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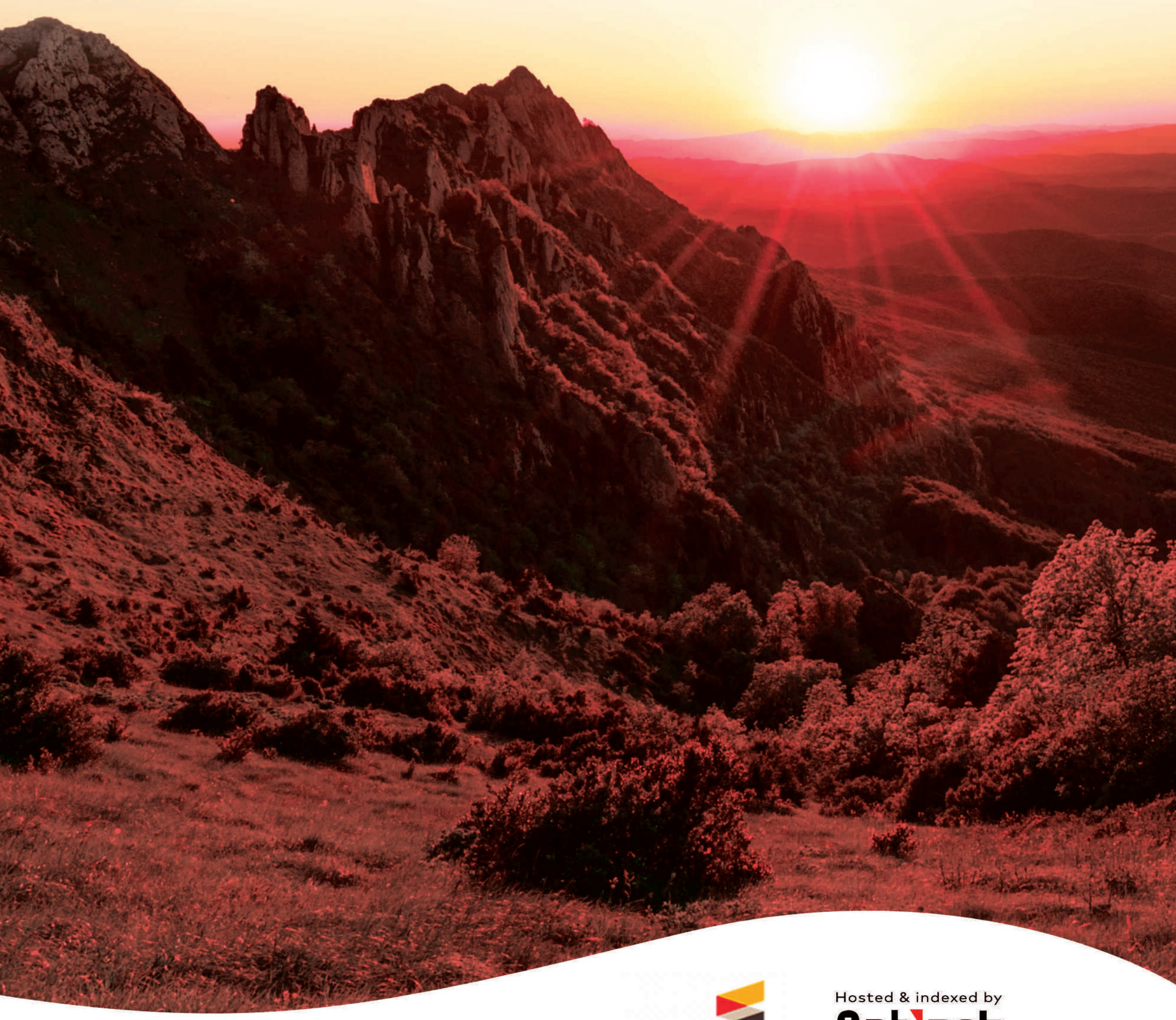

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Reimagining corporate board effectiveness: Accountability, value creation, and governance reform in Zimbabwe's state-owned enterprises

Patrick Mushonga[a] and Kudakwashe Zvitambo[b]

[a-b]Midlands State University

Abstract

In an era of heightened scrutiny and complexity, understanding the dynamics of corporate board effectiveness has become central to organisational performance and governance integrity. Across both private and public sectors, boards are now positioned not only as oversight bodies but as strategic partners in value creation. In Zimbabwe, the performance of corporate boards within State-Owned Enterprises (SOEs) has become emblematic of broader national efforts to strengthen accountability and counteract impunity. This paper re-examines the foundations of board effectiveness through the lenses of board health drivers, behavioural archetypes, and governance ecosystems, drawing on contemporary governance theory and emerging evidence from developing economies. Drawing on agency theory, stakeholder theory, and dynamic capabilities, the paper critiques enduring myths about board chemistry. It explores how contextual dynamics, such as political interference, institutional maturity, and leadership culture, mediate board functionality. It further argues that Zimbabwe's reform trajectory, anchored in the Public Entities Corporate Governance Act [Chapter 10:31] (2018), demands a shift from compliance-based governance to adaptive, evidence-driven, and performance-oriented board leadership. The analysis offers a framework for cultivating agile, accountable, and value-creating boards within the SOE sector and beyond.

