aimed at keeping the appointing authority content. Implicit pressure to protect positions was revealed, with the result being self-censorship, a passive acceptance of political pressure. This way, boards become reactive, as opposed to proactive futuristic strategists. The extracts further reveal that political board assignments lack industry, magnitude, governance, and depth of insight. This particularly works in instances where the political sponsor is a strong, respected political actor in the broader political arena, and the SOE is weak on the governance front.

Political influence when making board appointments results in boards that are structurally disempowered, strategically restrained, and administratively compromised. When appointments are made based on loyalty, boards become mere extensions of political power and lose their capacity to be guardians of corporate governance.

5.4.2 Sub-theme 2: Limited board autonomy and conditional decision-making power

The interview data indicates that board autonomy in some Namibian SOEs exists only in formal documentation and not in practice. Autonomy in strategic decision-making collapses when decisions involve politics or require political approval before implementation. Findings show that political stakeholders in a somewhat subtle manner control board decisions by, for example, requiring informal approval of decisions by portfolio Ministers before formal board approval and implementation can take place. These dynamics result in a dual power system where one approval level is legal and

formal (law and governance policy) while the other is informal and arbitrary (political power). Participants noted that even routine strategic decisions end up requiring political approval before they can be implemented, which causes delay, dilution, and a passive, reactive approach.

Table 4: Quotations of evidence – Theme 1, sub-theme 2

Limited board autonomy and conditional decision-making power	
Quotation	Quoted Participant
<i>“Officially, the board has decision-making powers... but in practice, there is always a layer of informal approval that must happen behind the scenes”.</i>	P1
<i>Autonomy exists, but only to a point... informing becomes consultation, and consultation becomes permission seeking”.</i>	P2
<i>“Autonomy can disappear the moment a strategic decision goes against political interests”.</i>	P3
<i>“Boards approve strategies, but shareholder ministries send back comments that basically reverse the decision”.</i>	G1
<i>“The frameworks are excellent conceptually, but without enforcement, nothing stops political actors from ignoring them”.</i>	E3

Source: Researcher’s own (2025)

An in-depth examination reveals how conditional autonomy reshapes the board’s reasoning and behaviour. When a board needs to obtain informal approval for every decision, it shifts from a leadership role to one of mere compliance. The findings show how board members internalise political oversight such that, before engaging in a policy discussion, they pre-emptively consider the potential of a political fallout. This reduces the critical examination of ideas, thereby weakening the accountability of the board. Conditional autonomy passes political intrusion as part of constructive stakeholder engagement. When boards recognise the value of ‘consultation’ before strategic decisions, political actors increasingly control operational decisions, weakening governance. This entrenches loss of strategic momentum as decision-making becomes bureaucratic, with delays resulting from external political interests.

The data further shows that autonomy is not abruptly pulled, but gradually erodes through informal expectations, verbal directives, and implied repercussions for dissent. This leads to boards that, despite possessing the right skills and expertise, are structurally unable to deliver independent oversight. Conditional autonomy erodes

accountability, ultimately placing control with external political actors while responsibility and ultimate accountability remain with the board.

When autonomy is conditional, executives and board members implement politically motivated strategies and prioritise politically motivated decisions, albeit subconsciously. If executives and directors are motivated to defend strategies and decisions that hold politically motivated value, the organisation would hardly see strategies being executed cohesively.

5.4.3 Sub-theme 3: Fear, intimidation and self-censorship in board deliberations

The impact of political interference undoubtedly fosters fear in SOE boards. This fear breeds self-censorship, constrains contributions, and weakens the strategic oversight of boards. Participants highlighted that threats of removal from boards are directed towards board members if they do not fall in line with the political appointees. Such sentiments induce self-censorship of professional judgment when boards find themselves having to defend their positions. When boards find themselves in this position, they tend to lose sight of the merits of decisions, rather opting not to express views that in any way oppose the shareholder ministry or a politically affiliated board member.

One participant stated that a board's single guiding question in their deliberations is, "Will this decision offend the appointing authority?". Interview respondents suggested that influence is wielded not only through direct political instructions, but through implications of reputational harm, and removal from boards or executive positions, among other undesired consequences. Such fear limits constructive dissent, as it creates a passive, compliance culture, limiting flow of independent ideas.

Table 5: Quotations of evidence – Theme 1, sub-theme 3

Fear, intimidation and self-censorship in board deliberations	
Quotation	Quoted Participant
<i>"Sometimes, if you challenge questionable proposals, you get labelled as anti-government or not supportive... that creates fear in the room".</i>	P1
<i>"It changes how people speak... you will notice self-censorship because they don't want to lose their position."</i>	P2
<i>"When you know certain decisions may offend politically connected individuals, you hesitate... people start filtering themselves."</i>	P3

<i>"Boards approve strategies they don't believe in because fear of dismissal overrides professional judgment."</i>	G1
<i>"Executives who challenge interference are punished; those who comply are protected."</i>	E1

Source: *Researcher's own (2025)*

As shown in the analysis of these excerpts, fear-based governance systems disempower boards even before discussions begin. The emotional and psychological scars of political interference can be just as damaging structurally, as seen in the excerpts. Expected outcomes result in board members neglecting their fiduciary responsibilities, which creates a culture of risk aversion where maintaining relationships takes precedence over appropriate strategic oversight. In addition, fear shifts the dynamics of power in the boardroom: discussion is dominated by members aligned with political actors whereas able members that are inclined to act independently are silenced and underutilised.

Removal of board members, sometimes without cause, demonstrates that intimidation is more than just verbal; the threat alone is sufficient to compel certain behavior. A lack of critical and rational discourse combined with political risk avoidance results in the absence of evidence-based decision-making, with boards rewarding mediocrity by sanctioning dysfunctional compliance and avoidance. Fear, distraction, self-censorship, and overriding attention to governance shift the focus of oversight to the fulfillment of political orders. The board, in turn, is unable to ensure the execution of corporate strategy, as it falls to compliance and obedience. An organisation's strategy may be derailed, not because individuals are not able or capable of taking action, but due to suffocation of available knowledge, skills and expertise by politics.

5.4.4 Sub-theme 4: Role ambiguity and obstruction in the exercise of operational discretion

Political influence causes blur in the distinction between governance (or shareholder oversight) and management which has resulted in the shareholder, the board and the executive management having to deal with ambiguity of their respective roles. Participants stated that boards do not hold governance and strategic oversight responsibilities as regards day-to-day management or operations, but some political figures expect them to be involved in and manage operations, for their benefit. Government ministers and other government representatives justify their operational demands as a means to ensure alignment with national priorities. This expectation turns the boards into politically charged administrative proxies. Evidence points to ministers,

political advisors, and senior officials violating the governance and management separation by managing under-implemented contracts, staffing, and project execution without any legal authority to do so. Participants explained that politically motivated decision-making results in accountability paradoxes that spiral into and permeate confused and dysfunctional organisational hierarchies. This further enables the omission of executive decision-making authority, which causes further erosion of organisational coherence.

Table 6: Quotations of evidence – Theme 1, sub-theme 4

Role ambiguity and obstruction in the exercise of operational discretion	
Quotation	Quoted Participant
<i>“Sometimes we are expected to oversee, but at times, some shareholder representatives of government expect us to influence operations in line with their expectations”.</i>	P1
<i>“Although we are supposed to stay at policy and governance level, sometimes we are pushed down into operational involvement, which creates conflict”.</i>	P2
<i>“But at times, you find that we are pulled into operational matters, especially when you have people with interest on projects, and they want progress updates on such projects”.</i>	P3
<i>“The way I see it, some shareholder ministries interpret their role as managerial instead of strategic oversight”.</i>	G1
<i>“Interference is built into the governance structure, maybe unintentionally so, but it is unfortunately effective.”</i>	E3

Source: Researcher's own (2025)

When politicians do not differentiate between oversight and control, chaos emerges, accompanied by lack of accountability and below-par performance. Boards and executives become disorderly in their operations when the systems of control and instructions are themselves disorderly. The system's lack of orderliness results in disputes between executives and the board.

There are numerous accounts of late political priorities which led to changing success criteria, creating unreasonably tight deadlines, and ultimately stifling operational productivity. Operational work aligned to short-term political priorities only, without consideration for long-term strategic imperatives hampers managers' and executives' ability to take initiative, as they are expected to wait for and only react to political signals.

This results in a fear-based environment, which is not good for governance and business success.

5.5 Theme 2: Political interference and its effect on corporate strategy execution

5.5.1 Sub-theme 1: Sabotage or reversal of strategic initiatives

Interview respondents commented on the political influence of the unreasonable sabotage of public projects in the domain of SOEs and its cascading effects on strategic initiatives. Respondents pointed out that even fully justified, feasible, financially attractive, and board approved strategies can be politically stopped on instructions from 'the top'. The reversal of strategic initiatives, which some respondents described as a form of sabotage, results in decisions at the corporate level being a mere formality with no real enforceability and impact. These reversals, which at times take place without justification, trigger feelings of impotence and unwillingness in boards and executive management.

Table 7: Quotations of evidence – Theme 2, sub-theme 1

Sabotage or reversal of strategic initiatives	
Quotation	Quoted Participant
<i>"We received a ministerial instruction to halt implementation pending further consultations, but those consultations never happened".</i>	P1
<i>"Everything was ready - feasibility study, financial model - but when the project threatened certain political interests, we were told to pause indefinitely."</i>	P2
<i>"Do not proceed until further notice; that was the directive we received, even though the project aligned to national renewable energy goals."</i>	P3
<i>"The project was halted because a politically connected business wanted access to the same facilities".</i>	G2
<i>"Executives who challenge interference are punished; those who comply are protected".</i>	E1

Source: Researcher's own (2025)

A closer look at these excerpts reveals a trend of political interference being viewed as constituting active obstruction of organisational initiatives for personal gain. Such obstruction can also be seen as a means to consolidate power by prioritising strategic

control through selection of projects and initiatives that should proceed, and which ones should not be implemented. Such interventions relegate board decisions to mere suggestions that require political endorsement. Exacerbating this concerning trend is the lack of accountability and consequences for politicians, for their decisions. The board acts reactively rather than strategically and executives simply implement projects that make it through the political sieve. The sabotage of strategic initiatives causes a loss of institutional confidence, disruption of momentum, and a loss of competitiveness.

5.5.2 Sub-theme 2: Prioritisation of short-term political gains over long-term strategic sustainability

In Namibia, SOE politics are less about long-term strategies and more about short-term results. One participant described a pattern of predictability in politics where strategies aimed at operational efficiencies, revenue expansion, and competitiveness follow election cycles, immediately being relegated to the back burner post elections. This comes as a result of changes in political leadership, including that of shareholder ministers. Shareholder ministers are sometimes concerned about visibility politics where political results are deadline-oriented as opposed to result-oriented, due to short, uncertain political terms. Long-term initiatives such as infrastructure development, automation, and organisational restructuring are ordinarily done in phases over a medium to long term.

Table 8: Quotations of evidence – Theme 2, sub-theme 2

Prioritisation of short-term political gains over long-term strategic sustainability	
Quotation	Quoted Participant
<i>"Long-term planning requires stability, but if political actors change priorities every year, strategy becomes reactive instead of intentional".</i>	P1
<i>"We start implementing a project, and then the shareholder ministry says: stop and revise - this does not support new policy direction".</i>	P2
<i>"Long-term strategies require consistency, but political interference introduces uncertainty... as soon as leadership changes, priorities shift".</i>	P3
<i>"Boards approve strategies, but shareholder ministries send back comments that basically reverse the decision".</i>	G1

<i>"Politicians tend to prioritise short-term visibility while boards are supposed to focus on long-term profitability".</i>	G2
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Source: Researcher's own (2025)

The evidence suggests that the misuse of strategies in SOEs is more of a function of political cycles than strategic goals, creating an impression that SOEs operate in an environment where political considerations carry more significance than organisational effectiveness. Political stakeholders operate under the urgency of palpable results that are visible to the public. In contrast, the organisation's board members and executives are (or should, at the very least, be) more concerned with the organisation's financial viability and stability in the longer term. This causes structural anomalies in that the political timeframes are built around the desperate urgency of winning elections, while the implemented corporate strategies are built around several years integration cycles. The difference in time orientation has fundamental influence on the behaviour of boards and executive teams.

5.5.3 Sub-theme 3: Strategy discontinuity caused by changes in leadership

Most of the respondents considered the discontinuity of strategy to be one of the most harmful consequences of political intervention. With any changes in political leadership due to elections, cabinet reshuffles, or reassignment of shareholder ministries, strategic plans tend to be sidelined, paused, or outright discarded. Board members and executives described as painful, watching strategy documents take months to craft and then be deflated as new political actors show no interest in them. Each new political player triggers a cycle of restarts and distractions as they push new priorities that disregard previous leaders' plans. Restructuring demotivates organisations, while disregard of existing plans results in frustration.

Respondents also pointed to reduced confidence in strategic planning, as board members and executives are aware that the efforts that they put into crafting strategic plans could all be in vain.

