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Exploring board composition and humanistic management in developing countries' State-Owned Enterprises

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Abstract
Purpose: This study examines the impact of board composition on the humanistic management performance of Zimbabwean State-Owned Enterprises (SOEs). This study examines four essential factors of board composition–board diversity, board tenure, board size, and board committees—to determine their influence on governance and performance in SOEs.
Methods: A descriptive research design with an interpretative qualitative approach was adopted. Data were collected from Zimbabwe General Auditor Reports (2016-2022) and semi-structured interviews with 20 SOE directors. Thematic analysis was used to identify patterns and develop insights into the relationship between board composition and humanistic management performance.
Results: The findings revealed that political interference, inadequate board evaluation, and the appointment of unqualified directors negatively affect board composition, limiting SOEs' ability to achieve humanistic management outcomes. Despite the existence of governance frameworks, these challenges hinder effective decision-making, transparency, and strategic alignment with humanistic management principles.
Conclusions: The study concludes that board size does not affect the humanistic management performance of the board.
Limitations: The study is limited to Zimbabwean SOEs, which may affect the generalizability of the findings to other developing economies. Additionally, reliance on qualitative methods introduces the possibility of subjective biases despite rigorous thematic analysis.
Contribution: This study recommends that Parliament Portfolio Committees strengthen their oversight role in board appointments to enhance governance and performance. It also advocates adopting a Humanistic Governance Framework to improve transparency, accountability, and efficiency while reducing corruption in Zimbabwean SOEs.

Keywords: *Board Composition; Humanistic management performance; Audit report; State Owned Enterprises*

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1. Introduction

State-owned enterprises (SOEs) play a critical role in socio-economic development by providing essential goods and services to society while balancing stakeholder interests, such as job creation and Gross Domestic Product (GDP) contributions (Szarzec, Dombi, & Matuszak, 2021). In many developing economies, SOEs operate under fiscal pressure, frequently relying on government bailouts, which strain national budgets and lead to higher taxes on citizens. (2022). Conversely, in developed countries such as China, Malaysia, and the United Arab Emirates, SOEs have demonstrated strong economic contributions by adopting innovative governance and strategic management practices (Hyarat & Jos, 2024). However, the literature remains inconclusive on the net impact of SOEs on economic growth, as their performance varies significantly, depending on governance practices and political environments (Shirley & Walsh, 2022).

SOEs' effectiveness in achieving their mandates—whether fostering industrialization or addressing societal needs—is strongly tied to governance structures (Nguyen et al., 2023). Traditional measures of performance, such as profitability, remain dominant (Magnanelli, Pirolo, & Spataro, 2021), and humanistic management advocates argue for broader metrics that prioritize societal well-being, including service delivery, stakeholder satisfaction, and organizational efficiency (Gionfriddo & Piccaluga, 2024). Humanistic management emphasizes balancing economic goals with the provision of quality goods and services to improve societal welfare. However, SOEs in developing economies, such as Zimbabwe, face governance challenges that limit their ability to deliver these objectives (Saito, Nakamura, & Tanaka, 2023).

Political interference is a major governance challenge for SOEs in developing countries. Board appointments often prioritize political loyalty over expertise, undermining accountability, and effective oversight (Kwon & Kim, 2017). Such cadre-based deployments compromise board independence and strategic decision-making, leading to inefficiencies and corruption. In Zimbabwe, audits revealed that 38 out of 93 SOEs incurred losses totaling $270 million in 2016 due to poor governance practices (p. Rusare, 2018; Sibanda, 2017). These issues hinder SOEs from achieving humanistic management performance, as their focus shifts from societal mandates to short-term financial survival.

Despite the growing recognition of the role of governance in shaping organizational outcomes, limited research has explored the link between board composition and humanistic management performance. Existing studies primarily focus on the economic performance of SOEs, neglecting their broader societal objectives (Hoque, Rashid, & Uddin, 2023). This gap underscores the need to examine how governance structures—particularly board diversity, size, tenure, and functional committees—align with SOE humanistic mandates.

