Management Practices and Activities Influencing the Effectiveness of Organisations in Namibia

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Abstract

One of the long-running debates within the research dealing with developing countries’ situations, has been the extent to which management theories and practices rooted in the developed countries’ perspectives can be applied by organisations in the developing countries. To contribute to this debate, this study aimed to discover new insights that could highlight the superseding management practices and activities associated with the effectiveness of organisations in a developing country. The study applied an inductive research approach through data obtained via interviews from 54 key role players and ultra-elites in organisations such as members of the board, management and employees. Qualitative research techniques were used to analyse data. The study findings suggest context-specific management practices and activities, unique from those typically cited in the developed countries, as influencing the effectiveness of organisations in Namibia. Moreover, the study found that management practices and activities related to human fundamentals, such as those embodied in the resource-based view of organisations, appear to be significantly associated with the effectiveness of companies in the Namibian context. The findings of the study have theoretical and practical value for those teaching, consulting and leading organisations in developing countries, especially in African organisations. Also, the findings have value for organisational development and design specialists, human resources professionals, Namibian business practitioners, and expatriates who manage operations and people in Namibia.
Keywords: management practices; organisational behaviour; effective organisations; Namibia; qualitative research

Introduction

The critical role of business in society is undisputed. Yet, the challenge of non-performing organisations appears real in developing countries (Bloom, Mahajan, McKenzie, and Roberts 2010, 619). Research and data show that in almost all projections on business management, economic growth and human development, African countries, particularly the sub-Saharan ones, score poorly (Duze 2012, 54). African countries inevitably perform at the negative end, and where events become too dramatic, relief actions from wealthier nations often have to respond to “African chaos.” The preceding gloom scenario triggers the question: If business organisations in African environments are to perform effectively to their true potential—the potential that their counterparts in developed countries seem to have attained—which management practices and activities are key in positively influencing the effectiveness and efficiency of such organisations?

Without doubt, effective organisations form an important part of a country’s business and economic ecosystem. As such, with prosperous organisations come successful economies and with successful economies come prosperous nations. Namibia is no exception. A case in point is the Namibian Statistics Agency (2016, 44) which discloses that private companies, enterprises and cooperatives are dominant places of work in Namibia, accounting for 49 per cent of employees. Private households/individuals follow private enterprises as dominant places of work with 28 per cent of employees. Government (including local authorities) and state-owned enterprises provide employment to 23 per cent of employees (Namibian Statistics Agency 2016, 44). What the foregoing data suggests is that business organisations in Namibia contribute significantly to gainful employment creation as well as the associated economic growth and improvement of socio-economic conditions (e.g. alleviating poverty, hunger and diseases).

The significant role of business is undeniable. Hence, empirical research on the leading management practices and activities influencing the effectiveness of organisations has been pervasive (Ashraf and Kadir 2012, 80; Lee and Brower 2006, 155; Richard, Devinney, Yip and Johnson 2009, 719; Varadarajan and Ramanujam 1990, 464). However, one aspect often singled out as a barrier to the broad-based understanding of the antecedents to the effectiveness of organisations, has been the common belief that business management theories and practices are universal and immutable in all contexts; that there are universal definitions, “one-size-fits-all” conditions and a priori reasons out there explaining the effectiveness of organisations (Abston and Stout 2006,753; Ashraf and Kadir 2012, 80; Hossein, Raheem, Yosefi, Sajjadi, and Malekakhalgh 2011, 6). To the contrary, various researchers, notably Rousseau and Fried (2001, 1), as well as Johns (2006, 386), have pointed out that context needs to be sufficiently recognised
and integrated by researchers and practitioners in assessing the effectiveness of organisations. Considering the foregoing views, the focus in this article is on the question: “Which key management practices and activities seem to influence the effectiveness of organisations in Namibia?”

**Theoretical Perspectives for the Study**

The design of this study embraced effectiveness of organisations as the dependent variable (outcome or effect variable) and management practices and activities as the independent variable (antecedent or predictor variable). For the purposes of this article, and in accord with Parker and Veldsman (2010, 16), management practices are defined as what the organisation does to achieve its intended objectives. Conversely, management activities denote how the organisation does (performs) its activities at an operational and practical level.

Researchers have been discussing management practices and activities influencing the effectiveness of organisations from the divergence, universality, convergence, and situational perspectives. The divergence perspective posits that cultural differences between societies, such as those identified by Hofstede (1980; 1983; 2006) and others, make it difficult for Western management theories and practices to be effectively applied in non-Western societal cultures typically found in the developing countries (Gutterman 2011, 1; Mangaliso 2001, 23; Mbigi 2002, 294; Nwagbara 2011, 75; Nzelibe 1986, 6; Pietersen 2005, 55; Wariboko 1999, 45). In other words, the divergence perspective supports the view that there is no such thing as a universal theory of management. In sharp contrast, those with universal viewpoints have argued that culture does not limit the applicability of management theories. As such, universal viewpoints suggest that there are certain similar universal management practices within organisations all around the world, e.g. certain universal hypotheses on management practices that can be replicated in organisations around the world (Akpor-Robaro, 2018; Gutterman 2016, 2; Lubatkin, Ndiaye, and Vengroff 1997, 711). According to the convergence perspective, Western management theories may not be applicable in developing countries because of technical and economic difficulties in these countries, rather than cultural constraints. Situational or contingency theorists, as opposed to universalists, consider different situational factors such as the manager’s personality, the firm’s ownership and sector (i.e. private or public), and their hierarchy as the main determinants for the applicability of management theories and practices (Hafsi and Farashahi 2005, 483; Oghojafor, Idowu, and George 2012, 72).