Table 9: Quotations of evidence – Theme 2, sub-theme 3

Strategy discontinuity caused by changes in leadership	
Quotation	Quoted Participant
<i>"Boards don't always finish their term; they can be dissolved or restructured unexpectedly when a new Minister comes in".</i>	P3

<i>"We start implementing a project, and then the shareholder ministry suddenly says stop and revise; this doesn't support new policy direction".</i>	P2
<i>"Strategic plans are abandoned halfway because someone from the outside wanted a different approach".</i>	E1
<i>"Strategies get revised midstream because a new political leader wants to introduce a new agenda".</i>	G2
<i>"When leadership changes occur at ministerial level, priorities shift, and long-term planning collapses".</i>	G1

Source: Researcher's own (2025)

These quotes highlight how changes in political leadership can result in the disruption of an organisation's strategy. The rapid and continuous change of strategies suggests that an organisation's strategies might not be anchored in the organisational mandate but political whim. The findings indicate that SOEs implement strategies under conditional strategy execution, whereby strategies are only executed when they serve the personal or political goals of the leadership of the day.

5.5.4 Sub-theme 4: Political protection and patronage networks

The interference of politics in Namibian SOEs can be attributed to patronage networks, where the protection of politically connected individuals and service providers takes priority over the strategic value of board and executive decisions. Respondents noted that SOEs are often politically influenced through the capture of procurement contracts and operational decisions that result in personnel and operational resources serving the interests of individuals and political factions. Aligning politically motivated stakeholders with strategies designed to advance business objectives is futile, as such stakeholders would most likely adopt behaviour that favours their political principals.

Respondents described circumstances where political players intervene not to enhance business outcomes but to ensure the protection of personal interests. Such actions undermine the autonomy of boards and management. With disproportionate control aimed at retaining political power at the expense of strategy delivery, organisations lose accountability.

Table 10: Quotations of evidence – Theme 2, sub-theme 4

Political protection and patronage networks	
Quotation	Quoted Participant

<i>"When political actors realised that restructuring meant reducing staff, especially those employed through political patronage, the project suddenly faced resistance."</i>	P1
<i>"Existing contracts benefiting politically connected individuals would have ended; that project died — not because it wasn't viable, but because it threatened certain interests."</i>	P2
<i>"We discovered that a politically connected businessperson had interests in a competing project; our initiative was stalled."</i>	P3
<i>"A politically connected business wanted access to the same facilities - the project was halted."</i>	G2
<i>"Executives who challenge interference are punished; those who comply are protected."</i>	E1

Source: Researcher's own (2025)

The findings highlight that political patronage affects organisational processes, such as who receives contracts, who gets protection, and which strategic initiatives are implemented. The moment a strategic initiative affects contracts, positions, or influence tied to political interests, the mechanisms of interference kick in. Political protection is a reward for patronage compliance, while non-compliance is punished through marginalisation, removal, or indirect public shaming. SOE board members and executives are the ones exposed to these risks, resulting in a defensive posture motivated by personal job security to the detriment of the organisation's performance. The evidence suggests that political actors are not only influencing the organisation's strategy, but they are also actively controlling its execution. This creates a culture of strategic paralysis, where the question, "How will this add value to the organisation?" is replaced with "How will this affect political relationships?". This stifles innovation and bold decision-making.

Political patronage turns SOEs into tools for protecting power instead of executing strategy. The evidence shows that without eliminating patronage systems, strategy execution will remain vulnerable to manipulation by those whose interests are served by stagnation instead of strategic success.

5.6 Theme 3: Governance and institutional weaknesses enabling political interference

5.6.1 Sub-theme 1: Concentration of board appointment and removal power

The focus of this analysis is on the gatekeepers of the powers to appoint and dismiss board members. Those clothed with such powers have the authority to empower and dis-empower SOE leadership, and can easily dismantle SOE governance structures through political means and authority. The respondents' reference to abrupt, politically motivated board removals, and the patterns of alignment between political shifts and board transitions reveal a weak governance framework. The decision-making environment of a board appears to pivot on what can be best termed political 'mood'.

Instead of serving as guardians of corporate governance, boards become inactive executors of political orders due to the governance structure that operates in a way that reinforces political dependency. As a result, the concentration of power in shareholder ministers as gatekeepers and overseers stifles the board's ability to independently implement corporate strategy.

Table 11: Quotations of evidence – Theme 3, sub-theme 1

Concentration of board appointment and removal power	
Quotation	Quoted Participant
<i>"Boards don't always finish their term; they can be dissolved or restructured unexpectedly when a new Minister comes in".</i>	P3
<i>"I would estimate that at least 70% of appointments are politically motivated. Competency matters, yes, but maybe political alignment matters more".</i>	P1
<i>"I remember receiving a call before my first appointment and the person told me I was being considered because I have been supportive".</i>	P2
<i>"The core weakness is concentration of appointment power in political offices. When the Minister appoints and dismisses the board, independence disappears".</i>	E3
<i>"Political considerations play a major role. Board appointment recommendations often come from senior political figures long before the advertisement is published".</i>	G2

Source: Researcher's own (2025)

Since board members have responsibilities that include a political component, it follows that, for a Minister, a board member is not only a stakeholder, but also a means to ensure survival in their political career. Empirical evidence supports the assertion that the boardroom is simply an extension of the political order, given that the same individuals who have the authority to appoint you also have the power to dismiss you at will, sometimes without acceptable justification. Political alignment is not just rewarded, but concrete mechanisms are put in place to enforce it while punitive control measures are applied to silence dissent. Political emphasis, which is detrimental to the organisational strategic objective results in boards that undermine their governance role and allow a shift in key strategic deadlines and targets. Disempowered boards compromise the mission of the organisation in favour of political control.

5.6.2 Sub-theme 2: Weak enforcement of corporate governance frameworks

The Public Enterprises Governance Act, NamCode, and King IV are viewed by some as corporate governance and strategic independence oversight safeguards, and that the absence of their enforcement is detrimental to the success of SOEs. SOE boards and executives are expected to implement the key principles of these governance codes: independence, accountability, role clarity, segregation of duties, and ethical leadership. However, these principles are of little value when they are overlooked to serve political interests.

While numerous compliance documentation such as governance scorecards, board charters, and annual declarations are in place, and are aimed at upholding the governance principles set out in applicable governance codes, there appears to be blatant disregard for such well-intended documentation, as political interests still enjoy precedence over governance in some SOEs.

Table 12: Quotations of evidence – Theme 3, sub-theme 2

Weak enforcement of corporate governance frameworks	
Quotation	Quoted Participant
<i>“Governance frameworks do exist, but enforcement is somewhat selective. If a politically connected person violates governance rules, there are no consequences”.</i>	P1
<i>“The frameworks are strong, but they are ignored when political interests are threatened. There are no repercussions for violating NamCode or King IV”.</i>	E2

<i>"They are excellent on paper. World-class, in fact. The issue is compliance. These frameworks are not backed by enforcement power."</i>	G2
<i>"On paper, the frameworks are excellent. Without enforcement, they become decorations".</i>	E1
<i>"Until political interference carries consequences, these frameworks will remain guidelines, not rules."</i>	G1

Source: Researcher's own (2025)

There is evidence that governance instruments remain powerless in the face of political intervention. Several participants repeatedly described governance frameworks as 'good on paper'. While they are visible, detailed, even internationally benchmarked, they are incapable of offering real protection when political power is informally and unjustifiably exercised. The issue that arose in interviews most frequently was not a lack of knowledge or governance documentation, but a profound lack of real authority needed to implement them. When there are no consequences for governance violation, governance becomes optional. This, in turn, emboldens political actors, who exploit the lack of any mechanism through which they can be challenged or punished for unwarranted interference. It also disincentivises boards and executives from fully exercising their governance rules, as doing so would expose them to the risk of removal.

A lack of consequences allows and becomes a form of political interference. The findings suggest that the absence of good governance and unrestrained political interference is the consequence of a lack of strengthened accountability that ensures that consequences follow any breach of established governance principles.

5.6.3 Sub-theme 3: Lack of accountability and consequence management

A lack of accountability and absence of consequence management in Namibian SOEs facilitate a fertile ground where political interference prevails with little limitation. Participants noted that when decision makers find themselves in governance breaches and unlawfully influence strategic decisions, they rarely face accountability. The lack of accountability deepens political intermediation.

Table 13: Quotations of evidence – Theme 3, sub-theme 3

Lack of accountability and consequence management	
Quotation	Quoted Participant
<i>“If a politically connected person violates governance rules, there are no consequences”.</i>	P1
<i>“Executives who challenge interference are punished; those who comply are protected”.</i>	E1
<i>“There are no repercussions when governance codes are violated.</i>	E2
<i>“Even when boards report interference, nothing happens because the interfering party is the authority responsible for enforcement”.</i>	G2
<i>“Politicians can interfere and face no disciplinary or legal action - consequence management is practically non-existent”.</i>	P3

Source: Researcher’s own (2025)

The selective enforcement of accountability described by the participants indicates that the system of governance is not merely a political weapon, but also a system of odious justice, where those who comply with the political objectives are rewarded with protection, while those who try to uphold the value of the system are punished, excluded, or removed. The lawless nature of the system is what creates fear and silence among directors and executives. The absence of accountable systems creates the impression that governance failures are inevitable, or even acceptable.

5.6.4. Sub-theme 4: Unclear roles and power boundaries

Poor role definition within institutions and weak boundary delineation within governance systems in Namibian SOEs provide room for political meddling. Shareholder ministries switch between policymaker and regulator roles, which confuses and erodes board autonomy. This unrestrained expansion of the political principals’ role opens the door for politicians to interfere in execution, including procurements, executive appointment, strategy approvals, operational directives, and control over governance. Instead of fulfilling the stewardship function of providing strategy and performance monitoring, ministries often assume the role of parallel management, instructing the SOE to implement certain decisions and directives regardless of the board’s position.

Participants mentioned the emergence of multiple centres of authority within SOEs: the board, executives, and the ministry. This multiplicity of authority results in oversight

duplication and accountability disaggregation. Systems disarray, especially through the overlapping of functions and competitive role structures, creates accountability gaps when things go wrong. The ease of informal systems of communication (private meetings and telephone conversations) results in instructions that contradict the formal system of governance, further enhancing system disorder.

There is no clearly defined boundary that distinguishes a corporate governance paradigm from a political governance paradigm. A poorly defined boundary hampers the board's ability to implement the corporate strategy while protecting the autonomy of the organisation.

Table 14: Quotations of evidence – Theme 3, sub-theme 4

Unclear roles and power boundaries	
Quotation	Quoted Participant
<i>"Firstly, there is no clear separation of roles. The shareholder ministry acts like both owner and manager".</i>	P3
<i>"Government policy shapes everything - even how boards think. Boards end up functioning as implementers of political directives".</i>	G2
<i>"Instead of boards being independent strategic leaders, they become extensions of political decision-making".</i>	G1
<i>"But at times, you find that we are pulled into operational matters, especially when you have people with on projects, and they want progress updates on such projects".</i>	P3
<i>The shareholder behaves both as regulator and manager, eroding independence."</i>	G2

Source: Researcher's own (2025)

The data reveals how unclear governance boundaries may be systematic, not incidental. When a shareholder is also an owner, supervisor, and an operational decision maker, the board is functionally disempowered. The findings also suggest that board members who are not inclined to blindly tow a certain political line may suffer from decision paralysis due to ambiguity of roles. With unclear arrangements and no protective governance boundaries, political power will always have control over SOE boards.

5.7 Theme 4: Measures to enhance board independence and minimise political encroachment

5.7.1 Sub-theme 1: Independent and merit-based board appointment mechanisms

The participants put forth a common view that the politicised process for appointing members to SOE boards sets the stage for the political capture of SOE governance, which ultimately affects board independence and strategy execution. When politicians control appointments, accountability shifts to the appointing authority, resulting in expectations of loyalty to such appointing authority. This loyalty expectation fosters board cultures where decisions are made not on strategic, fiduciary obligations, but on relationship and tenure preservation. Board members caught in this loyalty web were described by various participants as lacking confidence and authority to resist both politically motivated and unsound strategic proposals. They are motivated to support politicised proposals that are not financially sound or sustainable and are not aligned to the organisation's long-term strategy.

Table 15: Quotations of evidence – Theme 4, sub-theme 1

Independent and merit-based board appointment mechanisms	
Quotation	Quoted Participant
<i>"Board appointments are influenced very heavily... you can already tell who will be appointed before the process even starts".</i>	P2
<i>"It is not always about the qualifications. The real measure for selection is sometimes alignment to whoever is in political power".</i>	P3
<i>"Board appointments must be handled by an independent committee, not political office bearers".</i>	P2
<i>"The core weakness is concentration of appointment power in political offices... independence disappears".</i>	E3
<i>"I have seen names being pushed via WhatsApp before the advertisement even goes out".</i>	G2

Source: Researcher's own (2025)

These examples illustrate the loss of strategic independence that comes with political appointments. When political actors retain the power to make appointments, some board members, particularly those who want to act independently, get a sense of uncertainty, fearing that they may lose their positions should they not tow the political line. This brings

about a psychological change, where directors begin to lose their independent decision-making, opting instead not to consider initiatives that they perceive may anger their political principals. Participants describe a situation where there seems to be a somewhat transactional relationship between boards and politicians. Politically appointed executives direct boardroom discussions away from strategy and towards political alignment and relationship building. Even when there is strong strategic rationale, politically appointed executives will avoid decisions that they perceive to counter the expectations of their political sponsors.

Independent appointment panels will prioritise the interests of the organisation rather than political sponsors. This will enhance accountability to the board and allow strategic decisions that are sustainable and economically sound.