This study is guided by the proposition that well-structured boards can significantly enhance SOE humanistic management performance by improving oversight, reducing political interference, and ensuring a strategic alignment. The objectives of the study are to explore the role of board diversity on humanistic management performance; to determine how board size and structure influence the ability of SOEs to achieve humanistic management outcomes; to investigate the effect of board tenure on governance and humanistic management performance within SOEs; and to analyze the effect of board committees on the alignment of SOE strategies with humanistic management goals. By addressing these objectives, this study aims to contribute to the limited body of literature linking governance structures to humanistic management performance in developing economies.

The performance of state-owned enterprises depends on their mandate, as they are frequently used to promote industrialization, particularly by launching new industries with significant start-up costs and long-term investments (Szarzec et al., 2021). Economistic scholars measure performance in profitability terms, while humanists advocate human well-being as the only way of measuring state-owned enterprises' performance (Gionfriddo & Piccaluga, 2024). Humanistic management philosophy postulates that no business has a vision, mission, or objective of making a profit but aims to provide quality goods and services to improve human well-being. Humanists use organizational efficiency, service delivery, and organizational effectiveness to measure organizational performance. Unlike traditional profit-maximization metrics, humanistic management emphasizes organizational efficiency, service delivery, and overall societal benefits. However, SOEs in developing economies, such as

Zimbabwe, frequently struggle to meet these goals due to governance challenges, including inadequate board structures influenced by political dynamics.

Bajo, Xiang, and Chang (2018) concluded that the performance of enterprises with national strategic interests operates at a significant loss. Nevertheless, in developing countries, they failed to reveal the mandate and quality of goods and services produced by these entities. On the other hand, emerging markets like China transform state-owned enterprises into joint-stock companies owned in part by the state and the State Assets Supervision and Administrative Commission (SASAC), thus partially privatization ((SASAC), 2015; Bajo et al., 2018; Chang & Jin, 2016). However, these studies did not indicate the effects of such decisions on human well-being. Shirley and Walsh (2022) argue that in developed countries, State Owned Enterprises perform very well, in terms of their mandate as measured by human well-being, to the extent that they outpaced private corporations. Brigitta (2017) disputes Shirley and Walsh's (2022) findings and concludes that no significant correlation between ownership type and performance exists, therefore, State Owned Enterprises and private corporations deliver the same performance under any circumstances. These varying views create challenges in the discourse of State-Owned Enterprise performance.

Political inference hinders the performance of State-Owned Enterprises in developing countries but does not exist in companies (Kwon & Kim, 2017). Antecedent evidence reveals that cadre deployment of board members in developing countries at the expense of merit is ranked as the major stumbling block on the function of boards to improve performance. Poor performance of State-Owned Enterprises in African countries can be attributed to political interference (Ayee, 2023; Kanyane & Sausi, 2021; Kwon & Kim, 2017; Matshabaphala, 2023). As a result of political interference, board members fail to hold management accountable because management is politically connected. Literature reveals that a minister belonging to a certain political party appoints incompetent board members (cadre deployment) who lack the skills and knowledge of corporate governance (Muzapu, Havadi, Mandizvidza, & Xiongyi, 2016). In worst scenarios, the supreme board of the ruling party second cadres as board members and ministers reduced to mere announcers of these shroud deals.

In Zimbabwe, Sibanda (2017) reports that thirty-eight (38) out of ninety-three (93) State-Owned Enterprises (SOEs) audited in 2016 incurred a combined loss of $ 270 million as weak corporate governance practices and ineffective control mechanisms took their toll. Similarly, M. Rusare (2018) points out that audits reveal that 38 SOEs surveyed made losses totaling US$270 million in 2016 and those technically insolvent or illiquid constitute 70 percent. These State-Owned Enterprises were grappling with high overheads, inter-state-owned enterprise debts, maladministration, under-capitalization, corruption, and lack of good corporate governance, negatively affecting their operations. Additionally, State-owned enterprises in Zimbabwe face challenges that hinder their humanistic management performance. They face cash shortages, inflation, brain drain, low market share, corruption, poor internal controls, and decreased profitability. Consequently, they concentrate on profitability at the expense of human well-being by offering poor-quality goods and services. In Zimbabwe, the government pronounces policies that were crafted without research considerations, then revokes them when they get resistance from the public. This causes uncertainty in the operating environment of State-Owned Enterprises.

