Evaluating the Effectiveness of the Implementation of Strategic Decisions by Soes in Namibia

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Keywords

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Service delivery

Accountability

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Abstract

Service delivery is increasingly becoming essential in the process of solving societal challenges all over the world. The study focuses on the importance of strategic planning in managing the Namibian SOEs in delivering service to the citizens. Adopting strategic plans is used in businesses to streamline decisions and resources; thus, the study evaluates the effectiveness of implementing strategic decisions by public sector enterprises in Namibia. The Namibian government experiences performance challenges in most SOEs due to poor accountability measures, procurement anomalies, corruption and financial bailout burden to the state. In other dimensions, other challenges are associated with the coordination of SOEs. These challenges prompted a study that considers commercial SOEs and why we have chosen them because they are expected to operate as self–sustainable entities to deliver effective and efficient services on behalf of the government generate the much–needed revenue and create employment. The study attempts to establish the extent to which SOEs in Namibia conduct strategic planning. The operations of SOEs are guided by their strategic plans and determine factors that enhance the implementation of strategic decisions.

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1. Introduction

1.1. Background

The Namibian government has been facing some challenges, such as corruption and financial burden to the state, procurement anomalies, and poor accountability measures with its public sector enterprises. For example, Namibia only had about 12 SOEs in 1990 by the time of independence, and in 1995 the government decided to diversify its services by increasing the number of SOEs and reducing its wage bill. Several reforms have been introduced to respond to the challenges by streamlining the economy. It was then that the Wage and Salary Commission was established to ensure that the public sector service delivery operates within a reduced budget and with enhanced efficiency. This reform of the public sector was implemented between 2003 and 2006. The reform was strengthened by establishing the State-Owned Enterprise Governance Council to oversee the performance of the SOEs. Despite the introduction of the Council, this did not result in SOEs performing and becoming profitable. This lack of performance prompted the government to establish the Ministry of Public Enterprises (MPE) in 2015.

The MPE oversees twenty–four (24) commercial enterprises, three (3) financial institutions with extra-budgetary funds and forty–two (42) non–commercial enterprises. It is believed in Namibia that public institutions are vital in the national economy because of their modernisation capacity of the processes, nationalising of crucial industries, economic transformation, service delivery and, more importantly, employment creation. By the time of this study, it had been noted that the SOEs did not perform as expected regarding revenue generation, extra-budgetary funds and public service delivery. The evaluation conducted in 2015 revealed that most of them are characterised by widespread mismanagement with ever-escalating costs of subsidising and have limited financial capacity for self-sustaining. In addition, the SOEs have increasingly become unproductive while charging excessive prices and, in turn, paying too little tax. These issues combined forced the government to change the governance system of the sector. Before 2015, most SOEs did not even formulate their own strategies despite the MPE having put a framework to guide SOEs to follow when implementing suitable governance protocol.

Limbo (2019) investigated factors leading to poor public transport performance in Namibia. Some reasons were that the company spends too much on personnel costs and achieves insufficient output. Furthermore, most of the SOEs' strategic directions and objectives were not clearly framed, leading to limited connectedness to the rest of the economy. Most parastatals are not open to public scrutiny, so very few produce annual and audited financial reports (Limbo, 2019). Shopati (2018) used the balanced scorecard approach and found that

public hospitals implement 33% of the Ministry of Health and Social Services mandate in their strategic plan. The situation is not sustainable because the Ministry of Health and Social Services strategy does not involve hospital stakeholders, giving rise to inevitable failures because there is no ownership in the implementation process. The dimension from Ndara (2009) attempts to determine critical obstacles to strategy implementation at the Social Security Commission in Namibia. Ndara (2009) pointed out a need to evaluate the implementation of strategic decisions because they appear to be major stumbling blocks that fail many programs to improve the institution's performance.

The qualitative analysis carried out by Marenga (2020) on the performance of public enterprises in Namibia revealed that poor accountability measures, the financial burden on the state, procurement anomalies and the proliferation of corruption are some of the issues that adversely affect the performance of public enterprises in the country.

Given the recurring below-expectation performance, it is clear that there is a need for research in the SOEs with a specific focus on evaluating their implementation of strategic decisions. The study is expected to provide empirical evidence to shed more light on the governance practices of the SOEs in Namibia. As well documented by Ates et al. (2020) and de Oliveira, Carneiro and Esteves (2019), the problem associated with strategy implementation is attributed to either poor execution of strategies, barriers or limitations in strategies execution. The authors have also noted that most organisations fail to achieve their strategies because they spend a great deal of time formulating the strategy with little attention to developing structures for implementation. Thus, this research will focus on commercial SOEs that have approved integrated strategic business plans and have at least years of strategy implementation.

1.2. Problem Statement

Attaining business effectiveness and success is increasingly becoming difficult due to the volatility, uncertainty, complexity and ambiguity (VUCA) nature of the societal operating environment. The VUCA situation has given rise to the reality that environmental forces emerge as both opportunities and challenges, and this requires critical analysis supported by research or evaluation. With a combination of the VUCA characteristics and other institutional governance factors, failure in strategy execution in most organisations is estimated at 90% (Aslani, Naaranoja and Kekale 2012). Substantive evidence shows that strategy fails during implementation rather than at the formulation stage (de Oliveira et al. 2019), suggesting that organisations must formulate effective strategies to respond to the reality of the VUCA environment and improve governance accountability (Aslani, Naaranoja and Kekale 2012). In 2015, the Ministry of Public Enterprises was established and mandated to ensure that

SOEs achieve the required performance through good administrative governance. However, to date, not much has been evaluated about the effectiveness of implementing strategic decisions by public sector enterprises in the country. In light of this, the proposed study seeks to evaluate the effectiveness of implementing strategic decisions in public sector institutions with a particular focus on state-owned enterprises.

1.3. Research objectives

The study's primary objective is to evaluate the effectiveness of implementing strategic decisions by SOEs in Namibia.