5.7.2 Sub-theme 2: Clear, written shareholder instructions

Participants viewed written shareholder instructions as safeguards against political influence. They also relayed how political players give instructions through unconventional means such as unscheduled phone call engagements, surprise get-togethers, and even text and WhatsApp messaging. These means are seen as safe, being outside the formal governance structures. The findings further reveal the risk that these politically directed instructions pose to board members, who have no documentary trail to challenge the instructions should they need to. Participants revealed a worrying state of affairs, pointing out that political instructions given through informal means is a prevalent phenomenon.

Record keeping helps hold politicians accountable for their decisions and their consequences. This shields board members and executives from accountability for failures that result from political directives that are motivated by self-interest and not organisational or national good. Apart from being a shield for board members and executives, record keeping also strengthens the power of the board, enhance governance accountability in an organisation, and formalise the flow of information in a way that minimises the risk of abuse of power.

Table 16: Quotations of evidence – Theme 4, sub-theme 2

Clear, written shareholder instructions	
Quotation	Quoted Participant
<i>"We insist that all shareholder instructions must be put in writing. Once people realise there will be a paper trail, unnecessary interference stops."</i>	P3
<i>Shareholder directives are often verbal, making it hard to document or challenge interference."</i>	G2
<i>"When they are forced to write it down, the instruction suddenly changes or disappears."</i>	E2
<i>"Executives who challenge interference are punished; those who comply are protected. Written records change that power dynamic."</i>	E1
<i>"We rely heavily on documentation and transparency. When you document every decision, it becomes harder for people to manipulate outcomes".</i>	P2

Source: Researcher's own (2025)

Written instructions help clarify the boundaries of political activity and are key in cases of disputes. When all shareholder instructions are in writing, accountability becomes easier to enforce.

5.7.3 Sub-theme 3: Structural separation between policymaking and SOE ownership

When it comes to defending the independence of the board, one of the most critical suggestions provided by the participants is the separation of policymaking from shareholder oversight. While participants acknowledge the need for close collaboration, they argue that having a single political actor perform all functions of policymaker, regulator, and shareholder, leads to a dangerous concentration of power that invites intrusion. Since shareholder ministries direct and supervise boards, drawing the line between governance and operational control becomes nearly impossible. Participants shared instances when ministries directed boards to postpone or modify approved and funded strategic plans, justifying it as alignment to national priorities. Moreover, when oversight and policymaking are placed in the same political office, strategic decisions will most likely be driven by political short-termism and prejudice, impacting the long-term viability of the organisation.

By creating clear distinction between the shareholder role and that of those charged with the responsibility to direct and manage SOEs, the governance of SOEs will be improved. This will ensure that policymaking will primarily be strategic and developmental, while the oversight of the SOE will concentrate on the organisational and performance matrices.

Table 17: Quotations of evidence – Theme 4, sub-theme 3

Structural separation between policymaking and SOE ownership	
Quotation	Quoted Participant
<i>“Government policy shapes everything - even how boards think. Instead of being independent strategic leaders, they become implementers of political directives”.</i>	G2
<i>“Firstly, there is no clear separation of roles. The shareholder ministry acts like both owner and manager”.</i>	P3
<i>“Government should separate ownership from policy. Shareholder functions should be executed by a professional holding entity”.</i>	G2
<i>“When the same office makes policy and supervises boards, independence disappears”.</i>	GE1
<i>“Boards need space to govern - not to act as extensions of the shareholder”.</i>	P1

Source: Researcher’s own (2025)

The data underscores a particular organisational concern. The shareholder ministry holds the roles of owner, regulator, and operational decision-maker. This centralisation of power prevents the board from exercising autonomous decision-making. Interviews revealed that political actors influence the diversion of critical strategic initiatives to their political allies, halt restructuring, and manipulate procurement. Such ambiguity can lead to dangerous consequences. This leads to unstable, incoherent, and fragmented execution of strategies. The blame for poor performance lies with the board, while the policymakers enjoy political cover as board members justify their failures. The separation of policymaking from oversight creates a necessary buffer and prevents political actors from issuing operational directives that are disguised as policy or fulfilment of national priorities. Furthermore, it mitigates abuse of power, and clarifies accountability.

5.7.4 Sub-theme 4: Strengthened accountability and performance evaluation mechanisms

Accountability mechanisms of Namibian SOEs have been described as thin, wearing down, and sometimes, reliant on political ties. Accountability was described as merely symbolic, as well as gated and scripted. SOEs, it was noted, produce extensive reports; however, most accountability reports trigger little corrective action. Board members are personally at risk when they challenge political directives, while politically exposed persons face no risk, even in their failure to enforce compliance. The lack of evaluation criteria, performance assessment, and the absence of accountability placed governance on political strings. Participants claimed that decision-making would change from a survivalist mentality to a result-oriented culture if performance accountability was emphasised.

For accountability purposes, the assessment of the board's performance in relation to the strategy, the implications of political interference, and the processes of retention and removal of board members are key to board autonomy, strategy execution and organisational success.

Table 18: Quotations of evidence – Theme 4, sub-theme 4

Strengthened accountability and performance evaluation mechanisms	
Quotation	Quoted Participant
<i>“Executives who challenge interference are punished; those who comply are protected.”</i>	E1
<i>“Reporting happens, but accountability does not. Reporting without consequence is just paperwork.”</i>	E2
<i>“There is no consequence management - politicians can interfere and face no legal or disciplinary action.”</i>	P3
<i>“Accountability must be tied to strategy execution, not to political loyalty.”</i>	GE3
<i>“Until political interference carries consequences, governance frameworks will remain guidelines, not rules.”</i>	G2

Source: Researcher's own (2025)

These examples show a blatant disregard for accountability in governance. The powerful are unexamined, while those with no connection to the political elite face the consequences. The accountability sample explained how the tools are used politically, not as governance tools. While boards and executives are accountable for the results,

they often do not possess the real power to influence the results. When accountability is linked to clearly defined strategic goals, transparency and predictability are what emerge. This keeps boards focused on the desired outcome of the organisation and lessens political manipulation. Enhanced levels of accountability transform boards from symbolic actors of governance to strategic value creators.

5.8 Conclusion

This chapter presented key research findings collected and analysed to answer the research questions raised in Chapter 3. Following a six-step thematic data analysis process, the NVivo analysis tool was used to code and analyse the data.

The study explored the impact of political interference on corporate strategy execution by the board of directors. To get sufficient insights into this focus of the study, selected emerging themes were highlighted for discussion and interpreted using the four research questions to better understand such research questions.

This chapter notes that political interference continues to impact the autonomy of Namibian SOE boards and the execution of their corporate strategies. While SOEs may govern within the defined independence, accountability, ethical leadership and fiduciary responsibility structures, the principles of autonomy, accountability, and ethical leadership remain largely ungoverned.

The chapter further noted that instead of long-term, commercially viable strategies, politicians tend to pursue short-term, politically driven outcomes, even if it means abandoning, altering, or delaying the execution of strategic imperatives premised on business and market research.

The findings also highlight the positive aspects of the challenges. The attempt to reduce interference by depoliticising board appointments, asserting the documentation of all shareholder instructions, employing a holding-company governance model, and connecting board evaluations to strategy execution will significantly reduce interference.

CHAPTER 6: DISCUSSION

6.1 Introduction

In this chapter, the researcher discusses the research findings that were presented in Chapter 5, comparing and linking them to the literature review conducted in Chapter 2. The researcher approached the discussion of the findings in a systematic fashion, in answering the research questions that were presented in Chapter 5. The findings were examined in line with the four research questions covering how political interference influences board autonomy and effectiveness; ways in which political interference affects the corporate strategy execution; governance and institutional challenges that enable political interference; and possible governance measures to deal with political interference.

The chapter contains a discussion of the findings pertaining to how politics in general, and political intervention in particular, affect business operations, strategies and success in Namibian SOEs. The discussion is centered around the data obtained from the qualitative interviews, as well as the documentary material. Political players influencing the structure and operational control of SOE boards is a serious problem for which a solution is required.

The observations in Chapter 5 detail and describe the essence of the phenomenon from four dimensions, clustered as themes: Influence of political interference on board autonomy and effectiveness (Theme 1); Political interference and its effect on corporate strategy execution (Theme 2); Governance and institutional weaknesses enabling political interference (Theme 3); Measures to enhance board independence and reduce political interference (Theme 4).

These dimensions, taken collectively, and expanded through further cascading to and splitting into sub-themes, created structural weaknesses in board decision-making processes, leading to a disengaged and predictable execution of SOE strategies.

The aim of this chapter is, therefore, not just to reiterate the findings. This chapter is structured and constructed in such a way that the researcher interprets the findings and relates them to the literature and theories canvassed in Chapter 4. In this light, this chapter deals with the influence of institutional factors, agency considerations, and governance configuration on SOE boards and their strategic posture. The chapter further examines how the Namibian context as regards political interference and governance failures in SOEs is similar to, or different from, global literature.

6.2 RQ1: How does political interference influence board autonomy and effectiveness in Namibian SOEs?

6.2.1 Politically motivated board appointments

RQ1 was aimed at understanding the impact that political influence has on the autonomy and effectiveness of SOE boards in Namibia. Under the first theme emanating from RQ1, the researcher discusses politically motivated board appointments. Board appointments have increasingly been motivated by agency, loyalty and factionism, as opposed to the governance competencies of prospective board members. The sentiments of politically preordained appointments rang true for most participants, with one board member zealously recounting how someone remarked that they were considered for a board position because they were supportive. Bruton et al. (2015) and Dragomir et al. (2021) describe this phenomenon as one that dilutes board control. Political control over appointments does not only severely undermine the board's oversight role over strategy execution, but it also shifts their intermediary role to mere political servitude.

Empirical evidence from South Africa (Mabuli, 2023) and Kenya (Abang'a et al., 2022) mirrors this trend, showing that politicised boards lack independence and strategic oversight capacity. Abang'a et al. (2022) describes a situation in Kenya where politically influenced board members weakened the enterprise's control systems by advancing political agendas during board meetings. This aligns with the evidence from Namibia where political appointees refrained from confronting the shareholder minister as the appointing authority, an approach seen by participants as self-serving and detrimental to organisational success. The type of governance that Abdeljawad and Masri (2020) describe as toxic to a firm's overall performance includes impulsive and unreflective decisions where loyalty and not ability is the underlying determinant. The behaviour observed in the findings, where directors show allegiance to their appointing authority at the expense of organisational performance, is nothing short of toxic, because of the damage it causes to organisations.

Having Namibia as the geographical focus of this study provides critical insight into the theory of political capture in SOEs, as politically motivated appointments are the perfect gateway to politically motivated procurement, restructuring, and other supply chain interventions. These practices stand in stark contrast to the principles outlined in the NamCode (Namibian Stock Exchange, 2014) and King IV (IoDSA, 2016), which advocate for board appointments based on independence, integrity, and technical competence. However, participants reported that appointments were frequently

preceded by informal directives such as telephone calls from political actors, and accompanied by expectations that appointees would “look after” the political, financial, and personal interests of their patrons. This reality not only violates established governance frameworks but also exposes the flawed assumptions of the stewardship theory, which presumes directors will act in the best interests of the organisation (Chatterjee, 2022). In practice, the stewardship illusion collapses when directors owe their positions to political sponsors, as loyalty to such patrons supersedes organisational priorities.

6.2.2 Limited board autonomy and conditional decision-making power

Although SOE boards are formally vested with decision-making authority, in practice this autonomy is significantly constrained. While governance frameworks are staunch proponents of board independence, evidence from participants indicates that most strategic decisions - particularly those related to restructuring, procurement, and investment partnerships - require prior consultation and, in many cases, pre-approval from shareholder ministers. This conditional authority renders board autonomy largely insignificant, as political oversight remains pervasive.

Comparative evidence from other emerging economies reinforces this observation. Siyaya (2020) notes that in South Africa, shareholder compacts are frequently employed to steer decisions, limiting independent oversight in areas such as procurement and restructuring. Similarly, Kakero (2020) observes that Kenyan SOE boards operate within “invisible boundaries,” where strategic decisions are often reversed if they conflict with prevailing political interests. In Nigeria, Nwafor et al. (2020) describe ministerial interventions that extend beyond the formal governance framework, effectively centralising control. Namibia exhibits similar patterns, with shareholder ministers imposing political approval checkpoints under the guise of aligning operations with national priorities.

From a governance theory perspective, this dynamic reflects the principles of Institutional Theory, where boards maintain legitimacy through compliance with political expectations rather than exercising full discretion. Agency Theory also provides explanatory power, particularly in understanding the persistent influence of political principals over SOEs. As Jensen and Meckling’s framework suggests, the balance between public accountability and political control is skewed toward the latter, with ministers acting as direct political controllers of SOEs.

This concentration of control is further entrenched by the political dominance in board appointments and dismissals, as highlighted by Costa (2020) and Rock (2020). Peng et al. (2023) characterise this phenomenon as the paradox of government control, wherein the state's pursuit of policy objectives undermines the governance independence necessary to achieve those objectives. In Namibia, participants emphasised how shifting political priorities frequently disregard strategic plans, illustrating the fragility of SOE autonomy in a politicised environment.