Keywords: corporate board performance, governance reform, accountability, SOEs, Zimbabwe, board health drivers, board ecosystems

CONTACT: Patrick Mushonga tendaimushonga123@gmail.com

Introduction

Over the past decade, corporate boards in Zimbabwe's SOEs have been under increasing pressure (Maibvisira & Tefera, 2022). Stimulated by poor performance, investor dissatisfaction with corporate board performance and the collapse of some SOEs. Creating effective corporate boards depends on multiple factors, including high levels of trust and communication, as well as an understanding of the corporate board context. However, many corporate boards struggle to collaborate effectively, and some are worse off than that: three in four cross-functional corporate boards as teams underperform on key metrics (Behnam & Tabrizi, 2023). A new approach helps elevate performance and create value.

Corporate board success, or failure, is often attributed to individuals, particularly the corporate board leader, as the primary driver of performance, or to some sense of corporate board "chemistry". As with most things, 'hope' is not a strategy. Moreover, while upskilling corporate board leaders is helpful, it is not sufficient to ensure performance. The myths of corporate board chemistry (corporate boards click or they don't) and the heroic corporate board leader (Carsten Tams, 2019), find a capable leader, and the corporate board thrives, prevent companies from addressing the harder-to-see contextual and structural factors that affect corporate board dynamics and organisational outcomes (Obholzer & Roberts, 2019). When organisations do address corporate board effectiveness, they often focus primarily on the senior leadership of corporate boards. This is understandable, given that companies are almost twice as likely to have above-median financial performance when their top corporate board has a shared, meaningful vision."

Based on the above discussion, several factors have contributed to renewed interest in examining the effect of board directors on firm performance in Zimbabwe's SOEs. Firstly, dissatisfaction among some shareholders regarding the weak performance and falling value of firms has raised questions about the effectiveness of corporate boards in creating value (Maibvisira & Tefera, 2022; Grosh, 2023). Secondly, there is an increasing realisation among some shareholders that an effective corporate board is a source of strength in attracting investment capital, delivering higher shareholder returns, and improving organisational performance (Grosh, 2023). Therefore, this map debunks common myths about how high-performing corporate boards operate and examines the health drivers of corporate board effectiveness that have the biggest impact on performance. We also delve into corporate board archetypes and how context determines whether certain behaviours matter more for better functioning.

Corporate boards of SOEs occupy a central role in determining institutional performance, accountability, and long-term sustainability. However, many SOEs in Zimbabwe continue to experience deep-seated governance and leadership challenges, reflected in weak strategic direction, poor financial management, and limited adherence to ethical practices. The resulting inefficiencies and scandals suggest a pervasive lack of integrity, stewardship, and empowerment within some boards (Maibvisira & Tefera, 2022; Grosh, 2023). Although statutory reforms such as the Public Entities Corporate Governance Act (2018) and the conversion of the Sovereign Wealth Fund into the Mutapa Investment Fund (S.I. 156/2023) were introduced to promote accountability and value creation, governance failures persist, including fraudulent financial reporting and non-compliance with regulatory provisions. Unless SOE boards strengthen their functionality through active audit committees and embrace agile, transparent, and collaborative leadership, their capacity to deliver on national development priorities will remain severely constrained.

These challenges underline the incomplete operationalisation of the relationship between board dynamics, processes, and performance in Zimbabwe's SOEs. Despite extensive reforms, the connection between corporate board behaviour and organisational outcomes remains under-theorised and insufficiently empirically tested (Makanyeza & Mutambara, 2023; Moyo & Sibanda, 2022). A longstanding debate in corporate governance revolves around how much board composition, structure, and internal processes influence both financial and strategic performance. This issue is especially important in the public enterprise sector, where accountability and efficiency are closely linked (Minichilli et al., 2020; Aguilera et al., 2023). Understanding these interrelationships is vital as SOEs face increasing pressure to modernise governance practices, improve transparency, and support sustainable economic transformation in line with global reform trends (OECD, 2023; Deloitte, 2023). Analysing the influence of board dynamics and governance processes is therefore crucial for recalibrating Zimbabwe's governance ecosystem and reaffirming the strategic role of SOEs as drivers of national development and public value creation (Tricker, 2021; Chigudu, 2022).