1.3.1. Secondary objectives

1.3.1.1. To establish if the operations of SOEs are guided by their strategic plans.

1.3.1.2. To explore factors that enhance the implementation of strategic decisions in SOEs.

1.3.1.3. To explore factors that constrain the implementation of strategic decisions in SOEs.

1.3.1.4. To determine strategies that can be adopted to implement strategic decisions in SOEs effectively.

2. Literature Review

Edirisinghe Vincent and Pinsker (2020) confirm that strategy development is one of the top issues in corporate governance. The planning process starts with strategy formulation, strategy implementation, goals and objectives setting while focusing on outcomes and evaluating and controlling the outcomes. Different researchers have made tremendous contributions to strategy debate with models, frameworks, concepts and theories, and the notable ones are Aaltonen and Ikavalko (2002), Ateş et al. (2020), Allio (2005); Brorström (2021); Edirisinghe Vincent and Pinsker, (2020); Friesl, Stensaker and Colman, (2020); Gerasimenko, (2021); Gunarathne and Lee, (2021); Massicotte and Henri, (2021); Johnson et al., (2009); Venter and Botha, (2019); and Zorpas, (2020)). It has come to light that many companies can formulate great plans but fail when converting them into action (de Oliveira, Carneiro and Esteves, 2019). Furthermore, the implementation of strategy is a complex and often misunderstood activity. Managers in organisations tend to have more knowledge about strategy formulation than implementing them.

The public SOEs in Namibia are failing to perform as expected and have been characterised by widely-publicised cases of mismanagement, unsustainable and paying too little tax. This situation has forced the government to bring radical reforms and change the governance system of the sector. There are about 97 SOEs, and only eleven (11) commercial SOEs have approved integrated strategic business plans. While for non-commercial SOEs, only six (6) have approved ISBPs. The Ministry of State-Owned Enterprises report has a straightforward procedure for evaluating the strategy formulation but

no clear procedures and framework for evaluating the strategy implementation.

Even though research on strategy implementation is relatively scant compared to strategy formulation, a substantial build-up of models, frameworks, concepts, and theories has started emerging. Edirisinghe Vincent and Pinsker (2020) proposed a model that focuses on how the technology helps integrate the different parts of strategy implementation and simplifies the process of managing risk.

Allio (2005) developed practical guidelines as best practices for implementing strategies, while Aaltonen and Ikavalko (2002) studied 12 service organisations and identified challenges associated with implementation. A study by Vishvakarma, Sharma and Kumar (2021) proposed how processes can be reconfigured to suit the strategy implementation. Massicotte and Henri (2021) consider budget, financial and non–financial performance indicators as tools and measures to oversee the implementation of strategic plans. Gerasimenko (2021) advanced his course, indicating that companies should advance their policy formulation, products and process orientation for a strategy to be implemented. Brorström's (2021) perspective focuses on sustainability shifting forward financial control in the organisation.

Obembe, Demola, Mansour Al, Jarrah, and Kolade (2020) explore how internal actors catalyse organisational strategy by bridging strategy formulation with strategy implementation. Their key findings clearly show that social interaction between executives and managers has implications for successful strategy implementation. Haider, Sajjad, and Mariotti (2015) explain the relationship between operation conditions, strategic actions and outcomes of strategic decisions. The conclusion from their contribution shows that the dominant coalition plays an essential role in building decision–making capacity. The contributions above propose that activities integration, framework development, continuous improvement, decision-making and structure streamlining are crucial elements in the execution of strategy. Substantial evidence shows that strategies fail during implementation rather than formulation (de Oliveira, Carneiro and Esteves, 2019).

Vishvakarma, Sharma and Kumar (2021) argue that strategy implementation fails because of bad execution due to barriers to strategy execution. Ateş et al. (2020) indicate that most organisations spend much time formulating strategies instead of developing implementation structures. Ateş et al. (2020) gave a perspective on the dark side of visionary leadership in strategy implementation. That means that leaders should communicate and clarify the strategy issue to employees.

Furthermore, strategy is prone to fail if managers are not strategically aligned with the CEO. De Oliveira, Carneiro and Esteves (2019) indicated that structures, resource allocation, systems and processes are some of the complex issues that, if not carefully thought of, can affect the strategy implementation. However, Vishvakarma, Sharma and Kumar (2021) expanded the scope further, finding that leadership, communication, and change management are critical factors that must be managed to implement the strategy successfully. Lately, Friesl, Stensaker and Colman (2020) discovered that there is no unified body of research on strategy implementation and, therefore, working on a program to review and bring together the existing body of research in an acceptable format.

This research will build on the foundation laid by the definition of de Oliveira, Carneiro and Esteves (2019) and the two models proposed by Edirisinghe Vincent and Pinsker (2020) and Friesl, Stensaker and Colman (2020) respectively. The attempt is to develop a proposition to ascertain when companies have failed or succeeded in implementing a strategic plan. Implementation is currently missing in the existing literature. Rani (2016) uses the McKinsey 7s framework by studying factors that are critical strategic decisions influencing strategy implementation in the organisation. These elements are grouped into five (5) factors: leadership, human, structure, culture, and innovation. In the leadership factor, the institution must hold strategy discussions by aligning the strategy to the vision and mission, introduce change management interventions and hold team-building exercises for all the people to work together, motivate others, streamline policies towards the objectives, focus on budget and resources allocation, and communicate the strategy. These models and frameworks are generally accepted to best describe Namibia's corporate governance framework.

Regarding the human factor, the organisation must ensure that employees are deployed to carry out their tasks according to their knowledge, skills, and abilities. The employees need to be engaged and empowered, skilled employees need to be retained, training and development for the staff, and, finally, rewarding strategies should be implemented. The organisation structure and system factor consist of functional, divisional, matrix, network, and centralised and decentralised structures. The organisational culture factor calls for the core values to be defined and shared values and beliefs for the employees to have common goals, work styles, ethics and cooperation within the company. The final factor is the innovation factor, which includes the aspect of technology adoption and continuous improvement.