Furthermore, the absence of models linking humanistic management performance to board composition compounds these challenges. Despite poor governance practices, the lack of literature linking humanistic management performance to board composition concerns academics and stakeholders. Many scholars are interested in the economistic performance (making profit) of State-Owned Enterprises at the expense of quality goods and service delivery that improves human well-being (humanistic management performance).

This study explores four core dimensions of board composition: diversity, size, tenure, and committees. Each of these aspects plays a role in shaping SOE governance and, ultimately, their humanistic management performance. While board diversity brings about varied perspectives, board size and tenure influence decision-making capacity and continuity. Functional board committees are essential for accountability and oversight. Understanding how these dimensions correlate with humanistic management goals can offer insights into how SOEs might overcome governance barriers and enhance societal outcomes. To aid comprehension, a graphical representation (Figure 1) is provided below to visually represent the four board composition dimensions (diversity, size, tenure, committees) and their hypothesized relationship to humanistic management performance.

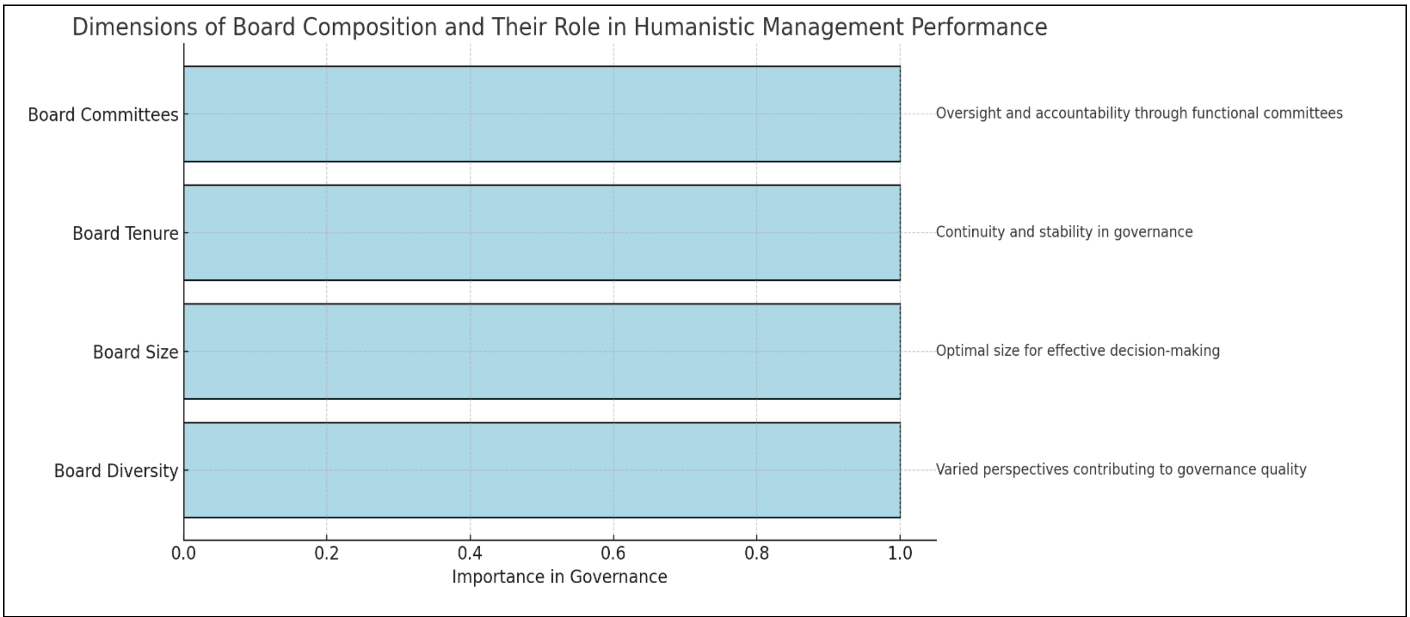

Figure 1. Board Composition Dimensions

The paper commences with the board composition discourse, followed by a review of the humanistic management performance literature. It adds the research methodology, results, discussions, conclusions, and recommendations to the discourse.