6.2.3 Fear, intimidation and self-censorship in board deliberations

Political interference emerged as one of the most significant factors contributing to self-censorship and fear within SOE boardrooms. Participants observed that genuine strategic discussions are often replaced by perfunctory “briefings,” reflecting a shift from deliberation to compliance. In politically charged contexts, directors frequently refrain from expressing dissent, sometimes to the extent of compromising strategic integrity in order to maintain loyalty to political patrons.

The findings revealed that within SOEs, this dynamic fosters an environment where political dissent is stigmatised, and any counter-narrative from the board is perceived as resistance to political capital. Participants stated how those who challenge questionable proposals are labelled as “anti-government” and not supportive of government’s developmental agenda. This phenomenon aligns with the concept of cognitive capture, as articulated by Dragomir (2021) and Nicolò et al. (2020), wherein governance roles are symbolically maintained but substantively weakened. Executives, stripped of coercive authority, are relegated to symbolic positions, effectively neutralising their capacity to challenge dominant political narratives. The governance structure is thus reshaped to fit political imperatives, rather than organisational strategy.

Findings from Namibia mirror Ahunwan’s (2021) analysis of corrupt governance networks, where fear of reprisal perpetuates dysfunctional systems. Statements such as “board members do not rub anyone the wrong way” underscore the transition from governance oversight to political compliance. In such environments, rational deliberation is suppressed, strategic reasoning is absent, and decisions are driven by group conformity rather than organisational objectives.

6.2.4 Role ambiguity and obstruction in the exercise of operational discretion

The findings reveal persistent political interference in operational decisions in key areas such as procurement contracts, staff appointments, supplier selection, and project

execution, despite governance frameworks that clearly delineate the roles of management, board and the shareholder. Participants recounted instances where ministers actively “followed up on operational progress” and provided “guidance” on staffing and partnership formation. This blurring of roles undermines the governance - management separation prescribed by the King IV (IoDSA, 2016), which stipulates that boards should focus on strategic oversight while management executes day-to-day operations.

Nicolò et al. (2020) attribute such boundary erosion in developing economies to the tendency of political actors to use SOEs as instruments for fulfilling electoral promises. The absence of clear role demarcation creates systemic accountability gaps, as highlighted by George and Seo (2022) and evidenced in Zhou’s (2023) study of Zimbabwe. Similarly, Namibian executives described political actors as “managing the organisation from outside,” resulting in boards and management being functionally incapacitated in enforcing performance accountability.

From a theoretical standpoint, Agency Theory is compromised when the principal assumes managerial functions, collapsing the monitoring mechanism (Jensen & Meckling, 1976). Empirical evidence supports this: Wang and Cheng-Han (2020) demonstrate that SOE performance improves when managers retain autonomy over operational decisions, whereas political interference leads to inefficiency and strategic paralysis. This pattern is consistent with Namibian findings, where external political control over operational matters stalled strategic initiatives and weakened organisational effectiveness. In some instances, over-involvement of political actors in operational affairs of SOEs has led to the collapse and liquidation of strategic SOE that operated in key sectors of the economy (aviation / tourism; banking finance).

6.3 RQ2: In what ways does political interference affect the execution of corporate strategy within SOEs?

6.3.1 Sabotage or reversal of strategic initiatives

The findings indicate that political actors frequently halted or reversed strategic initiatives in Namibian SOEs when these initiatives conflicted with political objectives or threatened the interests of politically connected individuals. Participants described instances where commercially viable investment proposals were abandoned because they were perceived as reducing ministerial influence over procurement, restructuring, or stakeholder partnerships. One executive recounted how a multibillion-dollar (NAD)

procurement contract was withdrawn shortly before signing because the process followed in awarding the contract may have disadvantaged some potential contractors. This reflects rent-seeking behaviour, where SOEs are used as instruments to preserve access to economic rents rather than maximise organisational value. Bruton et al. (2015) argue that SOEs in emerging economies are particularly vulnerable to such practices as they operate at the intersection of public policy and resource allocation. Similarly, Ahunwan (2021) demonstrates that political elites deliberately interfere in corporate processes to protect patronage networks, even when such interference undermines strategic progress. In Namibia, halted projects were described as consequences of invisible veto power, referring to the ability of political actors to block initiatives without issuing written directives. This finding is consistent with Giner and Mora (2020), who note that politicians avoid documented interference to evade accountability.

Comparable patterns have been observed across African SOEs. Kakero (2020) reports that in Kenya, commercially viable infrastructure projects were cancelled to maintain control over politically connected suppliers. In Nigeria, Nwafor et al. (2020) found that ministers intervened in long-term capital investments when political stakeholders perceived diminished influence over procurement. In Zimbabwe, Zhou (2023) shows that SOE strategic plans were abandoned under pressure from ruling party officials seeking continued access to state resources. In South Africa, Deruytter et al. (2022) reveal that political actors obstructed reform strategies within Eskom because they threatened entrenched patronage in coal procurement. These international parallels reinforce the Namibian findings: political interference systematically prioritises private political interests over public value creation.

Scholars caution that interference during execution is more damaging than during planning. Costa (2020) describes this as strategic paralysis, where organisations have plans on paper but lack authority to implement them. Sadeh et al. (2021) found that execution-stage interference leads to high implementation failure because each reversal erodes institutional memory and managerial confidence. In Namibia, reversals occurred after lengthy planning processes spanning over many months and years, undermining organisational morale. This aligns with Baron (2023), who argues that while SOEs may adopt private-sector strategies, political intervention prevents their translation into tangible performance. Governance codes such as NamCode (Namibian Stock Exchange, 2014) and King IV (IoDSA, 2016) stipulate that boards - not politicians - should ensure strategy execution. However, findings reveal that decision-making authority largely lies with ministers, not boards.

Analytically, the interruption of strategy represents political control disguised as oversight. Peng et al. (2023) describe this contradiction as the paradox of state control, where governments demand improved SOE performance but simultaneously undermine the autonomy required to achieve it. When political actors halt execution, organisations enter a cycle of incomplete projects, stalled implementation, and wasted resources. These findings confirm that political interference directly causes project paralysis, strategic discontinuity, and severe execution failure.

6.3.2 Prioritisation of short-term political gains over long-term strategic sustainability

The findings reveal that political short-termism significantly undermines corporate sustainability and long-term value creation within Namibian SOEs. Interviewees described how previously agreed strategic plans were frequently modified to accommodate “urgent mandates” from shareholder ministries. These politically driven directives are often constructed and executed within short timeframes, distorting organisational logic and strategic coherence. Butzbach et al. (2021) argue that SOEs struggle to balance commercial and political objectives due to coercive instruments disguised as political dividends that compromise sustainability and strategic value. Several Namibian SOE executives echoed this, recounting instances where plans were altered to enable politically motivated rollouts of high-value public works.

This phenomenon, commonly referred to as political short-termism, prioritises immediate political gains over long-term organisational objectives. Olivieri et al. (2022) note that political actors often select initiatives that deliver visible short-term results, even when these conflict with corporate strategy. Participants illustrated this dynamic with statements such as: *“We get told to change our priorities overnight because someone wants to put out a media statement”*. Such practices directly contradict governance frameworks such as King IV (IoDSA, 2016), which emphasise sustained value creation and organisational sustainability. Hlaváčková (2020) contends that boards that capitulate to political pressure become passive actors in political theatre rather than drivers of corporate strategy.

Political short-termism compromises organisational sustainability in three critical ways:

- **Strategic displacement:** Long-term projects are sidelined in favour of politically expedient initiatives. Respondents noted that frameworks for long-term investment were abandoned for quick-spending, quick results approvals.

- **Suppression of learning and adaptation:** The urgency to deliver immediate results stifles experimentation and iterative learning, which are essential for effective strategy execution. Genin et al. (2021) emphasise that performance improvement in SOEs depends on data-driven learning - an approach incompatible with politically imposed deadlines.
- **Erosion of accountability:** The transient nature of political office eliminates long-term consequences, weakening accountability for strategic outcomes.

6.3.3 Strategy discontinuity caused by changes in leadership

The findings indicate that political turnover - such as changes in ministers, shifts in shareholder oversight, or the appointment of new board chairpersons - is a notable disrupter of the execution of corporate strategies within Namibian SOEs. Respondents consistently noted that new political leadership come with “new instructions,” compelling boards to alter priorities even when existing strategies are mid-implementation. One executive described strategic plans as “moving targets,” as incoming political actors often seek to introduce new initiatives. This reflects Costa’s (2020) concept of the “So Close, Yet So Far”, where SOEs struggle to sustain long-term strategies due to frequent leadership changes. Similarly, Alami and Dixon (2020) argue that political reshuffles inevitably redirect organisational focus to frameworks serving personal or factional agendas. These abrupt shifts undermine continuity, erode commitment to long-term objectives, and destabilise execution discipline.

Globally, SOEs operate in politically volatile environments where strategic alignment is vulnerable to the whims of ruling elites. Nielsen (2021) observes that each ministerial change triggers shifts in stakeholder expectations in SOEs forming part of their portfolio. Zhou (2023) reports that in Zimbabwe, boards abandoned legally approved strategies under political instruction following ministerial reshuffles. Comparable patterns were documented by Sadeh et al. (2021) in Romania, where political turnover disrupted SOEs’ ability to achieve operational and strategic goals. Namibian executives echoed these experiences, citing instances where strategic plans were revised, suspended, or discarded entirely following changes in political leadership.

Frequent turnover also complicates governance accountability, as it makes determining who is responsible for specific strategies an onerous task. Long-term outcomes become difficult to attribute when priorities shift with political cycles. Butzbach et al. (2021) emphasise the challenge of balancing political expectations with commercial objectives

in SOEs - a balance that becomes untenable under rapid and unpredictable changes. Governance frameworks such as King IV mandate boards to ensure cohesive and consistent strategy implementation. However, the data suggests that boards are subject to “forced compliance,” compelled to pivot despite prior alignment with coherent strategic directions. This contradicts Peng et al. (2023), who argue that effective execution is predicated on the stability of the strategic orientation. Autonomy in decision-making and strategic direction is therefore critical, yet frequently compromised.

Beyond strategic instability, political turnover erodes organisational learning and execution discipline. Hlaváčková (2020) underscores that complex strategies rely on accumulated learning over time, i.e., institutional memory. Execution strategies remain unrefined because SOEs lose opportunities during the period for assessing implementation. In Namibia, repeated disruptions led to the production of multiple strategic plans without effective implementation, resulting in strategy fatigue. Genin et al. (2021) describe this as “continuous disruption,” where execution capability deteriorates as boards and executive teams perceive strategies as transient. This disengagement, as Trullen et al. (2020) note, becomes a defensive behavioural response, ultimately impairing organisational performance.

6.3.4 Political protection and patronage networks

Patronage networks emerged as a critical factor shaping strategic decision-making within Namibian SOEs. Respondents highlighted the influence of certain “unquestionable names” on procurement contracts, project partnerships, and even operational decisions. In this context, SOEs often serve as vehicles for channelling contracts and economic opportunities to politically connected individuals and networks. Politically appointed board members and political actors operate within systems of mutual loyalty, creating obligations that frequently result in resource capture and diversion (Ahunwan, 2021). Such dynamics reflect a broader trend in developing economies, where political networks exert pervasive control over SOEs. Costa (2020) notes that boards that prioritise political directives over organisational objectives effectively facilitate this capture. Respondents reinforced this point by citing instances where strategic priorities were “adjusted” to accommodate politically motivated partnerships, even when feasibility studies and corporate strategies recommended alternative courses of action.

This behaviour aligns with the rent-seeking phenomenon. Bruton et al. (2015) argue that SOEs, as hybrid organisational forms, are particularly vulnerable to exploitation by political elites seeking to funnel resources to favoured individuals and companies.

Dragomir et al. (2021) observed similar patterns in a European airline, where politically affiliated suppliers secured contracts amid concerns regarding their capacity to deliver. In Namibia, participants noted that references to “national interest” are often invoked to legitimise such practices, making it difficult for boards to resist without appearing to obstruct government objectives. Nicolò et al. (2020) further explains that SOEs frequently use sustainability rhetoric to justify contracting processes that are not open to public to the extent that they should be, seeing that they are of a public nature. However, this study demonstrates that such patronage is rarely aligned with national priorities; rather, it consolidates private political influence through state institutions.

The impact of patronage on organisational strategy is profound. It distorts resource allocation, replacing strategic reasoning with political considerations. As De Villiers and Dimes (2021) emphasise, the effectiveness of governance depends on transparent decision-making and alignment between strategy and resources. When political actors divert resources to serve their networks, execution becomes inconsistent, unsustainable, and costly. Comparative evidence supports this: Abang'a et al. (2022) document how political patronage in Kenyan SOEs led to inefficient resource allocation and financial underperformance, while Zhou (2023) points that board-level patronage in Zimbabwe resulted in procurement failures and eroded public trust. These cases resonate with Namibian experiences, where patronage networks severely undermine execution discipline and dictate which projects receive funding, ultimately crippling organisational performance.

6.4 RQ3: What institutional and governance challenges enable political interference in SOEs?

6.4.1 Concentration of board appointment and removal power

The findings reveal that political interference in Namibian SOEs is primarily driven by the concentration of appointment and removal powers in the hands of the responsible minister. Participants consistently noted that ministerial discretion in selecting board members creates a dependency relationship, where directors understand that their tenure is politically conditional. This dependency compromises governance integrity, as boards avoid decisions that might conflict with ministerial preferences, thereby undermining normal oversight and accountability processes. Siyaya (2020) observes that in Namibia, the appointing authority can dissolve boards without procedural justification, reinforcing political control and eroding accountability. Similar patterns are evident in Kenya, where Kakero (2020) found that ministerial appointments override

governance systems, causing boards to lose strategic focus and pursue political objectives. Ahunwan (2021) warns that such control introduces structural risks, as politically aligned directors are unlikely to challenge interference. The findings from Namibia thus indicate that control by appointment power is a political tool that dictates whether and how boards engage in strategic deliberation, decision-making, and implementation.