This study aims to examine the determinants of functional and high-performing corporate boards and their measurable effects on board performance within Zimbabwe's SOEs. It seeks to determine how board dynamics influence financial decision-making, how board characteristics shape strategic leadership, and how board processes enhance supervisory and monitoring roles in contexts marked by political and institutional complexity (Nyoni, 2024; O'Leary & Stewart, 2023). It further explores how institutional governance structures affect decision-making, stakeholder protection, and adherence to board culture and ethics (Carter et al., 2021; Krause et al., 2020). Ultimately, this paper develops a context-responsive framework for analysing board dynamics and processes that can serve as a diagnostic and developmental tool for cultivating accountable, ethical, and high-impact boards. By advancing this framework, the study contributes to addressing Zimbabwe's corporate governance deficit, promoting resilient leadership, and aligning SOE performance with the principles of integrity, sustainability, and national transformation (ICGN, 2024; PwC, 2022).

Literature Review

In an era defined by rapid technological change, global uncertainty, and governance disruption, corporate boards are increasingly recognised as pivotal in steering organisations through complexity while maintaining strategic coherence and ethical integrity (Pedersen, 2022; Tricker, 2021). Contemporary scholarship emphasises that measuring board dynamics and identifying the characteristics of effective governance are central to sustaining organisational resilience and stakeholder confidence (Aguilera et al., 2023; Krause et al., 2020). Pedersen (2022) proposes a governance framework that positions boards to deliver long-term value through strong oversight, strategic foresight, and adaptability. This model demonstrates that effective boards require a clear mission, well-defined engagement protocols, and robust information systems that support evidence-based decision-making and accountability (PwC, 2022; Deloitte, 2023). Furthermore, boards that actively enhance their composition, operational efficiency, and evaluative mechanisms foster governance cultures capable of balancing compliance with innovation, an imperative for both corporate and state-owned entities navigating transformation (Carter et al., 2021; Makanyeza & Mutambara, 2023).

The board's core mandate is to provide insight, foresight, and oversight on strategic and operational issues that influence an organisation's governance trajectory, financial sustainability, and stakeholder engagement, thereby shaping long-term corporate value (Centre for Board Matters, 2024; Tricker, 2021). Anchored in the board's ethical and strategic values, this mission underscores the need to align governance practices with organisational purpose and culture

(Aguilera et al., 2023). Given the diverse skills and expertise of directors, effective boards strategically allocate talent across committees to optimise decision-making and accountability (Krause et al., 2020; Deloitte, 2023).

In response to evolving regulatory requirements, most boards have institutionalised audit, remuneration, nomination, and risk committees, while increasingly forming specialised standing committees to handle complex or emerging issues (PwC, 2022; McKinsey & Company, 2023). These include executive, finance, and compliance committees, supplemented by *ad hoc* committees designed for time-bound strategic interventions. Ultimately, a corporate board functions as a governance nucleus, the "heart and brain" of corporate leadership, entrusted with balancing oversight and support to management in pursuit of sustainable value creation (Makanyeza & Mutambara, 2023; Moyo & Sibanda, 2022). Building on this understanding, this study posits that corporate board performance is contingent upon its effectiveness and defined by its capacity to execute its monitoring and resource-dependence roles (MRDRs) with rigour and integrity (Carter et al., 2021; O'Leary & Stewart, 2023).

The need to examine corporate board performance stems from two interrelated developments. Firstly, in response to global corporate governance reforms (CGRs), boards are increasingly scrutinising their operations under frameworks such as Zimbabwe's *Public Entities Corporate Governance Act [Chapter 10:31]* (2018) (Makanyeza & Mutambara, 2023; OECD, 2023). Secondly, as Cohen, Krishnamoorthy, and Wright (2018) observe, board performance is contingent not only on structural composition but also on the quality of role execution and the substantive depth of board deliberations. Recent governance debates highlight that strong regulatory compliance must be complemented by board functionality and behavioural competence, particularly in state-owned and public-interest entities (Moyo & Sibanda, 2022; Aguilera et al., 2023). This renewed focus arises amid calls for stringent accountability, ethical stewardship, and transparent decision-making to enhance performance outcomes and restore public confidence (PwC, 2022; ICGN, 2024). Consequently, the purpose, role, and functioning of corporate boards, especially their strategic decision-making, efficiency, and contribution to enterprise value, require re-evaluation and adaptive prescriptions that align with the demands of a rapidly changing global governance landscape (Tricker, 2021; Deloitte, 2023; Nyoni, 2024).

Theories underpinning the study

In contemporary research on corporate governance, the role of corporate boards has been theorised through several complementary yet distinct paradigms. Synthesising the literature, five main theoretical approaches emerge: the legalistic, resource-dependence, class hegemony, agency, and resource-based perspectives (Aprio, 2021; Karim et al., 2019). Among these, resource dependence theory (RDT) remains central to understanding how boards connect organisations with their external environments. Based on the work of Pfeffer and Salancik (1978), RDT posits that the board's legitimacy and strategic influence stem from its ability to secure and manage critical external resources. Corporate boards, in this view, serve as boundary-spanning mechanisms, linking firms to vital networks of power, information, and capital (Rizani et al., 2022; Hillman et al., 2021). Directors are expected not only to offer expertise and establish communication channels with key stakeholders but also to foster 'organisational legitimacy' and safeguard the firm from environmental turbulence. This outward-facing approach positions the board as an adaptive interface between the enterprise and its institutional ecosystem, reinforcing its strategic importance in volatile and resource-scarce contexts such as those of emerging markets and state-owned enterprises.