2. Literature review

The literature review herein explores the concepts of board composition and humanistic management performance, identifying gaps and mixed findings in the existing research. It highlights the significance of integrating governance structures with performance metrics centered on societal well-being. Finally, it explores the interplay between these two concepts, highlighting the limited but growing body of research that addresses their relationship.

2.1 Board Composition

Board composition is a cornerstone of effective governance, encompassing dimensions such as diversity, size, tenure, and functional committees (Mudaly & Zvitambo, 2017). These elements influence decision-making, accountability, and strategic alignment, all of which are critical for organizational performance (Hyarat & Jos, 2024).

2.1.1 Board Diversity

Board diversity, which includes gender, age, nationality, and professional background, has garnered significant attention in recent years. Research indicates that gender diversity enhances decision making and improves firm performance (Hosny and Elgharbawy, 2022). Age and nationality diversity also provide significant benefits by bringing varied perspectives, although excessive demographic diversity can complicate coordination and consensus-building (Fernández-Temprano & Tejerina-Gaite, 2020). Additionally, Nasarasiddi (2024) explored the impact of organizational diversity on safety culture and performance in PTUVW Indonesia, revealing that greater diversity fosters an inclusive environment that enhances safety outcomes and operational efficiency. This demonstrates the importance of diversity not just in decision-making but also in fostering a strong organizational culture that aligns with strategic goals

2.1.2 Board Size

Board size is another critical variable with both advantages and limitations. Smaller boards facilitate quicker decision-making and efficiency, while larger boards bring the diverse expertise necessary for strategic oversight (Agyei-Mensah, 2023). However, excessively large boards often face coordination issues, leading to delays and diminished effectiveness (Liu, Tang, & Wong, 2022). Conversely, smaller boards, while agile, may lack the diversity required for tackling complex organizational challenges (Gangi, Varrone, & Coscia 2023). Studies on SOEs in developing countries, such as those by Abdurrahman, Adedokun, and Ofoegbu (2018), highlight that adherence to governance codes on board size does not always translate into improved performance, especially when appointments are politically influenced rather than merit-based.

2.1.3 Tenure Diversity

Tenure diversity balances stability and innovation, enabling boards to benefit from institutional memory and fresh perspectives. Boards with balanced tenure diversity are more adaptable to dynamic markets and better equipped for strategic challenges (Nguyen et al., 2023). Gerald, Obianuju, and Chukwunonso (2020) highlighted the importance of strategic agility, emphasizing that decision-making flexibility and responsiveness to environmental changes are critical for organizational resilience. Similarly, tenure diversity ensures a mix of stability and fresh perspectives, fostering the strategic adaptability needed to navigate complex and volatile conditions, such as those faced by State-Owned Enterprises (SOEs)."

However, excessive homogeneity in tenure can lead to groupthink, whereas frequent turnover disrupts stability and results in the loss of institutional knowledge (Johnson & Zhang, 2022). For SOEs, tenure diversity plays a critical role in mitigating political interference by incorporating diverse viewpoints and experiences (Kim et al., 2023). Nonetheless, its direct impact on human management performance remains underexplored, necessitating further research in this area.

2.1.4 Functional Committees

Functional committees are essential for governance, providing specialized oversight in critical areas, such as finance, risk, and strategy. Kumar and Li (2023) found that well-structured audit and risk committees reduce financial mismanagement and increase transparency. Effective committees also enhance governance outcomes by focusing on long-term organizational goals (Al-Zahrani, Kumar, & Li, 2023). However, in developing economies, many SOEs lack functional committees, which limits their ability to achieve humanistic management performance (Zhou & Wang, 2023). Further emphasizing the role of auditors, Chandra, Satriawan, and Dewi (2024) find that integrity, independence, and competency significantly impact audit quality, with auditor performance acting as an intervening variable. Their study, conducted within the Inspectorate of Riau Island, demonstrates that enhancing these attributes among auditors strengthens governance frameworks and ensures higher accountability. This underscores the necessity of not just functional committees but also highly skilled and ethically committed auditors in improving audit quality and organizational outcomes."