Documentary evidence further confirms that absolute ministerial authority over appointments and dismissals strips boards of independence, strategic objectivity, and oversight effectiveness. Costa (2020) argues that the absence of transparent criteria for appointments enables political actors to embed loyal allies within SOEs, creating informal networks that weaken governance. Baron (2023) adds that politically appointed directors become vulnerable to external pressures when strategic choices diverge from political priorities. Namibian executives echoed these concerns, noting that board members' strategic oversight weakens because they avoid taking decisions that may upset the appointing authority. Comparable findings from Nigeria (Nwafor et al., 2020) show that boards refrain from resisting interference due to fear of losing their position. Consequently, boards cease to function as independent governance bodies and instead become passive executors of ministerial directives.

This centralisation of control directly contradicts the principles outlined in the NamCode (Namibian Stock Exchange, 2014) and King IV (IoDSA, 2016). The NamCode advocates for transparent, merit-based appointments that prioritise skills, independence, and value creation, while King IV emphasises that boards must exercise judgment free from undue influence. However, the study's findings indicate that SOE boards lack functional independence, as loyalty - not competence - dominates selection criteria. Moreover, loyalty can be revoked arbitrarily, leaving directors reluctant to challenge political authority. In such circumstances, accountability erodes, and governance becomes subordinate to political interests which, in the end, dictate board behaviour.

6.4.2 Weak enforcement of corporate governance frameworks

Despite the existence of the Public Enterprise Governance Act, the NamCode (Namibian Stock Exchange, 2014), and King IV (IoDSA, 2016), governance in Namibian SOEs remains largely theoretical, with enforcement mechanisms proving ineffective. Respondents emphasised that compliance is often a tick-box and ceremonial exercise, driven by mandates rather than a genuine commitment to governance principles. Deruytter et al. (2022) note similar patterns across African SOEs, where governance

codes are observed superficially without meaningful transparency or independence. Alami and Dixon (2020) further argue that while SOEs in developing countries claim adherence to international governance standards, weak enforcement creates a disconnect between policy and practice - a contradiction echoed by Namibian respondents who referred to this phenomenon as on-paper governance.

Comparative examples from New Zealand, Singapore, and Malaysia demonstrate that governance codes only succeed when supported by robust enforcement systems. In Singapore, a centralised ownership unit ensures clear separation between government and SOE boards, with accountability tied to performance and financial outcomes (Olivieri et al., 2022). New Zealand similarly links board oversight to contractual performance obligations (Butzbach et al., 2021). Malaysia employs a dual-layer monitoring system to oversee SOE strategy, structure, and resource allocation (George & Seo, 2022). These cases highlight that effective governance requires independent monitoring mechanisms, free from ministerial interference - a stark contrast to the Namibian context where the state acts as both enforcer and political influencer.

The findings further reveal that, under weak enforcement, boards lack both the authority and the resolve to resist political pressure. Niazi et al. (2023) observe that even in countries with governance codes, the absence of enforcement creates role ambiguity, enabling political actors to encroach on board autonomy. Nielsen (2021) concurs, arguing that governance frameworks without enforcement become mere formalities, with no tangible impact on organisational performance. Namibian directors illustrated this by noting that, despite NamCode provisions for independent oversight, ministers routinely bypass governance structures and compel boards to endorse politically motivated initiatives. As one participant remarked: *“There is no consequence for breaking governance rules”*. This absence of accountability perpetuates systemic governance paralysis, leaving SOEs vulnerable to unchecked political interference.

6.4.3 Lack of accountability and consequence management

The findings reveal that persistent political interference in Namibian SOEs is sustained by a systemic absence of accountability and consequence management. Participants highlighted that politically shielded actors routinely evade scrutiny during audits, investigations, and forensic reviews. Even when reports identify governance failures, these actors face no repercussions, reinforcing a culture of impunity. Ahunwan (2021) argues that the absence of consequences for political meddling or governance failures constitutes a form of corruption. Similarly, Deruytter et al. (2022) note that accountability

erodes further when governance mechanisms themselves are compromised by political intrusion. Respondents described scenarios where politically protected board members approved budgets for investments without feasibility studies, following ministerial directives. When these investments failed, neither the ministers nor the politically aligned board members were held accountable. This environment renders compliance with governance frameworks optional.

The absence of accountability fosters a culture where political actors and board members believe that governance rules can be breached without consequence. Nwafor et al. (2020) link SOE failures in Nigeria to similar patterns of political exploitation, particularly in procurement and strategy execution. Namibian respondents echoed this, citing cases where board members deliberately stalled audit follow-ups on politically sensitive decisions. North's (1990) institutional theory explains this phenomenon as the dominance of informal political norms over formal governance rules, resulting in organisations being governed by relationships rather than systems of control. In such contexts, ministers exert informal authority through directives, phone calls, and threats of board dissolution. Peng et al. (2023) describe this as strategic distortion, where state ownership becomes a conduit for political interests to override corporate strategy, prioritising political preferences over organisational performance.

Weak accountability systems also demotivate leadership and dismantle performance management structures. Gikaria (2021) emphasises that effective accountability is enhanced in a system that penalises non-compliance and rewards adherence. However, in Namibia, political interference discourages leaders from implementing long-term plans. Nielsen (2021) observes that the absence of accountability directly undermines public-sector performance - a finding corroborated by participants who reported that executives fail to act against poorly performing managers, while whistleblowers face retaliation, including demotion or dismissal. In some cases, forensic audits exposing resource mismanagement and procurement irregularities were suppressed for what can only be described as political reasons. This lack of enforcement perpetuates bad governance and closes the feedback loop essential for learning, adaptation, and continuous improvement.

6.4.4 Unclear roles and power boundaries

One of the most pervasive governance weaknesses enabling political interference in Namibian SOEs is the lack of clear separation between ownership (government), oversight (ministries), and governance (boards and management). Participants

described multiple instances of ministers issuing direct operational instructions to boards and executives, bypassing established governance protocols. This mirrors Costa's (2020) observation that unclear governance boundaries allow political actors to fluidly shift between policy, ownership, and operational control, depending on what serves their interests at a particular time. In Namibia, respondents noted that the same ministry responsible for appointing boards also reviews their performance, approves budgets, and influences operational decisions - creating structural dependency that undermines board independence and amplifies political control. Kakero (2020) similarly argues that when ownership and oversight functions reside within the same government functionary, SOEs become highly vulnerable to political capture.

International governance standards emphasise the importance of role clarity. The OECD Guidelines advocate for distinct boundaries between the state as owner, the board as strategic overseer, and management as implementer. However, as Bruton et al. (2015) note, ministries in developing countries often fail to compartmentalise these functions, allowing regulators, shareholders, and political supervisors to intermingle. Namibian findings confirm this deficiency: participants reported cases where ministers issued directives and demanded the reversal of procurement and investment decisions. When governance roles and command chains are poorly defined, SOEs risk being treated as extensions of ministries. This chronic problem requires structural reforms to separate ownership from governance oversight, without which boundaries will remain blurred, and strategic and operational decisions will continue to be politicised.

This issue is rooted in both legal and policy design. While NamCode and King IV stress board independence and accountability (IoDSA, 2016; Namibian Stock Exchange, 2014), these frameworks are advisory and lack statutory enforceability. Consequently, political actors override governance requirements with impunity. Dragomir et al. (2021) found similar patterns in Europe, where informal authority was used to circumvent governance frameworks and control SOE decisions. In Namibia, boards function less as independent fiduciary bodies and more as intermediaries mediating political expectations rather than executing corporate strategy. This dominance of political influence reflects Bruton et al.'s (2015) analysis of hybrid SOEs, where institutional duality allows governments to exert operational control while avoiding accountability.

Poorly defined roles also diffuse responsibility. When projects fail due to politically motivated directives, accountability becomes fragmented: ministries blame boards, boards blame executives, and executives cite political pressure. De Villiers and Dimes (2021) note that such ambiguity fosters disclosure avoidance, as no party wants to

document politically driven decisions. Interviewees confirmed that executives often avoid recording political directives to prevent retaliation. Nicolò et al. (2020) argue that SOEs with weak governance structures exhibit poorer sustainability performance because accountability is spread across multiple actors. Namibian findings are an illustration of this displacement: rather than a single point of accountability, governance is characterised by overlapping centres of power and diluted responsibility.

6.5 RQ4: What governance measures or practices can enhance board independence and reduce political interference in strategy execution?

6.5.1 Independent and merit-based board appointment mechanisms

The findings indicate that political capture in Namibian SOEs is primarily driven by politically aligned and biased board appointments. Respondents reported that selections are often based on political affiliation, geographic considerations, and personal relationships rather than strategic, financial, or sector-specific expertise. This lack of competence undermines effective oversight and strategic control. Alami and Dixon (2020) argue that SOEs are particularly vulnerable to political capture when appointment authority is concentrated within political functionaries. Comparative evidence from politically dominated systems shows that directors and management frequently prioritise political loyalty over organisational objectives, weakening accountability and strategic governance. Ahunwan (2021) emphasises that eliminating political appointments is one of the most effective ways to mitigate patronage-related control.

Global best practices offer alternative models that strengthen board autonomy and competence. Leading SOEs in Singapore and New Zealand employ centralised holding structures where the state acts solely as a shareholder, while independent, skilled apolitical managers oversee recruitment matters. Baron (2023) notes that these frameworks rely on objective skills matrices, independent shortlisting committees, and transparent selection criteria to reduce political interference. Costa (2020) similarly argues that political detachment at the appointment stage enhances organisational integrity by blocking patronage networks at their entry point. Although governance frameworks applicable in Namibia, including NamCode, King IV, and the Public Enterprises Governance Act, advocate for politically neutral appointments, respondents indicated that ministerial discretion continues to override these provisions, undermining reform efforts.

Respondents also stressed the importance of appointing independent directors with strong financial, strategic, and governance expertise to improve oversight and counter shareholder overreach. Li and Zhang (2022) assert that directors free from political ties pursue SOE strategic objectives more effectively. Thenmozhi and Sasidharan (2020) found that SOEs in China and India perform significantly better when board appointments prioritise technical competence over soft skills / attributes. Evidence consistently shows that purpose-driven board composition enhances organisational performance. While Namibia's Public Enterprises Governance Act introduced a performance evaluation mechanism for directors, respondents noted that the overriding authority of ministers in appointments continues to compromise the intended reforms.

6.5.2 Clear, written shareholder instructions

The findings reveal that in Namibian SOEs, political influence often operates informally through unexpected phone calls, casual conversations with political elites, or even text or WhatsApp messaging. These undocumented directives exert unexpected pressure on directors, compelling them to deviate from formally approved strategies - often resulting in value destruction. Respondents noted that the absence of institutionalised, written instructions enables ministers to evade accountability for procurement decisions, investment prioritisation, and strategic steering. Giner and Mora (2020) describe this as the deliberate de-lining of formal instructions, while Dragomir et al. (2021) argue that such informal control mechanisms negatively impact corporate governance effectiveness, resulting in disproportionately negative outcomes.

Global best practices emphasise the importance of written communication between governments and SOE boards, following the "3 As" principle: Auditable, Adjustable, and Accountable. According to Deruytter et al. (2022), integrating accountability through written instructions within OECD governance frameworks ensures clarity of objectives and traceability of directives. Written instructions were identified as a critical mechanism for reducing governance gaps and providing evidence of political interference, thereby strengthening accountability (El Khatib, 2022).

Respondents suggested that requiring written instructions would discourage political pressure, as ministers would be less inclined to issue directives that would be available for later scrutiny. Abdullah and Masri (2020) argue that transparency transforms control actions into accountable measures, reducing the likelihood of misuse. Nielsen (2021) concurs, noting that documentation enables boards to defend against claims of political overreach, as written records can be reviewed by Parliament, auditors, and other review

and oversight bodies. The NamCode (Namibian Stock Exchange, 2014) and King IV (IoDSA, 2016) reinforce the principle that shareholder directives should remain within governance boundaries. However, respondents observed that these frameworks often function as formalities rather than enforceable mechanisms.

6.5.3 Structural separation between policymaking and SOE ownership

In Namibia, the absence of structural separation between policymaking, ownership, and governance oversight creates significant vulnerabilities to political interference in SOEs. Interviewees reported that ministers frequently issue directives to boards, including instructions on strategic decisions such as prioritised procurement, effectively collapsing the boundaries between policy and operational control. This supports Rock's (2020) assertion that without clear separation between political ownership and corporate governance, political interests inevitably dominate. Respondents described this dynamic, with one respondent stating: *"We approve a strategy today, but tomorrow a directive comes, and we reverse it - not because it is wrong, but because politics changed."* Such practices conflate policy formulation with operational decision-making, undermining governance integrity.