3. **Research Methodology**

A qualitative approach was used to explore contextual constructs in the selected SOEs concerning determinants and dynamics of strategic decision implementation. In this case, the research was interested in the process, meaning and understanding gained through words or

pictures. This inductive process focuses on building abstractions, concepts, hypotheses, and theories from details. Research approach

An exploratory study was conducted because the individual SOEs' strategic decisions and related constructs are unknown. In this regard, an inductive research approach was adopted per Creswell's (2014) guideline. Interviews were conducted to create an enhanced scope for a richer data collection, analysis and interpretation approach.

The designed interview guide will consist of answering some "open" questions in words and conducting follow-up interviews. The guide was designed to ensure satisfactory responses on a range of issues of strategic decisions (Obembe, Mansour Al and Kolade, 2020). Eventually, part of the outcome was in theories, policies, hypotheses, abstractions and concepts. The approach in the form of perceptions was an inductive approach testing the existing theories. Where in-person interviews were not possible, interviews were conducted using Teams or Zoom, based on the interviewee's preference.

A letter was written to the heads of institutions requesting an audience to discuss the issue of access, the sensitivity of research and confidentiality of the data and the research benefit to the organisations. The appropriate strategy to get maximum participation was deployed, and hybrid use of data, combining traditional and internet-mediated approaches, was considered. Therefore, consideration was only given to entities with integrated strategic business plans approved and implemented for the past five years. Since the study focused on strategic issues, the target group and the survey participants were the top managers in SOEs. The sample was based on SOEs' top managers, such as executives responsible for strategy, CEOs, managers and directors. The individuals must have been involved in formulating and implementing strategy and working in that company for not less than five (5) years. The study focused on commercial SOEs (see Table 1 below), primarily those responsible for service delivery to the people on behalf of the government.

Table 1: Names of the state-owned enterprises that took part in the study

Name of SOE	Mandate
Epangelo Mining Company	To ensure full participation in the discovery, exploration and beneficiation.
Meat Corporation Namibia (Meatco)	To erect, rent or acquire abattoirs and other meat factories in the general interest.
Namibia Airports Company (NAC)	Operating the Namibia airports.
Namibia Post	Responsible for postal services.

Namibia Power Corporation	Ensuring a reliable supply of electricity.
Namibia Wildlife Resorts Company (NWR)	Providing hospitality services.
National Fishing Corporation of Namibia	To exploit the fish and other marine resources.
Namibia Ind.Development Agency (Nida)	
Road Authority (RA)	Maintaining the road sector.
Roads contract company	Construction and maintenance of roads.
Telecom	It provides telecommunication services.
TransNamib Holdings	Providing solutions for rail and road transport
Namdia	Its purpose is for marketing and sales of diamonds.

Source: Compiled by the researcher

Two participants were invited to be interviewed per company: the director, executive or manager responsible for strategy and the company's CEO. The research was designed so that the researcher's organisation would not be part of the companies participating in the survey and the research. Furthermore, the participants were nominated by the heads of the chosen companies. In addition, to prepare participants, the questionnaire was forwarded before the interviews to the organisation through electronic means.

Other questions were adopted from the studies by Ndara (2009) on the same subject matter of strategy implementation of state-owned enterprises. The questions were structured to ensure satisfactory responses on a range of issues of strategic decisions (Obembe, Mansour Al and Kolade, 2020). For qualitative data, an informant interview guide was designed to explore constructs, issues and dynamics in implementing strategic decisions across the study's selected SOEs. The interview questions were open-ended to allow for rich views to be expressed by the interview participants to address the research objectives.

The names and contact details of top managers of SoEs in Namibia are in the public domain. Companies were first contacted, requesting an interview with the relevant people. The Department of Public Enterprises issues a permission letter and a personal letter to request an interview. Upon agreeing to an interview, the interview questions were directly sent to the respondents through a hyperlink to prepare them for the interview. Should they prefer an online interview, the link for the session was included. The hyperlink was supported by a cover letter explaining the purpose of the study (see Appendix A). The cover letter explained clearly and concisely why the respondents have to participate in the study,

what the research is about, why it is useful, the time needed to attend to the questions, emphasised the confidentiality of the data, explained how the results were used, and included contact information in case of queries, who to return the questionnaire and date of return.

All participants were asked to respond to the same questions in a predetermined order guided by the research objectives. The interview was about 30 minutes but could be extended at the participant's request. A time slot for the interview was then scheduled. Data collection continued until saturation is achieved.

Since this is a qualitative study, data trustworthiness was assessed on credibility, transferability, dependability, confirmability, and reflexivity. The trustworthiness was established by careful selection of interview participants and by continuing with interviews until data saturation was achieved. Also, the fact that more than one participant per SOE was invited provided some triangulation, which assisted with the trustworthiness of the data. To ensure that data is not skewed, no participants from SOEs where the researcher is directly or indirectly involved were included in the study.
The study has received ethics approval from the NWU with ethics number NWU-00688-22-A4

4. Results and Findings

The study focuses on commercial SOEs implementing integrated strategic business plans over the previous five years. Ten SOEs were approached, and we got a favourable response from nine SOEs. This response rate was enough to be representative. Mugenda and Mugenda (1999) suggested a threshold response rate of 50%. The response rate of 60% was therefore considered sufficient. This study analysed the demographic data from respondents from the ten SOEs. The demographic data collected included the level of education, the economic sector, and the type of SOEs.

The enterprises in Namibia are classified into three categories: commercial, non–commercial and extra-budgetary funds. This study only focuses on commercial enterprises. They were included in the study because of their importance in contributing revenue to the economy. This study focused on the following economic sectors: Transportation, telecommunication, energy, health, mining and agriculture. The respondents were given unique pseudonyms in adherence to research ethics of upholding the anonymity of research participants.