2.2 Humanistic Management Performance

Humanistic management performance emphasizes societal well-being, prioritizing the provision of quality goods and services, along with legitimate profits. This approach contrasts with the traditional economic view, which focuses solely on profit maximization. According to Gionfriddo and Piccaluga (2024), humanistic management fosters organizational cultures that value human capacities, leading to greater stakeholder trust and resilience. Rahman, Ahmed, and Karim (2023) highlight its role in improving employee well-being and customer satisfaction, which drive long-term sustainability.

Furthermore, in the context of SOEs, humanistic management provides a pathway for fulfilling societal mandates while addressing governance challenges. Humanistic management emphasizes a balance between profitability and societal welfare, and advocates for sustainable practices that address broader societal challenges. Alim (2023) illustrates this through the role of waste banks in Bandar Lampung City, demonstrating how governance innovations can address environmental challenges while promoting accountability and sustainability. This aligns with broader calls for integrating governance structures that prioritize societal well-being, echoing the findings of Saito et al. (2023) on the value of humanistic management practices. Incorporating such models into SOE governance frameworks could help mitigate challenges such as political interference and inefficiency, thereby enhancing both societal outcomes and organizational performance.

Saito et al. (2023) demonstrated that firms adopting humanistic management practices excel in corporate social responsibility (CSR) metrics, showing tangible benefits for societal impact. However, research on how specific aspects of board composition, such as diversity and tenure, directly influence humanistic management outcomes is limited. In addition, recent research by Alie, Fitri, Desmon, Nasir, and Meidasari (2024) highlights the critical influence of good corporate governance on the financial performance of SOEs listed on the Indonesia Stock Exchange, emphasizing the role of transparency, accountability, and robust governance mechanisms. Humanistic management also extends beyond profitability to include variables such as human satisfaction and alignment with the organization's societal mandate. Businesses that integrate governance structures with humanistic values, including diverse and skilled boards, can achieve superior performance in these dimensions (Nguyen et al. 2023). While scholars such as Aktouf and Holford (2008) advocate this paradigm, more empirical research is needed to link board composition to humanistic outcomes, especially in SOEs operating under political and structural constraints.

2.3 Board Composition and Humanistic Management Performance

Board composition plays a critical role in shaping governance and performance. Boards need empowerment, reduced government intervention, transparent appointment processes, and merit-based selection to function effectively (Hyarat & Jos, 2024). The literature linking board composition to humanistic management performance remains limited, as most studies emphasize financial outcomes (Nguyen et al., 2023). Board composition has traditionally been measured using metrics such as the ratio of non-executive to executive directors and board size (Kumar and Li, 2023). While some studies suggest a positive correlation between board composition and firm performance, others report mixed or inconclusive findings (Hosny and Elgharbawy, 2022; Magnanelli et al., 2021). Nguyen et al. (2023) found that board diversity and tenure positively influence organizational outcomes, while studies on board size present contrasting views. Specifically, boards adhering to recommended size limits often fail to perform due to politically influenced appointments, particularly in State-Owned Enterprises (SOEs) (Kim et al., 2023).

Board diversity, encompassing gender, age, education, and nationality, has been extensively studied in recent literature. Research highlights that gender diversity positively impacts decision-making and firm performance (Hosny & Elgharbawy, 2022). Balanced age diversity enhances governance effectiveness by combining experience with innovation (Magnanelli, Paolucci, & Pirolo, 2021). However, other dimensions, such as educational and nationality diversity, have shown inconsistent results. For instance, Magnanelli et al. (2021) reported a positive relationship between tenure diversity and firm performance, but found no evidence linking educational diversity to improved outcomes. Studies on SOEs emphasize that diversity must be coupled with functionality to drive performance. Kim et al. (2023) revealed that SOEs with diverse and competent boards outperformed those with homogeneous or politically appointed boards. Despite these advancements, the direct link between diversity and human management performance in SOEs remains underexplored.