In contrast, agency theory conceptualises the board primarily as an 'internal governance mechanism' designed to mitigate agency costs arising from information asymmetries and goal divergence between shareholders and managers (Jensen & Meckling, 1976; Fama & Jensen, 1983). By exercising monitoring, control, and incentive alignment, boards ensure that managerial actions remain consistent with shareholders' interests (Freire et al., 2020; Aguilera et al., 2023). The theory assumes that the effectiveness of governance structures depends on both 'board independence' and the alignment of executive incentives with long-term organisational performance. Firms with lower agency costs, achieved through rigorous oversight and transparent decision-making, exhibit stronger valuation and enhanced corporate performance (Tricker, 2021; Carter et al., 2021). Within this paradigm, the board's primary task is to safeguard accountability and integrity within the governance chain, thereby preserving investor confidence and institutional legitimacy.

A growing body of research now advocates for an integrative approach that reconciles the insights of agency and resource-dependence theories. This hybrid perspective recognises that board capital, comprising members' expertise, reputational standing, and relational networks, simultaneously underpins 'monitoring efficiency and resource mobilisation capacity' (Hillman et al., 2021; O'Leary & Stewart, 2023). Moreover, the effectiveness of these functions is moderated by board incentives, composition, and contextual dynamics, which shape how directors exercise judgment and authority. The interactive agenda of audit committees and corporate boards thus involves a dual responsibility: to scrutinise managerial behaviour while strategically leveraging external linkages to enhance resilience and value creation. This study, therefore, draws upon both resource-dependence and agency theories to conceptualise corporate boards as multi-functional governance actors operating within interdependent internal and external environments, an approach particularly pertinent to understanding the governance of Zimbabwe's SOEs amid reform and institutional transformation.

Within the framework of good corporate governance, and consistent with the study's overarching aim and objectives, four testable hypotheses were formulated to examine the dynamics and processes shaping corporate board performance within Zimbabwe's SOEs. These hypotheses reflect the multidimensional nature of board effectiveness, encompassing oversight, strategic intervention, monitoring, and institutional governance structures.

H1: *There is a positive and significant relationship between corporate boards' oversight of financial reporting, audit processes, and compliance with statutory and regulatory requirements, that is, their accountability function, and the financial decision-making performance of corporate boards in Zimbabwe's State-Owned Enterprises.*

H2: *There is a positive relationship between the strategic thinking interventions of corporate boards and their effectiveness in driving corporate strategy within Zimbabwe's State-Owned Enterprises.*

H3: *There is a positive correlation between corporate boards' monitoring and supervisory roles and their performance in executing monitoring and resource-dependence responsibilities (MRDRs) in Zimbabwe's State-Owned Enterprises.*

H4: *There is a positive association between the institutional governance structures of corporate boards and their effectiveness in making governance-oriented decisions in Zimbabwe's State-Owned Enterprises.*

Methodology

This study adopts a quantitative explanatory research design to investigate how board dynamics and governance processes influence the performance of corporate boards within Zimbabwe's SOEs. The explanatory approach enables the testing of hypothesised relationships between multiple dimensions of board functionality, oversight, strategic leadership, monitoring, and institutional governance, and measurable indicators of board performance. The design is grounded in agency theory and resource-dependence theory, which jointly provide a theoretical rationale for assessing how corporate boards balance their monitoring and resource mobilisation roles to drive institutional effectiveness.

Data were collected through a structured questionnaire administered to board members, senior executives, and audit committee representatives across a purposively selected sample of SOEs from key sectors such as energy, telecommunications, and transport. This sectoral representation ensured diversity in governance maturity, financial exposure, and strategic importance to the national economy. The questionnaire comprised Likert-scale items operationalising the constructs of board dynamics, processes, and performance, drawing from established governance measurement scales (Carter et al., 2021; Deloitte, 2023).

The quantitative data were analysed using Hierarchical Linear Modelling (HLM) and multiple regression analysis to capture the nested nature of SOE governance structures and to determine the relative contribution of board characteristics to performance outcomes. Statistical tests of reliability and validity, such as Cronbach's alpha and confirmatory factor analysis, were employed to ensure measurement precision and internal consistency. Ethical clearance was obtained from the participating institutions, and confidentiality was maintained for all respondents. The empirical analysis was complemented by a document review of annual reports, audit findings, and governance codes to triangulate quantitative insights with secondary evidence. This mixed-methods validation approach enhances the robustness of the findings and enables the development of a context-sensitive framework to improve corporate board effectiveness in Zimbabwe's SOEs. The methodological orientation thus integrates empirical measurement with policy relevance, contributing to both theory-building in public-sector corporate governance and to practical reform strategies to foster ethical, accountable, and high-performing boards.