The following factors were found during the study as impacting the implementation of strategic decisions by the SOEs. They are listed in order of decreased frequency of mentions:

- Performance-focused/monitoring. and evaluation implementation plan,
- Resources plan,
- Availability and allocation for strategic decision implementation,
- Clear roles and responsibilities for management and staff, involvement of all strategic stakeholders (internal and external) in the strategic planning process,
- Supportive policies and regulatory framework and compliance,
- Understanding the business market environment and,
- Human resources capacity to understand the organisation's strategy.

During the interviews, several enhancing factors and challenges were identified. These were analysed, and the following factors were identified. These are shown in spider diagrams to show the issues mentioned under each.

4.1 Enhancing factors

The following enhancing factors were listed: Organisational culture, Monitoring, Policies , Stakeholders and Resources.

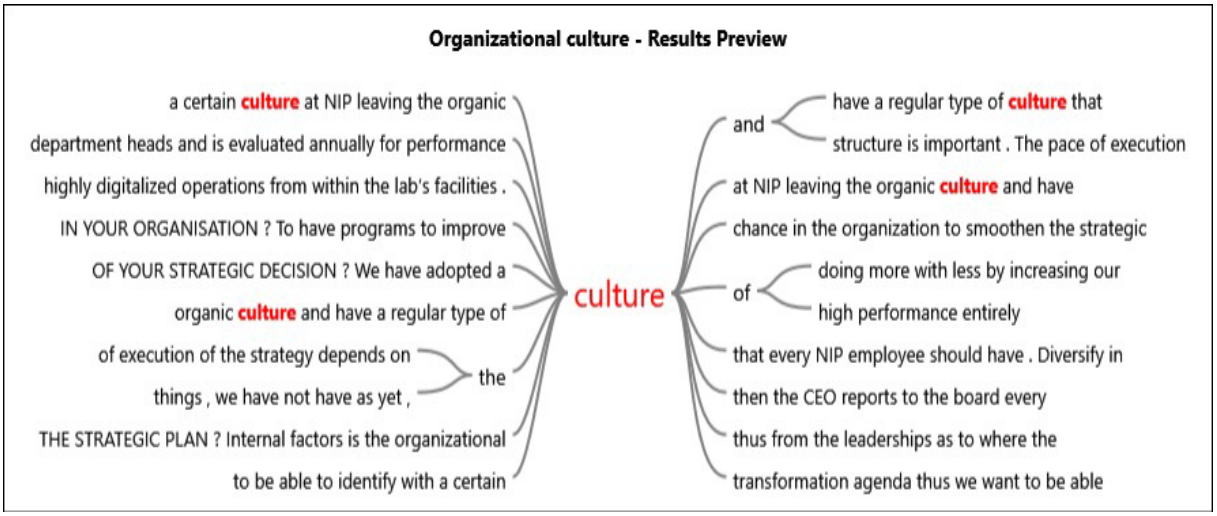

Figure 1: Culture as an Enhancing Factor

Figure 1 shows that effective strategic decision implementation is mainly dependent on (a) a facilitative organisational culture, (b) a culture of reporting to the board, (c) a culture of performance evaluation, and (d) transformational leadership.

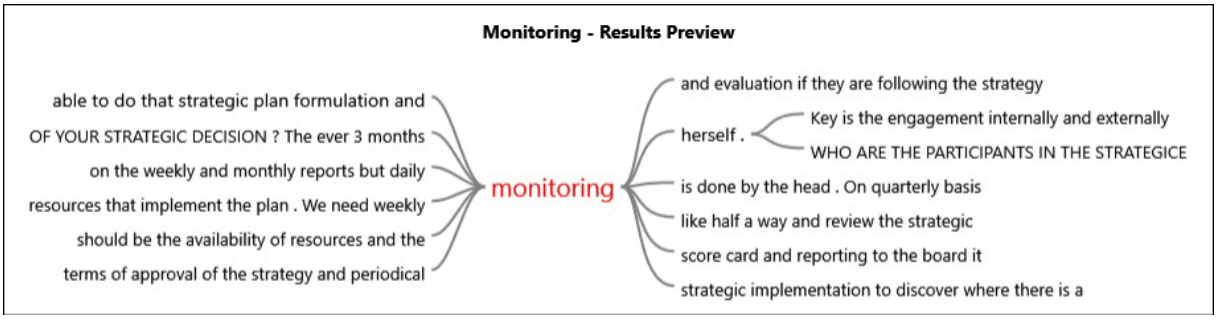

Figure 2: Monitoring as an Enhancing Factor

Figure 2 shows that monitoring and evaluating strategic decision implementation is a crucial factor that enhances strategic decision execution.