Board size is another critical determinant of governance and performance. Smaller boards are often associated with agility and efficient decision-making, while larger boards bring diverse perspectives that are essential for strategic oversight (Agyei-Mensah, 2023). However, excessively large boards face coordination challenges that reduce their effectiveness (Liu et al., 2022). In SOEs, adhering to governance codes on board size does not necessarily translate into improved performance, particularly when appointments are politically driven (Kumar & Li, 2023).

Tenure diversity balances stability and innovation on boards, offering a mix of institutional memories and fresh perspectives. Boards with balanced tenure diversity adapt better to dynamic environments and governance challenges (Nguyen et al., 2023). However, tenure homogeneity can result in groupthink, whereas frequent turnover disrupts continuity (Johnson & Zhang, 2022). For SOEs, moderate turnover levels are associated with improved governance and performance outcomes, as they mitigate the risks of political interference (Kim et al., 2023).

Functional committees are essential for governance, providing specialized oversight in critical areas, such as finance, risk, and strategy. Kumar and Li (2023) found that well-structured audit and risk committees reduce financial mismanagement and increase transparency. Furthermore, Nadhifa, Haliah, and Nirwana (2024) demonstrated that the competence, independence, and professionalism of government internal auditors significantly influence audit quality. Their study, conducted at the Representative Offices of the Financial and Development Supervisory Agency (BPKP), highlights the critical role of skilled auditors in ensuring accountability and transparency in governance practices. These findings underscore the importance of not only establishing functional committees but also ensuring they are supported by qualified professionals who can uphold governance standards effectively." Al-Zahrani et al. (2023) highlighted that high-activity strategy committees contribute to a better alignment between board decisions and long-term goals. However, many SOEs in developing countries lack functional committees, undermining their ability to achieve humanistic management outcomes (Zhou & Wang, 2023).

Additionally, recent studies emphasize the role of intangible assets and the operational dynamics of board directors in enhancing corporate performance. Asien (2023) identified a significant relationship between intangible assets and corporate financial outcomes, suggesting that boards must focus on leveraging knowledge, experience, and relational capital to drive long-term success. For State-Owned Enterprises (SOEs), this highlights the need to cultivate board expertise that aligns with their dual mandates of profitability and societal impact." Asien (2023) highlights how intangible assets, such as intellectual capital and operational dynamics within boards, influence corporate financial performance. This underscores the importance of aligning board expertise with strategic objectives to optimize governance outcomes.

Although the relationship between board composition and general firm performance has been widely studied, its impact on humanistic management performance remains underexplored. Humanistic management prioritizes societal well-being and quality service delivery over profit maximization (Rahman et al., 2023). This highlights the need for studies examining how board diversity, size, tenure, and functional committees influence SOEs' ability to deliver societal value. After reviewing the literature, the next section presents the research methodology used to collect data.

3. Research methodology

This study adopts an interpretative paradigm that advocates a qualitative approach. A descriptive research design was used. Out of the population of 93 state-owned enterprises in Zimbabwe, the study randomly selected five state-owned enterprises. The study adopted documentary reviews and interviews as data collection methods. From these five state-owned enterprises, the study used stratified random sampling to select 20 directors for face-to-face interviews. The researcher ensured the reliability and validity of the interview guide by involving industrial and academic experts in the development of the instrument. In addition, the study analyzed the Zimbabwe General Auditor Reports from these five state-owned enterprises for the period 2016 to 2022. The period 2016-2022 was after the inclusive government and post-multiple currency period in Zimbabwe. The study thematically analyzed interviews and used content analyses for documentary reviews. The study derived themes from the research objectives. The study integrated the results from interviews and documentary reviews to come up with generalizations. Discourse on the integrated results led to these findings.

4. Results and discussions

The researcher obtained a response rate of 75 % (15 out of 20) from the interviews. The researchers coded the interviewed participants T1, T2, ... T15. The study presents results under four themes: board structure, board balance, board tenure of office, and board committees.

4.1. Board Size and Humanistic Management Performance

The analysis of the Zimbabwe General Auditor Reports (OAG, 2016, 2019, 2021, 2022a, 2022b, 2023) revealed that board size had no direct link to governance issues reported. Regardless of the good board size, according to Nyakurukwa (2022), the various state-owned enterprises performed badly and the auditor general reported poor governance issues negatively influencing humanistic governance performance.