International research reinforces these findings. The OECD Guidelines emphasise that accountability and independence require insulation from both ownership influence and regulatory interference (Deruytter et al., 2022). When this separation is absent, boards risk becoming administrative extensions of political structures, losing their strategic value. Butzbach et al. (2021) note that SOEs operating in politically charged systems often experience strategic stagnation, as boards lack autonomy for long-term planning. Similarly, Peng et al. (2023) observe that in emerging markets, political actors frequently make themselves part of strategic decisions under the guise of shareholder oversight, eroding accountability and operational independence.

Namibian evidence illustrates this problem clearly. Directors reported that ministers intervene not merely as policymakers but as supervisors dictating operational decisions. This aligns with Kakero's (2020) findings in Kenya, where governance reforms failed because ministries micromanaged procurement and recruitment considerations. Corporate governance collapses when shareholder representatives interfere with execution, as boards cannot be held accountable for decisions they did not make (Jensen & Meckling, 1976). Respondents described this as shadow management - political actors exerting control over business decisions without bearing the associated risks, leaving boards to absorb blame for the resultant poor organisational performance.

The consequences of this structural failure are severe. Interviewees cited halted investments, missed opportunities, and inconsistent decisions driven by political agendas. Recognising this weakness, the Ministry of Finance and Public Enterprises (2023) proposed reforms, allowing SOEs to execute strategies independently. International models, such as those in New Zealand and Singapore, demonstrate the effectiveness of this approach: shareholder control is limited to oversight of results and performance, while boards retain full authority over execution (Baron, 2023). These models enhance transparency, strengthen accountability, and safeguard governance integrity.

6.5.4 Strengthened accountability and performance evaluation mechanisms

The findings indicate that persistent political interference in Namibian SOEs is largely enabled by weak accountability structures and the absence of robust performance evaluation frameworks. Although governance instruments such as the Public Enterprise Governance Act, NamCode, and King IV emphasise accountability, their implementation remains superficial. Respondents noted that directors are neither legally accountable nor evaluated against clear performance metrics, while ministers face no consequences for politically motivated directives that result in project failures, financial losses or organisational collapse. This lack of accountability allows political actors to override strategic decisions without institutional repercussions. Deruytter et al. (2022) argue that in politically driven environments, accountability gaps arise because political principals act simultaneously as monitors and interferers. Chatterjee (2022) similarly observes that boards cannot exercise independence without structured performance assessment frameworks, as evaluations are often politically influenced.

Participants described current evaluation processes as “tick-box exercises” disconnected from strategic outcomes, rendering them largely cosmetic. Literature demonstrates that effective accountability mechanisms enhance board autonomy. High-performing SOE systems in Norway, New Zealand, and Singapore institutionalise annual board evaluations through public performance contracts between the state and directors (Baron, 2023; Costa, 2020). These systems enforce execution autonomy while holding boards accountable for measurable strategic outcomes. Costa (2020) emphasises that rigorous accountability frameworks correlate with improved SOE performance compared to politically appointed boards operating under discretionary oversight. Participants echoed this view, suggesting that political interference would diminish if ministers evaluated boards based on predefined strategic objectives rather than political

considerations. Trullen et al. (2020) reinforce this position, noting that performance improves when accountability is tied to objective, predetermined outcomes.

The absence of consequences perpetuates political dominance and undermines organisational sustainability. Ahunwan (2021) warns that political actors resist meaningful performance reviews to maintain control and conceal incompetence. Evidence from Kenya and Nigeria confirms that accountability failures enable elite capture of SOEs, resulting in procurement abuses and strategic paralysis (Abang'a et al., 2022; Nwafor et al., 2020). Findings confirmed the presence of these patterns in the Namibian SOE context: respondents cited cases where boards were blamed for losses caused by ministerial directives, illustrating Giner and Mora's (2020) argument that SOEs often serve as vehicles for unaccountable political spending. Without enforceable accountability, boards will continue to yield to political pressure, deepening the imbalance of power between ministers and directors.

Interviewees further noted that Namibia's accountability frameworks lack enforceability. Despite NamCode and King IV provisions for performance-based reporting, non-compliance carries no penalties. Hoban et al. (2020) assert that governance codes remain ineffective when enforcement is optional, a view supported by Siyaya (2020), who observed that Namibian SOEs adopt governance frameworks only on paper. This contrasts sharply with international best practices, such as New Zealand's SOE model, which mandates annual ownership reports detailing actions aimed at influencing SOE performance (Baron, 2023). Such transparency prevents concealment of political interference and ensures accountability. In Namibia, however, governance frameworks fall short of requiring disclosure of political directives, perpetuating invisibility and undermining accountability.

Strengthening accountability frameworks requires:

- Performance-based shareholder agreements with measurable targets.
- Annual board and shareholder evaluations with mandatory public disclosure.
- Legislated consequence management for strategic interference.

Structural reforms in board appointments alone cannot guarantee independence. Boards will only execute strategy without fear of political reprisal when accountability and performance evaluation mechanisms are integrated into governance systems. These mechanisms are essential for dismantling political control and shifting SOE governance toward professional autonomy, enabling effective execution of strategic mandates.

6.6 Integration of theoretical framework and empirical findings

Political interference alters fundamental entities of SOE governance. Political actors control governance through norms, informal practices, and unwritten rules sidelining the formal governance structures and rules, as posited in Institutional Theory. North (1990) notes that institutions are a product of structures and dominant interests that wield power to control and dictate their use. This is the case with Namibian SOEs, where ministerial interference, undocumented executive directives, and politically motivated board appointments become institutional norms. Alami and Dixon (2020) similarly note that in emerging economies, SOEs often possess formal governance frameworks but suffer from weak enforcement, enabling politically driven actors to influence strategic decisions. This aligns with Ahunwan's (2021) observation that SOEs under political patronage experience institutional capture, where power dynamics - not governance principles - determine decision-making authority.

The findings also strongly support Agency Theory. Jensen and Meckling (1976) posit that excessive interference by principals (shareholders) in the work of agents (boards) increases agency costs and degrades decision quality. In Namibia, boards are legally accountable for strategic decisions but remain structurally subordinate to ministerial directives. This asymmetry eliminates decision-making autonomy, as the principal exercises operational control. Costa (2020) argues that when government simultaneously acts as policymaker, shareholder, and regulator, boards cannot carry out fiduciary responsibilities in the corporation's interest. Niazi et al. (2023) further demonstrate that strong political ties undermine governance effectiveness by fostering loyalty over accountability. Empirical evidence from Namibia corroborates this: interference transformed boardrooms into compliance arenas, where directors understood that non-compliance with political orders could result in removal.

Governance theory emphasises independence, accountability, and role separation as prerequisites for effective oversight (De Villiers & Dimes, 2021). However, the findings reveal stark contradictions: the same ministry that sets policy also directs operational decisions and evaluates board performance. Chatterjee (2022) asserts that board effectiveness depends on institutional safeguards that protect autonomy, while Deruytter et al. (2022) argue that accountability mechanisms must constrain political overreach. Namibia lacks these safeguards, resulting in blurred governance and operational boundaries that hamper strategic execution. While Governance theory presupposes independent boards, the Namibian context demonstrates the opposite - politically

appointed ministers function as de facto executive chairs, consolidating control and undermining corporate governance integrity.

6.7 Updated conceptual framework

The revised conceptual framework integrates the empirical findings from Chapter 5 and clarifies the causal linkages among the key variables: political interference, governance weaknesses, and strategic execution outcomes. The updated model identifies two primary entry points for political interference:

- Control over board composition, and
- Control over strategic decision-making processes.

This aligns with Bruton et al.'s (2015) conceptualisation of SOEs as hybrid entities operating at the intersection of politics and business. In the Namibian context, political actors exert influence through the appointment of loyal board members, issuing informal directives, and reversing strategic decisions for political reasons. These interventions occur predominantly through informal systems of control, rather than formal governance mechanisms, consistent with North's (1990) assertion that informal norms and practices often outweigh formal rules in shaping institutional behaviour when enforcement is weak.

The research further highlights systemic governance failures. Boards lack authority, while ministers wield unchecked power without accountability. Deruytter et al. (2022) emphasise that accountability frameworks are essential for governance resilience, yet Namibia exhibits significant gaps: absence of written directives, non-implementation of performance contracts, and complete evasion of accountability by political principals. The revised model addresses these deficiencies by incorporating accountability assessment as a mediating construct to evaluate the extent to which political overrides compromise corporate governance frameworks.

The updated framework also integrates asymmetric accountability relationships, reinforcing the application of Agency Theory. Jensen and Meckling (1976) argue that when principals distort governance relationships, agents lose autonomy and become risk-averse executors of political agendas rather than strategic objectives. Findings confirm that directors rarely challenge political directives because ministers control their appointment and removal. Nielsen (2021) underscores that SOEs achieve strategic performance when ownership and oversight are structurally separated - a principle now

embedded in the revised model through mechanisms advocating functional separation of policy control, ownership, and governance.

Finally, the model introduces a feedback loop illustrating how political interference perpetuates strategic paralysis, financial underperformance, and organizational decline, which in turn strengthens the political rationale for further interference. This cyclical dynamic reflects Pfanelo and Chinomona's (2024) argument that interference creates inefficiency loops where underperformance becomes a justification for deeper political engagement. The Namibian case exemplifies this self-reinforcing cycle of governance failure.

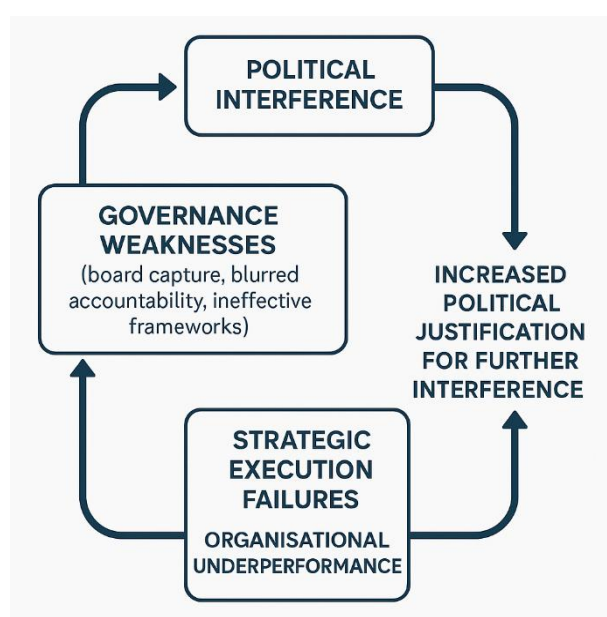


Figure 3: Updated governance framework

Source: *Researcher's own (2025)*

Accordingly, failure of an organisation's strategy is not merely an unintended consequence of political interference; it is the direct result of governance structures embedded within the institutional framework. The revised conceptual model underscores the need to transition from politically driven oversight to performance-based governance as a prerequisite for organisational success. This approach aligns with globally recognised reform models, such as Temasek in Singapore, New Zealand Treasury's Commercial Operations Unit, and other governance separation frameworks. These models demonstrate that clear separation of oversight and ownership significantly enhances board autonomy and strengthens accountability (Baron, 2023).

6.8. Chapter summary

This chapter critically synthesised and interpreted the study's findings within the context of autonomy and strategy execution debates in SOEs, drawing on governance literature, theoretical frameworks, and empirical research on SOEs. The evidence demonstrates that political interference in Namibian SOEs is not incidental but a systemic outcome of interlocking institutional arrangements within the governance structure. Political actors exert influence throughout the strategic cycle - from board appointments and approval of strategic plans to operational interventions - fundamentally eroding board autonomy and shifting accountability for performance from organisational structures to political principals. This distortion was most evident in decision-making processes.

Across all research questions, the discussion highlighted that failures in strategy execution are consistently linked to governance deficiencies. Boards lacked independence due to politicised appointment processes; governance frameworks existed largely on paper; and consequence management for underperformance was either absent or ineffective. Structural arrangements blurred the boundaries between policy formulation, oversight, and ownership, creating overlapping authority that facilitated political encroachment and rendered accountability enforcement impossible. The absence of clear lines between strategic oversight and operational control empowered political actors to influence procurement, resource allocation, and executive management decisions.

The chapter also examined how these findings relate to, extend, or challenge existing theory. Political norms shaping organisational behaviour reinforce Institutional Theory, while the findings expand Agency Theory by illustrating how principals pursue political objectives unconstrained by performance criteria. Furthermore, the demonstrated link between weak accountability systems and heightened risk of political capture underscores the relevance of Governance Theory in explaining the systemic vulnerabilities of SOEs.

CHAPTER 7: CONCLUSION

7.1 Principal theoretical conclusions

This research examined the influence of politics on the strategic management of boards of directors in Namibian SOEs. The findings reveal that political interference infiltrates boards, undermines independent oversight, and shifts strategic priorities from organisational objectives to political agendas. This dynamic explains the weak governance and ineffective boards observed in Namibian SOEs, as framed by agency theory, institutional gaps, and governance frameworks.

From an agency theory perspective, the government - acting as the principal - pursues political objectives alongside organisational goals, creating agency loss and strategic misalignment (Jensen & Meckling, 1976). This study highlights the widening agency gap in Namibian SOEs, where the roles of shareholder, regulator, and policymaker are concentrated in a single functionary, enabling unchecked interference.