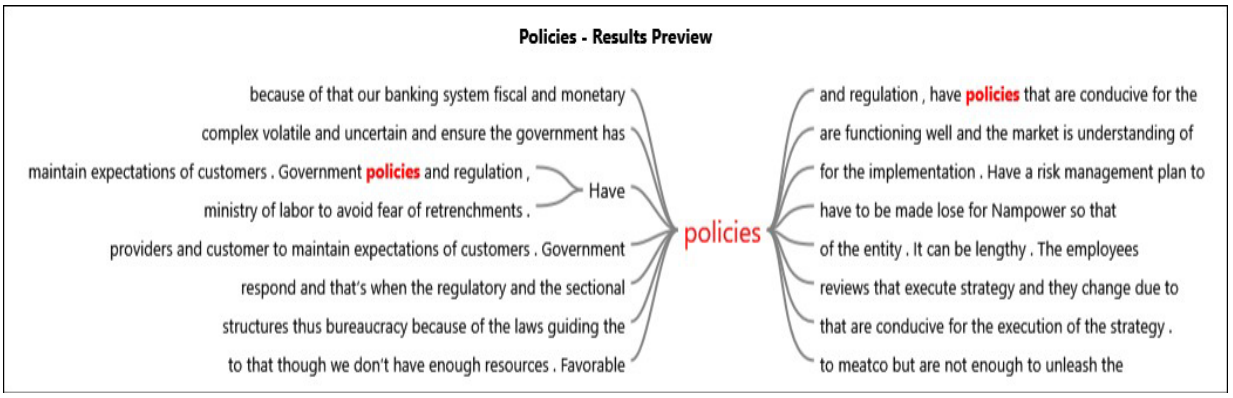

Figure 3: Policies as Enhancing Factor

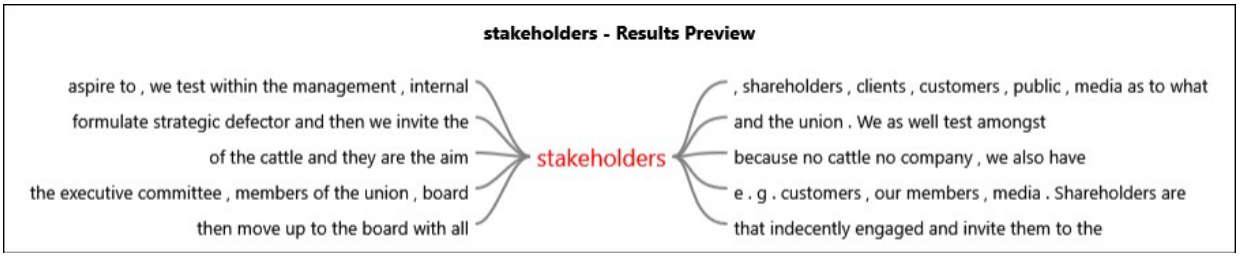

Figure 4: Stakeholders as Enhancing Factor

The findings shown in Figure 3 reveal that supportive or progressive organisational and government policies are vital in enhancing strategic decision implementation.

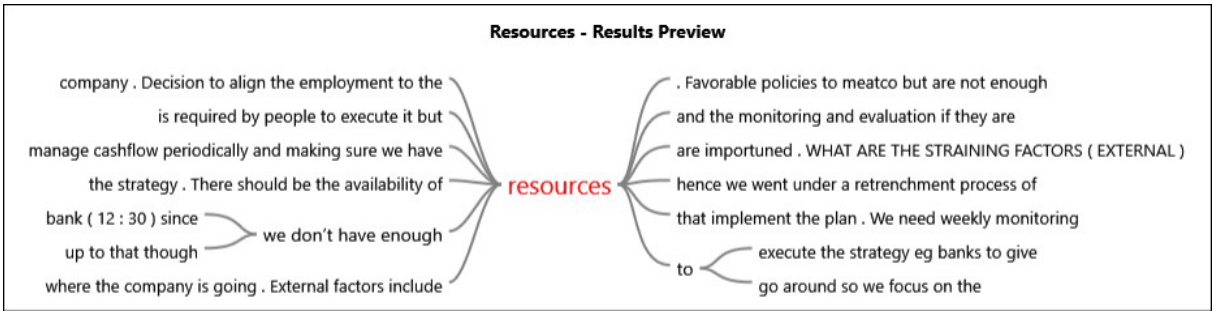

Figure 5: Resources as Enhancing Factor

A close examination of Figure 4 shows that the involvement of internal and external stakeholders is essential to ensure the effectiveness of strategic decision implementation.

A close look at the findings in Figure 5 indicates that the mobilisation of adequate resources and their allocation to implement strategic decisions is an important consideration. Quotes supporting these are:

"We created a dashboard to monitor performance on daily basis" (K01-M) and "*The pace of execution of the strategy depends on the culture thus on the leadership as to where the company is going" (K01- M).*

4.1.1 Constraining factors

The constraining factors in strategic decision implementation, mentioned during the interviews, are listed in order of decreasing frequency.

- Limited understanding of the organisation's strategic plans and strategic decisions
- Inappropriate organisational structure
- Unsupportive policies and regulatory framework
- Bureaucratic culture of the organisation that promotes delays in decision-making and execution processes
- Unclear roles and responsibilities in the organisation
- Dynamic and changing business environment
- Limited continuity from one team of leadership to another on the implementation of decisions

Similar

The following constraining factors were discussed during the interview: Organisational culture, Regulatory environment and Rigid leadership

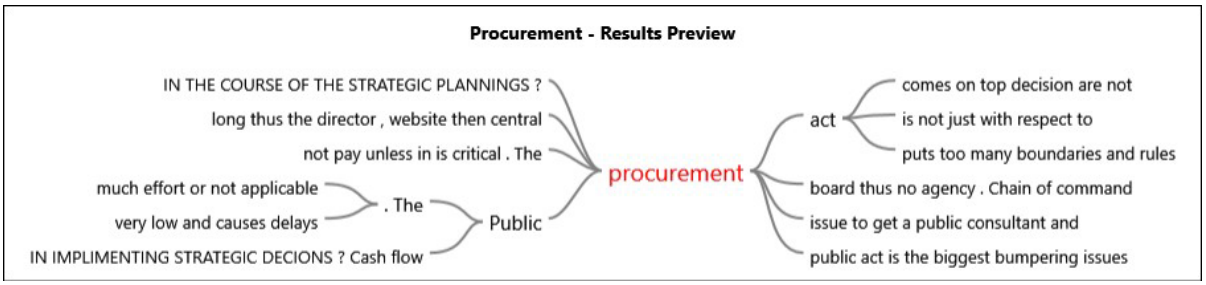

Figure 6: Culture as Constraining Factor

The findings above reveal that procurement with too many complicated procedures in the organisations is one of the constraining factors to implementing efficient and effective strategic decisions.

Figure 7: Regulatory Environment as Constraining Factor

Figure 7 shows that the regulatory framework/environment, being less responsive to the changing business environment, constrains strategic decision implementation in the organisation.