Participants interviewed pointed out that on paper state-owned enterprises have good board sizes that range from 7 to 15 directors. However, these directors' contributions to performance do not exist. Participant T7 said the following.

> "*Board size does not contribute to humanistic management performance or general performance. The government, through the Minister, selects friends and cadres to be board members without looking at their skills, qualifications, or experience. The board sizes are correct, but many of the directors know nothing about their duties and responsibilities. They are not qualified as board members. It does not work to comply with board size regulation but other directors just add numbers without being functional*." (T7)

These comments from participants justify the poor governance issues experienced in State-Owned Enterprises. This indicates that board size does not contribute to general performance, let alone humanistic management performance. These results refute those of Gangi, Varrone, and Coscia (2023), who conclude that board size and director ratios are linked to performance, and justify those of Pantamee and Ya'u (2018), who argue that board size is not linked to performance.

4.2. Board Tenure of Office and Humanistic Management Performance

The Zimbabwe General Auditor Reports (OAG, 2016, 2019, 2021, 2022a, 2022b, 2023) reveal that every year about 20 state-owned enterprises have boards of directors with expired terms of office. According to reports, this affected the independence of these boards. Hence, they failed to exercise their oversight role in promoting the humanistic management performance of the entities. The reports add that State-Owned Enterprises did not publish their succession policies on their websites. However, directors' experiences and skills have been published. Regardless, there is still evidence of poor governance issues and pathetic humanistic governance performance (OAG, 2016, 2019, 2021, 2022a, 2022b, 2023).

Interviews revealed that ministers in charge of appointing directors deliberately took time to renew the tenure of directors. Participant T9 argued the following:

> "*Ministers re-shuffling in the cabinet negatively affect the tenure of directors in the board. Newly appointed ministers appoint new boards. This shows that they simply appoint friends or those loyal to them. If they fail, they interfere with the work. Other entities' boards no longer constituted a co-rum. State-owned enterprises without boards or boards with expired tenures showed poor humanistic management performance. In certain cases, the directors received sitting allowances without attending board meetings compromising their independence*."

Participants interviewed echoed that the ruling political party, through the minister, deploys cadres as directors. The party recalls those directors who failed to toe party lines without considering the performance or expiration of tenure. The Director's performance, education, and relevance of experience skills do not count. This causes poor performance of directors because humanistic management performance does not matter when re-viewing their tenure. These results justify the sentiments of Chigudu (2020) and Weylandt and Anti (2016), who report that the ruling party deploys directors in state-owned enterprises in developing countries.

4.3. Board Diversity and Humanistic Management Performance

The data reveal that there were more male directors than female directors. The other boards consisted of males only, without females. Zimbabwe General Auditor Reports (OAG, 2016, 2019, 2021, 2022a, 2022b, 2023) revealed that state-owned enterprise boards with more males had a higher rate of poor governance issues than boards with females.

Participant T11 summed up the views of the participants by saying:

> "*Fewer educated women actively engage in politics hence the ruling party has fewer databases of female cadres to deploy. In addition, directors could not play oversight roles over management since directors and executive managers were appointed by the political party through the minister. Directors are happy to receive their allowances without performing their duties or responsibilities. If the directors tried to do their duties, then the Minister would dissolve that board. The way politics interfere in the appointment of directors negatively influences board diversity of State-Owned Enterprises; hence, this compromises directors' independence."*

The results show that the absence of board diversity adherence caused poor humanistic management performance in many State-Owned Enterprises. The findings reveal that board diversity plays an important role in ensuring the good humanistic management performance of an entity. These results agree with García-Meca, García-Sánchez, and Martínez-Ferrero (2015) and Nayeem and Kushwaha (2019), who find that board diversity positively affects company performance.

4.4. Board Committees and Humanistic Management Performance

The Zimbabwe General Auditor Report (2016-2020) reveals many cases to do with the nomination of directors, internal system, directors' remuneration, allowances and bonuses, poor risk management, and management embezzlement and fraud, to name a few. These governance issues highlight the absence of independent board committees. Reports add that State-Owned Enterprises' websites do not display board committees as per governance code requirements.