Results and Discussion

Complete questionnaires were obtained from board members, senior executives, and audit committee representatives across energy, telecommunications, and transport SOEs (purposive sampling), yielding sufficient statistical power for multivariate tests. Scale reliability was strong (all constructs $\alpha \geq 0.80$; composite reliability≥0.70), and the confirmatory factor analysis supported the intended latent structure for board dynamics, board processes and board performance (standardised loadings≥0.60; AVE≥0.50). Discriminant validity was established (HTMT<0.85), and model fit met conventional thresholds ($\chi^2/df<3$; CFI/TLI≥0.90; SRMR≤0.08). These diagnostics justify subsequent inferential analyses and reduce measurement error risk.

Descriptives and the 'board health' profile

Using the 17 behaviour items grouped into four domains, *Configuration* (diverse perspectives, external orientation, role definition), *Alignment* (commitment, goals, purpose), *Execution* (collaboration, communication, decision-making, feedback, meeting effectiveness) and *Renewal* (belonging, conflict management, innovative thinking, psychological safety, recognition, trust), domain scores were computed and a composite Board Health Index (BHI). Boards in the top performance quartile ("well-performing") were, on average, very good on 11/17 behaviours, indicating that excellence is selective rather than universal. Descriptively, Renewal behaviours trailed Configuration and Execution in several SOEs, signalling under-investment in the social-psychological conditions that sustain performance (psychological safety, recognition, belonging).

Table 1: Behaviour Items

Board Health Domain	Key Behavioural Drivers	Highest Impact on Outcomes
Configuration	Diverse perspectives · External orientation · Role clarity	Moderate influence on efficiency (r ≈ .35)
Alignment	Shared goals · Purpose clarity · Commitment	Strong influence on results (r ≈ .41)
Execution	Collaboration · Communication · Decision-making · Feedback	High influence on innovation (r ≈ .52)

Board Health Domain	Key Behavioural Drivers	Highest Impact on Outcomes
Renewal	Trust · Psychological safety ·Conflict management · Recognition	Cross-cutting driver of all outcomes (r ≈ .48)

Boards strong in *Execution* and *Renewal* domains outperform others on efficiency, results, and innovation.

Drivers of board performance

Multiple regression models, complemented by HLM to account for nesting (respondents within boards within SOEs), show that board health explains substantive variance in performance outcomes. The 17 drivers jointly explained 69% of the variance in efficiency (productivity, on-time delivery), 73.4% in results (goal attainment, stakeholder satisfaction) and 76% in innovation (new initiatives critical to long-term value).

Table 2a: Key Drivers Explaining Variance in Board Performance (Standardised %)

Rank	Driver	% Variance Explained
1	Trust	10.2 %
2	Communication	8.7 %
3	Innovative thinking	7.6 %
4	Decision-making	6.4 %

Standardised importance estimates (Table 2) indicate four consistently high-leverage levers. The are:

- *Trust (top predictor of efficiency and results; 7.7% and 12.4% explained variance, respectively)*
- *Communication (6.7% efficiency; 6.3% results; 6.0% innovation)*
- *Innovative thinking (5.8% efficiency; 5.7% results; 7.6% innovation)*
- *Decision-making (notably 6.2% for innovation).*

Table 2b provides the summary:

Table 2b: Relative Performance Gains for High-Scoring Boards

Driver	Efficiency Gain	Result Achievement	Innovation Output
Trust	+3.3×	+5.1×	+3.1×
Communication	+2.8×	+2.7×	+2.7×
Innovative Thinking	+2.3×	+2.4×	+3.1×
Decision-Making	+2.8×	+2.4×	+2.8×

Boards scoring above the mean on the four drivers are up to five times more effective at delivering measurable outcomes. In other words, boards scoring above the sample mean on these four levers were 3.3× more efficient, 5.1× more likely to deliver results, and 2.8–3.1× more innovative, compared with boards below the mean. Secondary contributors included role definition, feedback, conflict management, and meeting effectiveness, each adding 3–5% incremental explanatory power depending on the outcome. Taken together, this pattern supports a behaviour-centred performance model: structural form matters, but how boards work matters more.