Figure 8: Rigid Leadership as Constraining Factor

The leadership concept that emerged from the interviews reveals that leaders who are rigid to changing business environments limit their respective organisations' ability to implement strategic decisions. The following quotations by participants verify these issues.

"The new change of directors is due to the law that directors use the office only for three years and leave the office. They are exchanged into another office. Thus, have to introduce new strategic plans to them since they are starting over at a level of understanding that is not there. Challenge was an educational limitation, but if directors are willing to work, then that's ok, and they learn from management". (K02-D).

"The regulatory environment has changed, and the ministerial directions and determinations have also changed in the sense that we cannot decide on the type of technology or project as a company as a commercial enterprise and to respond to the changing competitive environment as fast as what we could have possibly done in the past because of the long process it takes and also the ministerial determination to say what you can do and what you cannot do but still, we have to operate in that whole environment". (K03-P)

"The economic activities, especially when there are external factors such as Covid have slowed down the economy, and then geopolitical issues are affecting the issue of strategic implementation of strategic decisions". (K03-P)

"Procurement issue to get a public consultant and the process is very low and causes delays". (K04-N)

"If you do not have historical information to build on to build the institution into the future, it can be difficult and unable to silicify (13:14) these delays. Because of no historical information, there was nothing to come out with what has been planned and what were the outcomes previously (K04-N)

If you do not monitor the performance of our strategy implementation on an ongoing basis, you will not know that you are on your way to failure". (K04-N)

4.1.2 How strategic decisions affect strategy

Themes that emerged on whether strategic plans guide organisational operations included (in order of frequency mentioned):

- The organisation's strategic plans directly guide operations
- Complex strategic plans limit their utilisation to guide organisational operations
- A balanced scorecard directs an organisation's operations

The following issues that affect the implementation of strategies were discussed: Successful implementation is business-driven, good reporting practices and customer orientation.

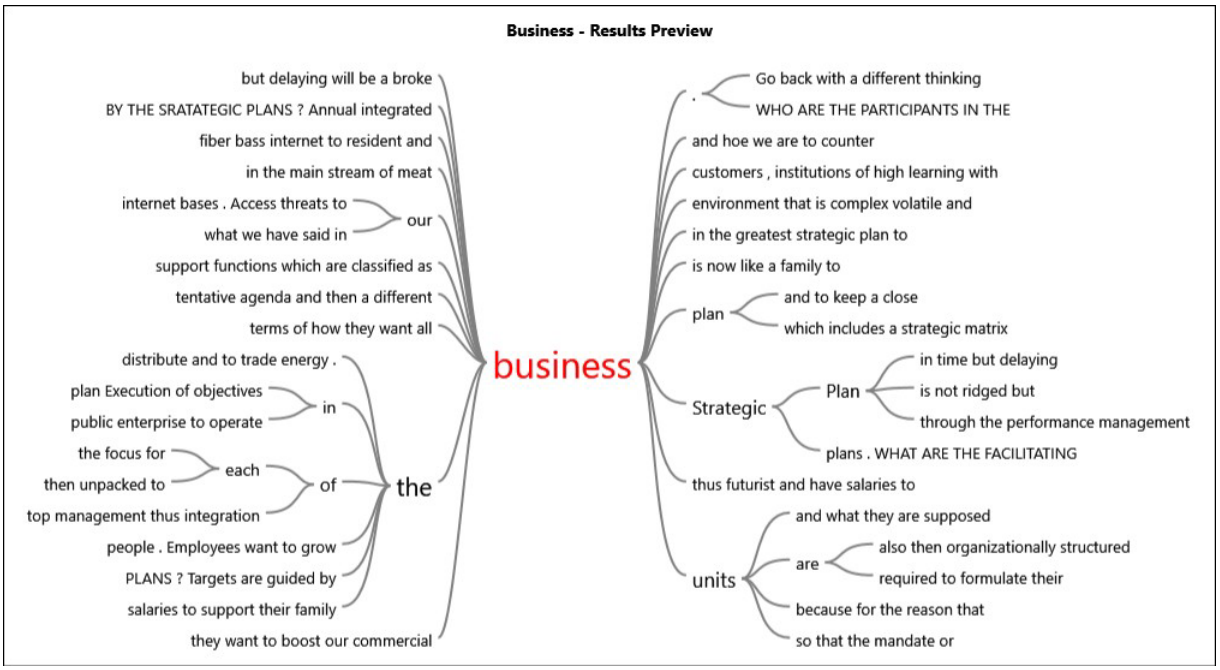

Figure 9: Business-driven implementation

Figure 9 emphasises that proper business enterprise is administered guided by some strategic plan. A close examination of the findings further reveals that without a strategic plan, this will not comply with the regulatory framework of the government of Namibia on state-owned enterprises.

Figure 10: Reporting and implementation

Figure 10 depicts that reporting in the organisation is part of the strategic plan, which keeps the organisational governance structure updated on the business activities of the SOEs.

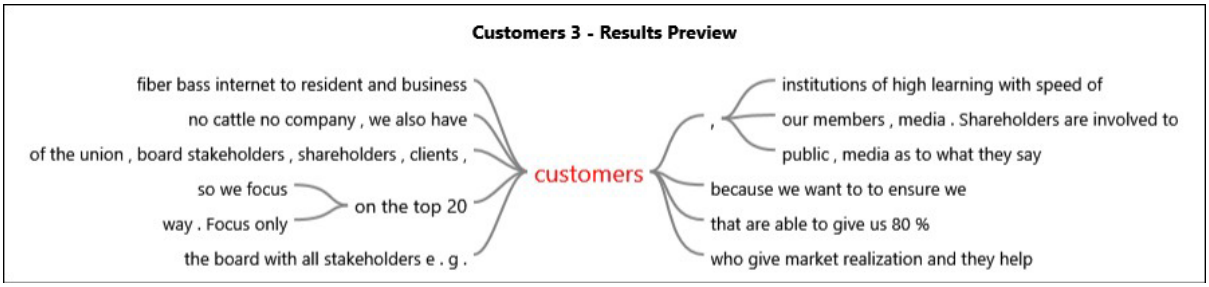

Figure 11: Customer orientation in implementation

Figure 11 shows that understanding, targeting and providing the appropriate customer care is a function of intentional planning that the SOEs undertake for their respective business enterprises. These issues are supported by the following quotes.