Participants interviewed exhibited frustration pointing out that they did not have to work in the committees when the ruling party made all the decisions. The results indicated that board committees existed on paper, but were not functioning. Participant T2 argued that:

> "*Uneducated and inexperienced party cadres often become board committee chairpersons. They do not consider the views of apolitical directors, but instead impose party-driven perspectives.. They protect incompetent executive management because they come from their parties. These directors throw the performance issue through a window. This renders board committees useless. However, State Owned enterprises suffer because of such actions*" (T2)

These results show that poor functioning of board committees results in poor humanistic management performance in state-owned enterprises. These findings support M. Rusare's (2018) argument that the failure of State-Owned Enterprises stems from the absence of board committees.

5. Conclusion

The conclusions, limitations, and suggestions of this study are as follows:

5.1 Conclusion and the subsequent suggestions

The study concludes that board size does not affect the humanistic management performance of the board. As a result, the study recommends that the size of the board should consider the gender balance and experience of board members. The board of directors should be inducted so that they are knowledgeable about the function of oversight. Politicians heavily influence the composition of State-Owned Enterprise boards. The study recommends that the appointment of board members should be done by the parliament portfolio committee in charge of that State-Owned Enterprise. This reduces cadre employment by the Minister, who happens to be a politician. The study indicates that experience plays a significant role in the governance of State-Owned Enterprises. The board should comprise members with diverse experiences or a mixture of experiences, ensuring that succession planning is considered.. This would reduce the group-think effect on board members.

The data revealed that state-owned enterprises do not have the power to appoint executive management, hence compromising their oversight role. The management reports directly to the minister instead of the board. This study recommends a clear chain of command among state-owned enterprise stakeholders. The Zimbabwe Auditor Reports also revealed that the board of directors was being paid sitting allowances and other benefits by the respective state-owned enterprises' executive management. This compromises the independence of the board of directors, resulting in them failing to deliver. The study recommends that the Ministry pay the board of directors to avoid conflicts of interest and corruption. Executive management should not pay allowances and benefits to state-owned enterprise directors.

The study further recommends that State-Owned Enterprises in Zimbabwe, through the government and the Auditor General, continuously embark on performance evaluation at four levels, namely, the board as a collective team, board/committee leadership, committees themselves, and the individual director level, as a key means to recognize and correct corporate governance problems, including board composition, capitalize on the board as a strategic asset, and add real value to these entities. These board assessments will ensure performance improvement of these boards to commit to a regular evaluation process and find benefits across these levels in terms of improved leadership, increased clarity of roles and responsibilities, improved teamwork, increased accountability, better decision-making, enhanced communication, and more efficient board operations, and therefore positively correcting the corporate scandals that have continually been reported.

Additionally, the Government, through the responsible ministry, should emphasize the need to urgently act on the recommendations from the Auditor General not only of the new audit report but also on legacy issues that have been continuously raised in the past.

The study also recommends the internationalization of governance codes so that state-owned enterprises may be forced by international institutions to implement good board composition, which leads to humanistic management performance.

5.2 Limitations

Concerning limitations, this study only included participants from one country, which may not be generalizable to other developing countries. In addition, the study did not include a control group, making it difficult to compare results. Additionally, the study relied mainly on self-reported data from the respondents, which has the limitation of being subject to bias. Additionally, the scope of this study is restricted to SOEs. Future research can extend this scope to multiple countries. Future studies may extend this to other organizations in the private sector by using other performance parameters.

Additionally, Strategic agility, as discussed by Gerald et al. (2020), provides a framework for enhancing organizational adaptability through proactive governance practices. Future research could explore how SOEs can incorporate these principles, such as responsive decision-making and flexible resource deployment, to improve their governance outcomes in crises or politically volatile environments." Additionally, while the existing literature examines board composition and its impact on organizational outcomes, there is limited research on the interplay between intangible assets and governance structures in SOEs. Asien (2023) also underscores the influence of intangible assets, such as the operational dichotomy of directors, on corporate financial performance. Future research should explore how SOEs can incorporate these insights into governance frameworks to enhance their performance and accountability.

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