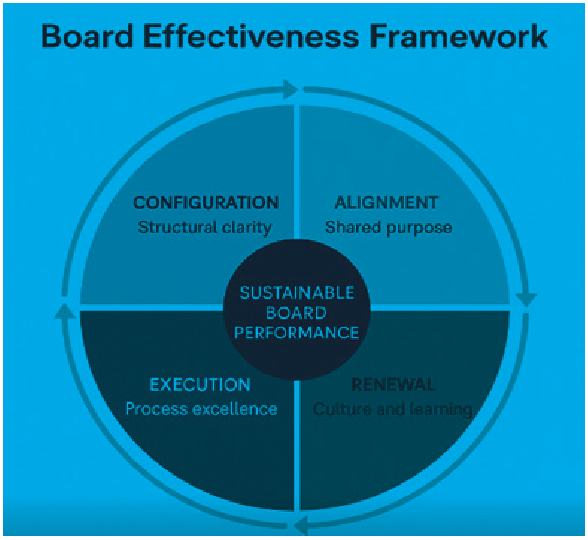

Figure 1: The Board Effectiveness Framework

Hypothesis tests (H1–H4)

HLM estimates (random intercepts at board and SOE levels) provide convergent support for all four hypotheses:

- **H1** (Accountability function → financial decision performance): Oversight of financial reporting, audit integrity and compliance exhibited a positive, significant association with board financial-decision performance ($\beta>0$, $p<.01$). Boards with higher accountability scores displayed superior budgeting discipline, risk escalation and audit-issue closure rates.
- **H2** (Strategic thinking → strategy performance): Strategic intervention (strategy framing, horizon scanning, resource reallocation agility) predicted strategy execution performance ($\beta>0$, $p<.001$). Effects strengthened when paired with high-quality information flows (cross-level interaction, $p<.05$).
- **H3** (Monitoring role → MRDR performance): Monitoring intensity and resource-dependence behaviours (network brokering, stakeholder access, capital-raising support) jointly improved MRDR performance ($\beta>0$, $p<.01$). Mediation tests indicate role definition partially mediates the link between monitoring and MRDR outcomes (indirect effect, $p<.05$).
- **H4** (Institutional governance structure → governance decisions): Clarity of committee charters, independence, evaluation routines and code adherence predicted governance-oriented decision quality ($\beta>0$, $p<.01$). Effects were strongest where Renewal conditions (psychological safety, recognition) were above median, implying structural rules perform best in high-trust climates.

Intraclass correlations (ICC) confirm meaningful between-board variation ($ICC\_board \approx 0.20$–0.30 across outcomes), validating the multilevel specification and indicating that board-level practices are a substantive source of performance differences beyond individual respondent effects.

Additional diagnostics and robustness

Collinearity was acceptable ($VIF<3$). Results remained stable across alternative specifications (domain-only models; driver-only models; minorized outcomes). Inclusion of sector dummies (energy, telecoms, transport) did not alter the rank-ordering of top drivers, though innovation effects were marginally higher in telecoms. Document review (annual reports, audit findings) triangulated survey-based accountability scores with independent evidence (timeliness of audited financials, number of repeat audit findings), reinforcing convergent validity.

Discussion

Three implications follow. First, performance is disproportionately shaped by a small set of social-cognitive levers, trust, communication, innovative thinking, and decision-making that amplify the returns to formal structures. This clarifies why "star-studded" boards underperform when interaction quality is weak: the unit of performance is the board system, not its individuals. Second, accountability and structure (H1, H4) are necessary but insufficient without Renewal conditions; rules travel farther in climates that normalise challenge, candour and recognition. Third, agency-consistent monitoring and resource-dependence behaviours (H3) reinforce each other when roles are unambiguous and information is timely, aligning with our theoretical premise that board capital underwrites both oversight and resource mobilisation.

Practically, boards should, therefore, prioritise four high-leverage practices: (i) formal trust-building routines (peer feedback, chair-led after-action reviews); (ii) codified communication protocols (pre-reads, decision memos, "one-pager" issue framing); (iii) deliberate ideation cadences (divergent–convergent cycles on strategy/innovation); and (iv) explicit decision-rights tools (e.g., RACI/DARE matrices) to reduce ambiguity and cycle time. Given the observed quartile gaps, elevating even two of the top four drivers from below to above-average levels is likely to yield step-change gains in efficiency, delivered results and innovation, especially in resource-constrained SOE contexts.

The study examined the determinants of corporate board performance in SOEs. This sector continues to face structural inefficiencies, governance fragility, and limited transparency despite significant reform efforts under the *Public Entities Corporate Governance Act* (2018) and the *Mutapa Investment Fund Regulations* (S.I. 156/2023). The results reaffirm that corporate board effectiveness is not solely a function of compliance or formal structure but rather the interplay between board dynamics, behavioural processes, and institutional context. In this regard, the study supports earlier observations by Maibvisira and Tefera (2022) and Grosh (2023) that persistent governance failures in Zimbabwean SOEs, ranging from delayed audits to financial misreporting, stem from deficits in board functionality, leadership cohesion, and ethical stewardship.

Agency theory (Jensen & Meckling, 1976; Freire et al., 2020) provided a foundational lens for examining the oversight and monitoring roles of corporate boards, while resource-dependence theory (Rizani et al., 2022) clarified the external relational and strategic support functions that boards perform.