"We have a strategic direction of 5 years for what to keep up in the organisation and what the organisation should active its mandate". (K02-D)

"The balanced scorecard for co-operates is then unpacked to each of the business units so that the mandate or the performance areas and the focus for each of the business units and what they are supposed to deliver to us as the co-operate strategy". (K03-P)

"To ensure the effectiveness of the implementation of the strategic decisions, we have to make sure that we reference our document and our strategic plan to ensure that whatever resource allocation is done whether, in terms of people, machines, money or funds, is aligned to what we have said in our business plan and to keep a close look all the time and then access the effectiveness of our strategy on an annual remission basis". (K03-P)

"An annual integrated business plan which includes a strategic matrix becomes an operation scorecard which becomes the SOE scorecard". (K04-N).

"Have an integrated strategic plan at a high level and have the approval of the 5-year plan through the board and public enterprise and break it into an annual operating plan e.g., the annual operating plan BB 2023 (21:19) we are in the final year and then operating in terms of initiatives across different divisions". (K05-T)

4.2 Regular Strategic Planning

All seven respondents stated that their organisations conduct strategic planning regularly. Since culture and leadership were both mentioned as either an enhancer or challenge, the nature of these during the strategic process was investigated during the interviews. The following emerged: Leadership issues, Mandates and Planning.

Figure 12: Leadership influence on strategic planning

Figure 12 denotes that leadership is the central player in ensuring that strategic plans are developed and implemented in the SOEs.

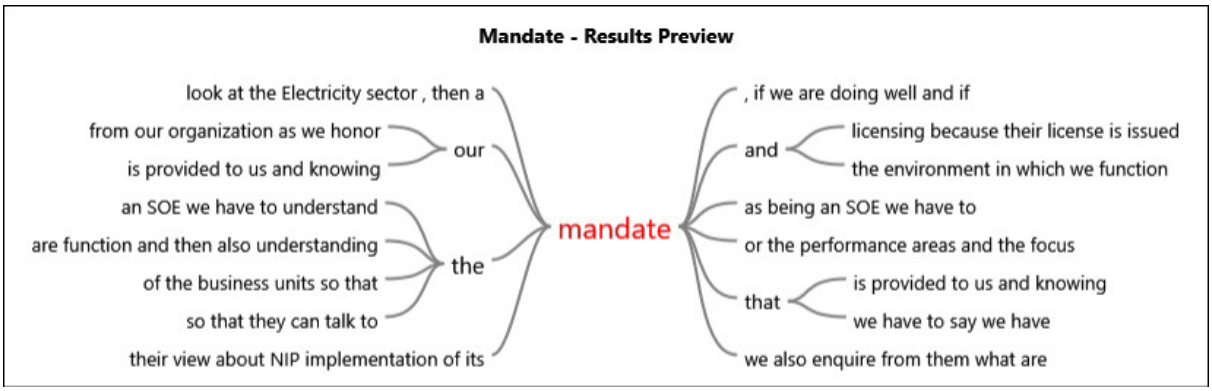

Figure 13: Mandates as an influence on strategic planning

The finding above indicates that conducting strategic planning is the regulatory mandate for SOEs in Namibia. In fact, without strategic plans, it becomes a non-compliance issue. This is reinforced by the Figure below regarding the strategic planning in the Namibian state-owned enterprises.

Figure 14: Planning influence on strategy

A close examination of the findings in Figure 14 reveals that strategic planning is a way of life for state-owned enterprises in the country, and the process is expected to be inclusive. The following quotes support the findings.

"The research seeks to collect comprehensive data, and information on the extent to which strategic decisions inform or guide the operations of state-owned enterprises in Namibia". (K02-D).

"First and foremost when we conduct strategic planning we have to do environment scanning so that we understand the environment in which we are operating and then also, as SOE, understand our mandate so that we effectively develop a strategic direction which is responsive to the market". (K03- P).

"We develop strategic plans periodically to help us understand where we are coming from, and where we are in order to decide the way forward". (K04-N)

The final metric derived from the interviews was the effectiveness of the strategic decision implementation. Three issues were mentioned, namely that it promotes customer satisfaction, that it provides organisational stability and that it enhances organisational competitiveness. The specific issues mentioned are depicted in Fig 14.