Institutional theory, as articulated by North (1990), further explains how weak enforcement of governance rules embeds political norms into organisational behaviour. Although governance instruments such as NamCode and King IV are formally adopted, their enforcement remains largely symbolic. This observation aligns with the institutional gap described by Deruytter et al. (2022). Governance theory also emphasises that clear role definitions and reporting lines enhance accountability (De Villiers & Dimes, 2021). However, this research finds that accountability continues to rest with political authorities, who bypass governance frameworks, particularly in interactions between line ministers and boards. This revelation exposed significant accountability gaps.

Political influence begins with board appointments, which often prioritise political loyalty over expertise and independence. Prior studies confirm that politicised appointments compromise board independence, weaken accountability, and distort organisational priorities (Alam & Dixon, 2020; Siyaya, 2020). This study extends the literature by illustrating how such appointments foster a behavioural pattern of anticipatory compliance, where boards align decisions with ministerial expectations to secure political favour. Interviews revealed a sense of indebtedness among board members toward political actors, reinforcing evidence of political control in SOEs within developing countries (Ahunwan, 2021).

Unlike earlier research that abstracted the political consequences of control, this study demonstrates tangible outcomes: politically motivated appointments delay strategy

implementation, reverse board-approved initiatives, and contribute to a series of underperforming projects. In essence, political interference directly correlates with below-par execution, strategic reversals, and poor project performance in Namibian SOEs.

Research indicates that governance frameworks in Namibian SOEs are applied more procedurally than substantively. Although the NamCode emphasises independence, accountability, and transparency as core governance principles (Namibian Stock Exchange, 2014), their enforcement remains largely discretionary. As El Khatib (2022) notes, the application of these principles is optional rather than mandatory. This study contributes to the theoretical discourse by highlighting an inherent structural contradiction within governance frameworks: political actors who govern and oversee SOEs simultaneously prevent these frameworks from effectively curbing political influence. This finding extends Rock's (2020) characterisation of SOE governance as a conundrum of concern, reflecting the persistent tension between political and commercial interests.

A culture of weak accountability further legitimises politically motivated interference. Consistent with Dragomir et al. (2021), this research shows that the absence of consequence management enables boards and executives to disregard governance breaches, without no consequence. This lack of accountability perpetuates practices such as resetting performance targets - or ignoring them altogether - without repercussions.

Interviews revealed that many SOEs repeatedly failed to meet financial and strategic objectives over several years, yet no corrective action was taken against their boards or executives. Deruytter et al. (2022) describe accountability in SOEs as deferred, diluted, or diffused, a condition that erodes discipline in strategic execution and directly correlates with governance failures. Building on prior research, this study underscores that accountability is the missing link within governance frameworks - an essential component for aligning control with effective execution.

7.2 Contributions to research

This study makes significant contributions to theory, empirical knowledge, and practice concerning corporate governance in SOEs in emerging economies, with a specific focus on Namibia. It advances scholarship by highlighting the absence of robust accountability frameworks in the appointment, oversight, and governance processes within Namibian

SOEs. While earlier research has characterised SOEs as hybrid organisations balancing public and commercial interests (Bruton et al., 2015), this study demonstrates that, in Namibia, political goals dominate, creating governance imbalances and undermining effective strategy execution. By capturing the mechanisms of political interference, particularly ministerial appointments and discretionary oversight within regional SOE literature that remain underdeveloped.

The study integrates agency theory, institutional theory, and governance theory to explain why SOEs consistently fail to implement their strategies. From an agency theory perspective, agents may pursue interests that conflict with those of the principal, resulting in agency loss (Jensen & Meckling, 1976). Previous studies have framed this conflict primarily as an incentive mismatch or managerial capability deficit (Abang'a et al., 2022). In contrast, this research shifts the focus to political capture of strategic decision-making as the primary structural cause of agency loss. Institutional theory posits that organisational behaviour tends to align with prevailing social and political norms, even when these norms perpetuate inefficiency (North, 1990). This study extends that argument by showing how weak enforcement of governance rules elevates informal political authority above formal governance structures. Governance theory emphasises accountability, transparency, and oversight as pillars of effective boards (De Villiers & Dimes, 2021). This research contributes to the discourse by demonstrating how the absence of active enforcement of these principles erodes boards' capacity to resist political interference and control corrupt and other undesirable practices.

This study contributes to the global body of research on political interference in SOEs by incorporating Namibia and addressing a notable regional gap. Unlike many African SOE studies that remain largely descriptive, this research provides empirical evidence of how political authority disrupts execution processes (Mbidzo, 2020; Siyaya, 2020). A key contribution is the identification of a distinct causal chain: political appointments lead to loss of board independence, governance paralysis, erosion of execution capacity, and ultimately, strategic failure. While Alami and Dixon (2020) argue that governance frameworks in developing nations are formally adopted but substantively weak, this study substantiates that claim and extends the theory by exposing governance ritualism, where compliance is superficial and enforcement rests with political actors who themselves violate governance principles. Evidence from interviews and secondary documentary sources demonstrates how politically motivated delays and cancellations of strategic projects directly link interference to underperformance, filling a gap in existing literature that has largely overlooked this connection.

This research also offers comparative insights into governance practices. Models such as Singapore's Temasek and New Zealand's Treasury illustrate how depoliticised oversight can safeguard execution from political interference (Baron, 2023). By contextualising these examples, the study argues that structural reforms, cultural shifts, and functional separation are essential for effective governance in Namibia. Furthermore, while existing literature suggests that board independence enhances organisational performance (Li & Zhang, 2022; Thenmozhi & Sasidharan, 2020), this study provides empirical evidence explaining why independence remains unattainable under current frameworks. Finally, the research makes practical contributions to policy discourse by recommending governance reforms, including independent appointment bodies, written shareholder mandates, and robust governance and performance evaluation systems.

7.3 Recommendations for management and stakeholders

This study offers practical steps to strengthen SOE governance and reduce political interference during strategy execution. Evidence from the research highlights that political meddling primarily occurs through control of board appointments, lack of accountability, and weak governance structures. Based on these findings, the following recommendations are proposed:

Establish independent and merit-based boards - The first recommendation is to create independent, meritocratic boards that operate outside ministerial control. These boards should have strategic autonomy to maintain political neutrality. Removing ministers from direct involvement in board appointments would align Namibia with international best practices and reduce structural interference. Research confirms that independent governance significantly improves strategic and operational performance (Li & Zhang, 2022; Thenmozhi & Sasidharan, 2020). Current practices, where politically aligned appointees lacking governance expertise occupy key positions, undermine execution and accountability. Treating boards as autonomous governance bodies is essential for restoring balance and effectiveness.

Formalise political directives through documented shareholder instructions - Another critical recommendation is to ensure that all political directives to SOEs are issued as formal, documented shareholder instructions. Interviews revealed that verbal, untraceable instructions are not uncommon. This enables political actors to exert control without accountability. Written instructions create an auditable trail, enhance transparency, and allow oversight bodies to monitor compliance. International standards

recommend incorporating documented shareholder instructions into annual reports (Baron, 2023). Formalising directives reduces informal governance control, minimises undue influence, and protects boards from legal exposure by clarifying that strategic changes originate externally, not from the board. This measure strengthens accountability and ensures orderly interactions with political stakeholders.

Separate policy-making from oversight functions - A third recommendation is to separate the executive policy-making function from operational oversight. Currently, ministerial control conflates these roles, creating structural overlaps that weaken board independence. Governance reforms in New Zealand demonstrate that separating ownership entities from policy-making bodies clarifies accountability and reduces political intrusion (Genin, Tan & Song, 2021). In Namibia, ministers simultaneously set policy, oversee shareholder interests, and influence board-level decisions. Establishing a centralised holding entity would achieve separation of functions. This reform would align Namibia with global standards and safeguard strategic execution from political interference.

Implement performance contracts and consequence management - Finally, performance contracts and consequence management systems should be introduced for boards and executives. Politically appointed directors often neglect oversight responsibilities while retaining positions through political protection. Research shows that governance frameworks are ineffective without consequence management (Deruytter et al. 2022). Performance contracts should include measurable financial, operational, and strategic targets, with underperformance triggering reviews and potential dismissal based on objective criteria, not political considerations. These contracts should be disclosed in SOE annual reports to reinforce accountability. Implementing consequence management would break the cycle of strategic failure perpetuated by politically shielded underperformers and restore discipline in governance.

7.4 Limitations of the research

This study explores the consequences of political interference on the implementation of corporate strategy in Namibian SOEs. While it provides valuable insights, it was not without limitation. Several methodological and contextual limitations were experienced:

Political sensitivities and data constraints - Political interference is a highly sensitive governance issue, which understandably led to reluctance among some executives and board members to participate fully. Several SOEs declined interviews, and responses

from others were often generic and guarded. The political context likely constrained the level of detail provided. As Silverman (2022) notes, research involving elites often results in gaps, as interviewees avoid topics that could jeopardise their positions. Although efforts were made to triangulate interview data with publicly available materials and policy documents, the political nature of the topic inevitably affected the richness of qualitative data.

Sample size and qualitative design - Another limitation relates to the sample size and qualitative approach. While data saturation was achieved, the study relied primarily on interviews with board members, executives, and government officials selected through purposive sampling. Qualitative research prioritises depth and meaning over statistical representation (Patton, 2015). Although SOEs span diverse sectors, the documented experiences may not fully capture the entire SOE ecosystem. As Hennink and Kaiser (2022) emphasise, qualitative analysis aims to provide rich contextual insights rather than generalisable findings. Consequently, while the results are relevant for Namibian SOEs, they may not apply to all SOEs, particularly those excluded from the study or operating under different ministries.

Bias and self-reporting limitations - Self-reported data introduces the possibility of bias. Participants may adopt defensive positions regarding political interference, attributing failures externally, or inadequately assessing internal weaknesses. As Miles et al. (2019) observe, qualitative accounts often reflect personal interpretations, selective recall, and self-protective narratives. Although document analysis and triangulation strengthened the findings, the core data remains subjective, shaped by participants' perspectives. Nonetheless, the triangulated evidence strongly signals the link between political interference and performance outcomes.

Contextual scope - The study's scope is limited to Namibian SOEs. Governance outcomes vary across countries depending on political influence, institutional maturity, and ownership structures (Genin, Tan & Song, 2021). Therefore, while the findings are significant for Namibia and similar contexts, they may not apply to countries with less political control or fully corporatised SOEs.

Document access restrictions - Finally, restricted access to internal documents posed a limitation. Some SOEs classified strategic documents as confidential, preventing deeper analysis of board-shareholder dynamics. As De Villiers and Dimes (2021) note, governance research is strengthened by access to internal reports and minutes, which

enable tracking interference across governance layers over time. In this case, such access was limited, constraining the depth of analysis.

7.5 Suggestions for future research

This study lays the foundation for further exploration of the intersection between politics, corporate governance, and strategy implementation in Namibian SOEs and other developing economies. Several promising avenues for future research are outlined below:

Mixed methods and longitudinal studies - Given the qualitative nature of this study, future research could adopt mixed-methods and longitudinal designs to empirically assess the impact of political interference on SOE financial and operational performance over time. Jensen and Meckling's (1976) discussion of agency burdens within state organisations suggests that quantitative approaches may be necessary to establish causal relationships between political influence and organisational outcomes. Longitudinal studies spanning multiple financial reporting periods could measure how political interference affects profitability, investment decisions, capital allocation, operational efficiency, and debt management, thereby revealing the structural contradictions that undermine strategic consistency and execution.

Board appointment processes and patronage systems - Further research should examine the board appointment process and the political-administrative interface in greater depth. This study indicates that ministerial control over appointments fosters patronage and compromises board independence, echoing findings by Ahunwan (2021) and Nwafor et al. (2020). Future studies could explore the internal mechanisms driving politically motivated appointments. Comparative research with countries where independent appointment panels exist could identify contextual factors and mechanisms that promote board autonomy and improve governance outcomes.

Accountability and consequence management systems - Accountability gaps enable political interference, yet empirical evidence on enforcement mechanisms remains limited. Future research could employ quantitative frameworks to evaluate the effectiveness of performance contracts, public disclosure requirements, and penalties for non-compliance in mitigating political influence. Building on Deruytter et al. (2022), subsequent studies could develop actionable models illustrating how accountability systems such as escalation pathways, whistleblower protection mechanisms, and punitive measures reshape board behaviour under political pressure.

Comparative analysis of state ownership models - Another research avenue involves examining sovereign holding structures and their role in reducing political encroachment. Models such as Singapore's Temasek, Malaysia's Khazanah Nasional, and New Zealand's SOE model offer varying degrees of commercialisation and independence. While Wang and Cheng-Han (2020) argue that corporatisation alone does not eliminate political control, independent holding entities significantly reduce direct political influence. Future studies could assess the adaptability of these models to Namibia and similar contexts, identifying structural reforms that enhance governance resilience.

Organisational culture and politicisation - This study focused on political networks and their impact on strategic execution. Future research could investigate how politicization shapes organisational culture, including employee perceptions of retaliation, politicised promotions, and job insecurity. Trullen et al. (2020) highlight culture as a mediating factor in governance outcomes, suggesting that cultural analysis could inform broader reform strategies aimed at restoring strategic agency within SOEs.

Broader stakeholder engagement - Expanding the scope to include regulators, trade unions, civil society, and oversight bodies could enrich understanding of the transparency ecosystem surrounding SOEs. El Khatib (2020) emphasises that multiple accountability actors serve as counterweights to political interference, strengthening institutional governance. Future research could explore how these external stakeholders contribute to governance resilience.