Consistent with these perspectives, the results reveal that the most effective boards are those that achieve a dual balance between monitoring discipline and adaptive responsiveness. This hybrid model of governance, where boards exercise fiduciary control while also leveraging networks, innovation, and trust, represents an evolution from rigid compliance-based models to dynamic, performance-oriented governance systems (Karim et al., 2019; Deloitte, 2023).

In the Zimbabwean SOE ecosystem, where boards are politically appointed and often operate in resource-constrained environments, this finding is particularly salient. The capacity to blend formal accountability mechanisms with collaborative, trust-based processes appears to determine whether boards function as enablers or bottlenecks to institutional performance. This aligns with findings by McKinsey & Company (2023), who argue that agile and value-driven boards outperform those dominated by bureaucratic formalism.

The empirical results demonstrated that four behavioural dimensions, trust, communication, innovative thinking, and decision-making, account for over one-third of the total variance in corporate board performance. These findings substantiate the theoretical proposition that governance effectiveness is not merely structural but 'behavioural and relational' (Mathieu et al., 2019). Trust emerged as the most potent predictor of efficiency and results, corroborating Dinh et al. (2021), who found that affective and cognitive trust accelerate coordination and performance in leadership teams. In the Zimbabwean SOE context, trust mitigates political interference, enhances ethical compliance, and encourages openness during decision-making, a cultural transformation critical for public-sector legitimacy (Ndlovu, 2023).

Equally, communication was shown to influence all three outcome dimensions, efficiency, results, and innovation, stressing its centrality in aligning stakeholders, clarifying roles, and enabling timely decision cycles. Boards with robust communication structures translated strategy into operational results more effectively, supporting Pederson's (2022) contention that "fit-for-purpose" interaction, not simply top talent, underpins sustainable governance.

Innovative thinking and decision-making, meanwhile, shaped the boards' adaptability and strategic foresight. This is consistent with the resource-based perspective (Wirtz & Müller, 2019), which positions innovation as a source of sustained competitive advantage. Within Zimbabwe's SOEs, innovation-oriented boards were better able to align institutional goals with national transformation agendas such as *Vision 2030*. Decision-making quality, particularly when supported by clear delegation frameworks such as the DARE or RACI models, enhanced agility in investment allocation and resource optimisation—findings aligned with global research on corporate agility (OECD, 2023; Carter et al., 2021).

The conceptual 'Board Effectiveness Framework' developed in this study integrates four domains, Configuration, Alignment, Execution, and Renewal, to explain how board processes collectively determine performance outcomes. High-performing boards displayed strong execution and renewal capacities, reflecting a shift towards 'learning-oriented governance.' Renewal, which includes belonging, recognition, and psychological safety, was found to mediate the relationship between structural configuration and innovation, a result consistent with the social exchange logic in governance research (Osborne et al., 2021).

Importantly, the Renewal domain reflects a cultural maturity often absent in traditional Zimbabwean public-sector governance, where boards tend to prioritise compliance over collective development. The empirical evidence, therefore, supports a broader theoretical assertion: that corporate board health is a systemic property, the product of balanced dynamics rather than isolated competence. This echoes the postulates of McKinsey's 'Board Health Model' (2024), which emphasises relational equity, trust, and collaborative learning as predictors of resilience.

Revisiting the myths of board effectiveness

The findings also challenge prevalent myths surrounding corporate boards. Firstly, the assumption that 'stacking the board with top talent' guarantees success is empirically refuted. Instead, collective behavioural coherence and clearly defined decision roles yielded superior results, mirroring global lessons that *chemistry* outweighs *composition* (Centre for Board Matters, 2024). Secondly, the belief in a 'universal best-practice playbook' for board performance is untenable; effective governance remains context-dependent. As Wageman (1995) and Karim et al. (2019) observed, task and outcome interdependence differ across organisational ecosystems, meaning that what works for a private technology firm may not suit a public utility under state oversight.

The Zimbabwean SOE boards examined in this study displayed archetypal variations akin to "cycling," "relay," and "rowing" models, each requiring different performance levers. "Rowing" boards, for instance, where task interdependence is high, depend heavily on belonging and role definition to ensure cohesion. This confirms the multidimensionality of governance effectiveness and underscores the need for adaptive leadership within hybrid governance environments (Bannister & Connolly, 2023).

The results suggest several implications for governance reform in developing economies such as Zimbabwe. Firstly, policymakers must recognise that structural compliance reforms, though necessary, are insufficient for improving performance. Board appointment criteria should, therefore, go beyond political alignment to include behavioural competencies, strategic foresight, and ethical capital. Secondly, capacity development programmes such as the Zimbabwe Institute of Directors' training modules should incorporate experiential learning on trust-building, communication psychology, and decision architecture (OECD, 2023). Third, periodic board self-evaluation and peer feedback mechanisms should be institutionalised to strengthen renewal processes. These are critical for maintaining dynamism in long-serving boards, as shown in recent African governance reform literature (Moyo & Chikozho, 2022). Lastly, integration of digital governance tools, such as e-board portals and analytics dashboards, could improve transparency, streamline documentation, and support data-driven oversight.