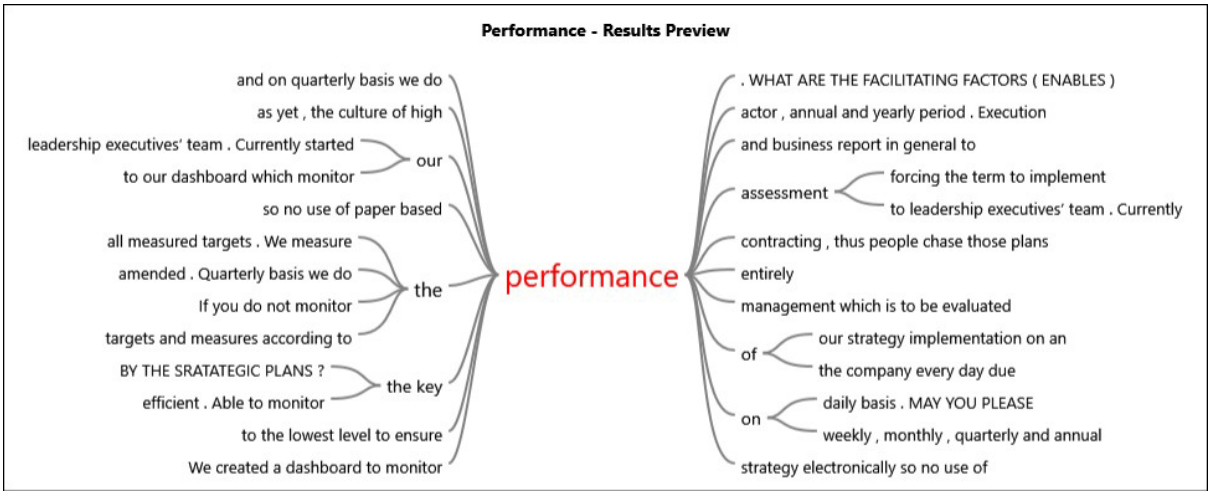

Figure 15: Performance as an effectiveness issue

Figure 15 shows that monitoring and evaluating performance is one of the key aspects of strategic decision implementation effectiveness in the SOEs in Namibia that needs attention. Although the literature is reasonably silent about strategy implementation in SOEs, particularly in Namibia, the essential common issue is that inefficiency is due to human factors: Leadership, organisational culture, value systems and the ability and willingness to shake off the shackles of a constraining regulatory environment. These issues also came out very prominently in the empirical study.

5. Managerial Implications

The managerial implications of this study are immense: The study clearly points to the need for a dashboard for strategy implementation. The most important implication is that SOEs in Namibia need to cultivate a culture conducive to successfully implementing strategies. This initiative could include a higher focus on project management. Also, ways need to be found to enhance the independence of SOEs to achieve their mission. Practically, monitoring mechanisms, such as a balanced scorecard, must be enhanced: They exist but are underutilised.

The initiative needs to come from the Namibian government, but SOE leaders should also be more proactive.

6. Conclusions, Limitations and Future Research

In conclusion, the study indicated why most SOEs struggle to implement their strategies effectively. The issues mentioned are all repairable, provided the political will exists. The first conclusion is, therefore, that strategies are good but that implementation is lacking. Secondly, initiatives to improve implementation should start with the Namibian government, but SOE boards and leaders should be more proactively involved. Finally, a working balanced scorecard will positively affect implementation and feedback and will positively impact the implementation of strategies by SOEs.

Analysing the degree to which the study's objectives have been met, the first objective sought to evaluate the extent to which SOEs in Namibia are conducting strategic planning. All respondents stated that their organisations conduct strategic planning regularly. The organisation's leadership is a central player in ensuring that strategic plans are developed and implemented in the SOEs. The findings also indicate that conducting strategic planning is the regulatory mandate for SOEs in Namibia. In fact, without strategic plans, it becomes a non-compliance issue. Thus, companies are expected to review their business every five years. Furthermore, strategic planning is a way of life for the country's state-owned enterprises, and the process is expected to be inclusive.

First and foremost, when a company conducts strategic planning, they do environmental scanning to understand the environment in which it operates and then, as SOE, understands its mandate so that it effectively develops a strategic direction responsive to the market. The SOEs develop strategic plans periodically to help them understand where the institutions are coming from and where they are to decide the way forward.

The second objective sought to evaluate if the operations of the SOEs are guided by their strategic plans. It is depicted that proper business enterprises are administered and guided by some strategic plan. A close examination of the findings further reveals that without a strategic plan, this will not comply with the regulatory framework of the government of Namibia onstate–owned enterprises. In addition, the reporting in the organisation is part of the strategic plan, which keeps the organisational governance structure updated on the business activities of the SOEs. The findings show that understanding, targeting and providing the appropriate customer care is a function of intentional planning that the SOEs undertake for their respective business enterprises.

Companies have a strategic direction of 5 years to keep up in the organisation on what the organisation should active its mandate. Thus, the balanced scorecard for corporate is then unpacked to each business unit so that the mandate or the performance areas and the focus for each business unit and what they should deliver to the company as the corporate strategy.

The third objective explores factors that enhance the implementation of strategic decisions in SOEs. The idea here is to identify the organisation's goals, identify the factors that hinder the achievement of those goals, and then improve the business operations by continuously striving to mitigate or eliminate the limiting factors. The findings show that effective strategic decision implementation largely depends on a facilitative organisational culture, the culture of reporting to the board, a culture of performance evaluation and transformational leadership. Furthermore, monitoring and evaluating strategic decision implementation is a crucial factor that enhances strategic decision execution. In other dimensions, supportive or progressive organisational and government policies are vital in strengthening strategic decision implementation.

The stakeholders' engagement is crucial, thus why the involvement of strategic stakeholders, internal and external, is essential to ensure the effectiveness of strategic decisions implementation. In conclusion, the mobilisation of adequate resources and their allocation to implement strategic decisions is an important consideration.

The fifth objective explores factors that constrain the implementation of strategic decisions in SOEs. The SOEs have narrated during the engagement that several constraints, such as procurement with too many and complicated procedures in the organisations, are one of the constraining factors to efficient and effective strategic decisions implementation. Furthermore, the regulatory framework /environment, which is less responsive to the changing business environment, constrains strategic decision implementation in the organisation. Leadership can also play a significant role when leaders are rigid to changing business environments. This also limits respective organisations from implementing strategic decisions. The duration of office terms of leaders, ministerial directions, the types of technology or projects implemented, and geopolitical issues are some constraints that affect the implementation of strategic decisions in SOEs.

The sixth objective is to evaluate the effectiveness of implementing strategic decisions in SOEs. In this case, monitoring and evaluating performance is one of the critical aspects of the effectiveness of strategic decision implementation in Namibia's SOEs.

The head of the state-owned enterprises has indicated that government regulations, procurement systems, and administrative directives are the ones that are affecting the effective operations of the companies. The recommendation is that SOEs' internal policies should be strengthened to replace the current bureaucratic systems. This study is currently limited to the Namibian boundaries. A comparative study should be carried out between Namibian SOEs and other SOEs in the Region to compare the effectiveness of implementing strategic decisions.

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