Action research and scenario planning - Finally, future studies could adopt action research or scenario planning methodologies to design and test governance interventions. Workshops and simulations involving policymakers, board members, and executives could prototype mechanisms such as written shareholder directives, appointment scoring systems, and strategy execution dashboards. These practical approaches would shift SOE governance research toward solution-oriented outcomes.

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APPENDICES

Appendix 1A: Interview guide - board members

Section A: Background and context

1. Can you briefly describe your role and responsibilities within the SOE?
2. How long have you served in this role or in a similar capacity within SOEs?

Section B: Board autonomy and effectiveness

3. How would you describe the level of autonomy your board has in making strategic decisions?
4. In your experience, to what extent are board appointments in SOEs influenced by political considerations?
5. How does political influence affect board discussions and decision-making processes?

Section C: Strategy execution

6. Can you describe any instance where political directives or interests have influenced the implementation of strategic initiatives?
7. How does political interference affect your ability to implement long-term strategic plans?
8. What challenges do you encounter in balancing political expectations with strategic business imperatives?

Section D: Governance and institutional challenges

9. In your view, what governance weaknesses enable political interference in SOEs?
10. Do you feel current governance frameworks (e.g., Public Enterprises Governance Act, NamCode and King IV) are sufficient to protect board independence? Why or why not?

Section E: Recommendations and insights

11. What practical measures or reforms do you think could enhance board independence in SOEs?
12. What strategies have you or your board used to manage or resist political interference while maintaining effective governance?

Section F: Final reflections

13. Is there anything else you would like to share regarding political interference and its impact on SOE performance or governance?

Appendix 1B: Interview guide - government officials

Section A: Background and context

1. Please describe your current role and responsibilities regarding state-owned enterprises (SOEs).
2. How long have you been involved in policymaking, oversight, or regulation of SOEs?
3. Which SOEs or sectors are under your direct supervision or interaction?

Section B: Political influence and board autonomy

4. From your perspective, how are board members of SOEs appointed, and to what extent is the process influenced by political considerations?
5. How does government policy shape the level of independence and effectiveness of SOE boards?
6. In your experience, how does political influence affect the ability of boards to make independent strategic decisions?

Section C: Political Influence on strategy execution

7. Can you share any examples where government directives or political interests affected the execution of corporate strategies in SOEs?
8. In your view, how does political involvement in strategic planning affect SOEs' long-term sustainability and performance?
9. To what extent does government prioritize developmental mandates over commercial objectives when engaging with SOEs?

Section D: Governance and institutional challenges

10. What institutional or regulatory weaknesses, in your opinion, allow political interference in SOE governance?
11. How effective are existing governance frameworks (e.g., the Public Enterprises Governance Act, NamCode, and King IV) in limiting political interference?
12. Do you believe the current reporting and accountability mechanisms for SOEs are sufficient? Why or why not?

Section E: Recommendations and policy insights

13. What reforms, policies, or measures do you think could strengthen SOE board independence and promote effective strategy execution?
14. How can government balance its role as a shareholder and policymaker without compromising SOE autonomy?

15. Are there international examples or best practices Namibia could adopt to reduce political interference and/or intervention in SOEs?

Section F: Final reflections

16. In your opinion, what is the overall impact of political interference on the performance and governance of SOEs in Namibia?
17. Is there anything else you would like to add regarding improving SOE governance and strategy execution?

Appendix 1C: Interview guide - governance experts

Section A: Background and context

1. Please describe your professional background and experience in corporate governance and SOE reform.
2. Have you previously advised, researched, or worked with Namibian SOEs or policymakers? If so, in what capacity?

Section B: Assessment of political influence

3. From your perspective, how prevalent is political interference in SOE governance and strategic decision-making in Namibia?
4. In your assessment, how does political influence impact the execution of corporate strategies and SOE performance?
5. To what extent does political patronage or interference affect board independence and accountability?

Section C: Governance and institutional gaps

6. What do you see as the main governance and institutional weaknesses that enable political interference in SOEs?
7. How effective are Namibia's existing frameworks (Public Enterprises Governance Act, NamCode, and King IV) in promoting good governance and reducing political influence?
8. Based on your expertise, how does Namibia compare to international best practices in SOE governance?

Section D: Recommendations and best practices

9. What governance models or policy measures could Namibia adopt to strengthen board autonomy and corporate strategy execution?
10. Are there examples from other countries where political interference in SOEs has been successfully minimised?
11. What role should regulators, policymakers, and corporate governance codes play in improving accountability and transparency?

Section E: Final reflections

12. From a corporate governance perspective, what key reforms would you recommend to enhance the performance and independence of SOEs in Namibia?
13. Is there anything else you would like to add that could inform best practices for SOE governance and strategy execution?

Appendix 1D: Interview guide - SOE executives

Section A: Background and context

1. Please describe your current role and responsibilities within the SOE.
2. How long have you served in this role or in executive leadership within SOEs?
3. What is the nature of your SOE's mandate (commercial, non-commercial)?

Section B: Strategy development and execution

4. How is corporate strategy developed within your SOE, and what role do executives play in this process?
5. Have you experienced instances where political directives influenced strategic priorities or resource allocation?
6. How does political interference affect the implementation of strategic plans and operational decisions?
7. What are the main challenges you face in executing strategy in a politically influenced environment?

Section C: Board-Executive dynamics

8. How would you describe the working relationship between the executive team and the board of directors?
9. In your experience, how does political influence on board composition affect strategic alignment and execution?
10. Have you observed any tensions between commercial imperatives and political expectations in board directives?

Section D: Governance and institutional challenges

11. What governance or institutional weaknesses do you believe enable political interference in SOEs?
12. How effective are current governance frameworks (e.g., Public Enterprises Governance Act, NamCode, King IV) in supporting strategy execution and protecting executive autonomy?
13. Do you feel that reporting and accountability mechanisms adequately support transparent and independent decision-making?

Appendix 2: Ethical clearance

Gordon Institute of Business Science University of Pretoria	Ethical Clearance Approved
Dear Tomas Nekongo, Please be advised that your application for Ethical Clearance has been approved. You are therefore allowed to continue collecting your data. We wish you everything of the best for the rest of the project. Ethical Clearance Form Kind Regards	
This email has been sent from an unmonitored email account. If you have any comments or concerns, please contact the GIBS Research Admin team.	

Appendix 3: Informed consent

I am conducting research on the impact of political interference on corporate strategy execution by the board of directors in Namibian state-owned enterprises (SOEs). Our interview is expected to last 30-45 minutes and will help us understand how political interference impacts the execution of corporate strategy within Namibian SOEs, and what measures can be put in place to enhance board autonomy. Your participation is voluntary, and you can withdraw at any time without penalty. By signing this letter, you are indicating that you have given permission for:

- the interview to be recorded;

the recording to be transcribed by a third-party transcriber, who will be subject to a standard non-disclosure agreement;
- verbatim quotations from the interview to be used in the report, provided they are not identified with your name or that of your organisation;
- the data to be used as part of a report that will be publicly available once the examination process has been completed; and
- all data to be reported and stored without identifiers.

If you have any concerns, please contact my supervisor or me. Our details are provided below.

Researcher name:

Research supervisor name:

Email:

Email:

Phone:

Signature of participant: _____

Date: _____

Signature of researcher: _____

Date: _____

Appendix 4: Data Coding Summary – Political Interference in Namibian SOEs

Research objective	Theme	Sub-theme	Key terms	Illustrative participant quotes
1. Examine the nature and extent of political interference taking place in Namibian SOEs	Theme 1: Influence of political interference on board autonomy and effectiveness	Politically motivated board appointments	Patronage networks; political loyalty; clientelism; capture; loss of independence	“More than 70% of appointments are politically motivated... the shortlist typically already includes individuals aligned to political actors.” (P1) “Board appointments are heavily influenced... preferred candidates are chosen long before the process starts.” (P2) “You can often predict who will be appointed based on political alignment.” (P3) “Board appointment recommendations often come from senior political figures before advertisements”. (G2)
		Limited board autonomy and conditional decision-making	Informal approval; dual power system; conditional autonomy; ministerial control	“Officially, the board has decision-making powers... but in practice, there is always a layer of informal approval”. (P1) “Autonomy exists, but only to a point... consultation becomes permission seeking.” (P2) “Boards approve strategies, but ministries reverse the decisions.” (G1) “Autonomy disappears the

				moment a strategic decision goes against political interests." (P3)
		Fear, intimidation, and self-censorship in board deliberations	Threats; removal; fear culture; reputational harm; silence	"If you challenge questionable proposals, you get labelled as anti-government." (P1) "Board members self-censor because they don't want to lose positions." (P2) "Boards approve strategies they don't believe in due to fear of dismissal." (G1) "Executives who challenge interference are punished; those who comply are protected." (E1)
		Role ambiguity and obstruction in the exercise of operational discretion	Role ambiguity; political overreach; operational interference	"We are pulled into operational matters when political actors want progress updates." (P3) "Political figures expect boards to manage operations directly." (P1) "Although we are supposed to stay at governance level, politics pushes us into operations." (P2) "Shareholder ministry interprets its role as managerial instead of oversight." (G1)
2. Assess how political interference impacts strategic decision-making and execution	Theme 2: Political interference and its effect on corporate strategy execution	Sabotage or reversal of strategic initiatives	Political veto; obstruction; project halts; vested interests	"Ministerial instruction to halt implementation pending consultations that never happened." (P1) "Feasible projects paused because they threatened political interests." (P2)

				"Projects halted to benefit politically connected businesses." (G2) "Executives who challenge interference are punished." (E1)
		Prioritisation of short-term political gains over long-term strategic sustainability	Election cycles; publicity projects; reactive strategy; discontinuity	"Long-term planning requires stability, but politics changes priorities yearly." (P1) "We start projects, then ministries revise them to match new policy." (P2) "Political actors prioritise short-term visibility." (G2) "Leadership changes collapse long-term planning." (G1)
		Strategy discontinuity due to changes in political leadership	Ministerial reshuffles; shifting agendas; instability	"Boards are dissolved unexpectedly when new ministers come in." (P3) "Strategic plans abandoned midstream for new agendas." (G2) "When leadership changes, priorities shift, and long-term planning collapses." (G1) "Strategies revised midstream because new leaders want different focus." (E1)
		Political patronage networks influencing strategic decisions	Protectionism; elite capture; contract favouritism	"Restructuring faced resistance because it threatened politically connected staff." (P1) "Projects died because they threatened certain interests." (P2)

				“Politically connected business persons stall initiatives.” (P3) “Executives who comply are rewarded; challengers are punished.” (E1)
3. Identify challenges faced by Namibian SOE boards in upholding and implementing good governance standards	Theme 3: Governance and institutional weaknesses enabling political interference	Concentration of board appointment and removal power in ministers	Centralised authority; dependency; board turnover	“Boards can be dissolved when a new Minister comes in.” (P3) “The core weakness is concentration of appointment power in political offices.” (E3) “Board appointment recommendations often come from senior politicians.” (G2) “More than 70% of appointments are politically motivated.” (P1)
		Weak enforcement of corporate governance frameworks	Non-enforcement; paper compliance; selective accountability	“Governance frameworks exist but enforcement is selective.” (P1) “Frameworks are strong but ignored when political interests are threatened.” (E2) “On paper, frameworks are excellent—without enforcement, they are decorations.” (E1) “Until interference carries consequences, frameworks remain guidelines.” (G1)
		Lack of accountability and consequence management for interference	Impunity; selective discipline; silence culture	“If a politically connected person violates rules, no consequences.” (P1) “Reporting happens, but accountability does

				not." (E2) "Executives who comply are protected." (E1) "Politicians interfere and face no disciplinary action." (P3)
		Unclear roles between ownership, oversight, and governance	Role confusion; overlapping authority; dual control	"Shareholder acts as both owner and manager." (P3) "Boards end up implementing political directives." (G2) "Government behaves as regulator and manager, eroding independence." (G1) "Boards are pulled into operational matters by political interests." (P3)
4. Propose operational, policy and legislative strategies to mitigate political interference	Theme 4: Measures to enhance board independence and reduce political interference	Independent and merit-based board appointment mechanisms	Depoliticisation; professionalism; competence; expertise	"Board appointments must be handled by an independent committee." (P2) "Qualifications come after the fact—the real selection is political." (P3) "Power concentrated in political offices erodes independence." (E3) "Names are pushed via WhatsApp before adverts." (G2)
		Clear, written shareholder directives	Documentation; transparency; accountability; traceability	"All shareholder instructions must be in writing—paper trail stops interference." (P3) "Verbal directives make it hard to challenge interference." (G2) "Written records change the power dynamic." (E1) "When forced to

				write it down, instructions often disappear." (E2)
		Clear structural separation between policymaking and SOE ownership	Structural reform; holding company; depoliticisation	"Government policy shapes everything—even how boards think." (G2) "No separation of roles—shareholder ministry acts as both owner and manager." (P3) "Ownership should be separated from policy." (G2) "When same office makes policy and supervises boards, independence disappears." (GE2)
		Strengthened accountability and performance evaluation mechanisms	Consequence management; performance-linked assessment; deterrence	"Reporting happens, but accountability does not." (E2) "Executives who challenge interference are punished; those who comply are protected." (E1) "Accountability must be tied to strategy execution, not loyalty." (GE3) "Until political interference carries consequences, governance frameworks remain guidelines." (G2)