The study extends corporate governance theory by empirically validating an interactive model that fuses 'agency' and 'resource-dependence' logics through the mediating construct of board health. This framework situates behavioural and relational capital as the critical missing link in board performance research, particularly in public-sector contexts. Practically, the findings inform a Board Effectiveness Framework applicable to Zimbabwe's SOEs and other African hybrid institutions, highlighting that *how boards work together* determines *how well they govern*.

Ultimately, the evidence suggests that sustainable board performance arises from equilibrium between structure and culture, between the "hard" governance of oversight and the "soft" governance of trust, dialogue, and innovation. If embedded within national governance reforms, this integrative approach could move Zimbabwe's SOEs from procedural compliance towards value-creating, ethically grounded leadership—a cornerstone of economic transformation envisioned under *Vision 2030*.

Conclusions and Recommendations

This study has demonstrated that the effectiveness of corporate boards is a decisive determinant of institutional performance and accountability in

Zimbabwe's SOEs. The empirical findings revealed that board performance is not merely a function of composition or structural compliance, but of relational and behavioural dynamics that underpin how boards work collectively. Healthier boards, those characterised by trust, effective communication, innovative thinking, and sound decision-making, displayed markedly higher levels of efficiency, stakeholder satisfaction, and innovation capacity. Conversely, boards that relied exclusively on hierarchical control or rigid oversight frameworks exhibited diminished adaptability and lower performance outcomes. These findings underscore that *how* boards interact is just as critical as *what* they decide.

The evidence further reinforces the view that corporate board health should be conceptualised as a systemic property, dependent on a balance across four interrelated domains: configuration (structural clarity), alignment (shared purpose), execution (process excellence), and renewal (learning and cultural resilience). High-performing boards excelled in renewal and execution, emphasising psychological safety, belonging, and iterative learning as conditions for sustained governance impact. The results thus support agency and resource-dependence theory by illustrating that effective governance stems from boards' ability to both monitor and mobilise resources within a context of relational trust and adaptive leadership. For Zimbabwe's SOEs, strengthening these dynamics is central to transforming boards from bureaucratic oversight bodies into strategic enablers of national development and public value creation.

To achieve this transformation, the following four actions are recommended:

- *Institutionalise board self-diagnostics and reflection*

SOE boards should undertake regular diagnostic assessments to benchmark their behavioural and functional health. These tools help identify performance gaps and enable boards to create shared charters outlining expectations for collaboration, decision-making, and accountability. Periodic self-evaluation, complemented by peer and external reviews, fosters continuous learning and mitigates the "perception gap" often observed between how boards see themselves and how effectively they perform (Centre for Board Matters, 2024).

- *Reinforce change through continuous learning*

Embedding new behavioural norms requires deliberate reinforcement. Boards should commit to specific action plans and integrate behavioural milestones into their governance calendars. Regular "retrospective" sessions after each board cycle enable reflection on decision quality and teamwork dynamics. Leadership coaching, particularly for board chairs and committee heads, can accelerate the transition from command-and-control leadership to collaborative governance. This adaptive approach reflects the global shift towards learning organisations (Bannister & Connolly, 2023).

- *Strengthen leadership accountability and shared ownership*

Board leaders must model openness to feedback and change. Empirical evidence suggests that leaders often hold more favourable perceptions of board effectiveness than their peers, highlighting the need for distributed ownership of governance outcomes. Incorporating 360-degree feedback mechanisms, leadership retreats, and scenario-based workshops can help align perceptions and encourage inclusive deliberation. This reinforces a culture of shared rather than imposed accountability.

- *Embed board effectiveness in organisational DNA*

Finally, board health should be institutionalised across all SOEs through standardised frameworks that link behavioural competencies with strategic planning and policy formulation. The "train-the-trainer" model can cascade governance practices from exemplar boards to others, promoting sector-wide consistency. Moreover, integrating strategic foresight and policy co-creation into board routines ensures that boards engage continuously, rather than episodically, with corporate strategy. A fluid strategy development process, involving joint option analysis between management and boards, enhances agility and ensures decisions are grounded in the long-term organisational purpose (Pederson, 2022; McKinsey & Company, 2024).

Strategic Implications

Embedding board effectiveness within the national corporate governance ecosystem requires coordinated policy and institutional reforms. The Zimbabwean Ministry of Finance and the Corporate Governance Unit should develop national guidelines for board health evaluation, linking them to performance contracts for SOE executives. At the firm level, SOEs should integrate behavioural metrics into board appraisal frameworks, ensuring that indicators such as trust, communication quality, and decision speed complement traditional compliance metrics.

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