Evidently, the debate on the extent to which management theories and practices rooted in the developed countries’ perspectives can be applied by organisations in the developing countries, appears inconclusive. As such, several business management theorists have attempted to distil the debates into a typology of models that signify effectiveness of organisations. Amongst others, the following models have been proposed: First, the contingency model that propagates a fit between a set of
contingencies, such as a group of organisational practices and activities related to structure, people, technology, strategy and culture (Deng and Smyth 2014, 1). Second, the *population ecology model*, which posits that organisations which survive are those that respond appropriately to their environment, in other words, explaining effectiveness has to do with environmental factors (Hannan and Freeman 1977, 933). Thirdly, the *institutional theory model* that, like the population ecology model, suggests that organisations are shaped by the institutional environment that surrounds them, thus explaining that effectiveness is a function of specifically identifying institutional environmental factors (Dia 1996, 7; Lakshman 2012, 159). Fourthly, the *resource-based models* that propagate the role of resources and capabilities (human resources and management capabilities) as drivers of the effectiveness of organisations, meaning effectiveness is a function of harnessing resources effectively (Barney 2001, 41). Fifthly, the *psychological models* that provide insights into why people act as they do in the context of work and include theories related to motivation, reciprocity, positivity and group belonging. Finally, the *historical models* which suggest that effectiveness of organisations, especially in African organisations, depends on the extent to which colonial practices are reshaped or transformed, mindsets decolonised and geared towards effectiveness of behaviour after political independence (Zoogah, Peng, and Woldu 2015, 8).

From a developing country perspective, the frequent criticism of aspects associated with the effectiveness of organisations is aimed at the failure to take historical and socio-cultural realities into account. For instance, negative reactions of employees to the perceived or real imposition of a colonial system of work that came with colonialism and slavery, are often attributed to low levels of organisational effectiveness and performance (Zoogah et al. 2015, 8). Therefore, it is argued that organisational effectiveness models should be rooted in the African culture, value system and beliefs, to provide a practical way for the efficient and effective running of organisations in Africa, with its global competitiveness (Inyang 2008, 122). For this reason, effective management of organisations has to hinge on the successful harnessing and harmonising of both indigenous and traditional corporate cultures. Unfortunately, the emphasis up to now has been on suppressing indigenous systems rather than appreciating their added value (Mangaliso 2001, 32).

But what does effectiveness of organisations imply? The notion of effectiveness of organisations has been coined to refer to the extent to which organisations achieve their intended objectives. It denotes the efficiency with which organisations achieve their intended purposes and outcomes compared to actual results or outputs. Etymologically, effectiveness of organisations refers to the study of processes, activities and practices of how organisations achieve their intended objectives and outcomes through a range of variables at the micro (industry and organisational) levels and macro levels (socio-political environments) (Hossein et al. 2011, 6). The level of outcome can either be below par, ordinary or extraordinary performance (Collins 2001, 3).
Around the globe, the effectiveness of organisations usually manifests in qualitative and quantitative objective financial measures, such as earnings per share, beta-coefficient, share price, cash flow trends, market share, profits, return on assets, return on equity, return on investment, return on net assets, revenue growth and sales growth (Coats, Davis, Longden, Stacey, and Emmanuel 1991, 447; Collins 2001, 3; Gadene 1998, 36). Other non-financial measures, such as reputation rankings by asking well-informed respondents, balanced scorecards and survivorship can also be used to denote the level of effectiveness of organisations (Kirby 2005, 31; Richard et al. 2009, 733).

Mindful of the above theoretical perspectives, the next section outlines the research design and methodology deemed appropriate to answer the research question in this study, namely: “Which key management practices and activities seem to influence the effectiveness of organisations in Namibia?”

Research Design and Methodology

Research Paradigm

An inductive (interpretivistic) research paradigm was applied in this study. Several scholars have pointed out that research designs need to be chosen to suit the particular location in which the research is being conducted (Johns 2006, 386; Rousseau and Fried 2001, 1). It has been stated that in order to fit the conditions of a particular location, research instruments must take into account social institutional factors, contextual characteristics, resource constraints and cultural traits. Another motivation for adopting an interpretivistic research design is the reality that Africa-focused studies on various facets of organisational management are few compared to almost any other region in the world (Hoskisson, Eden, Lau, and Wright 2000, 264; Jackson 2004, 6; Oosthuizen 2005, 69). This means that circumstance-contingent management practices and activities influencing the effectiveness of organisations are relatively non-existent. For this reason, management practices and activities have to be developed from scratch by applying an inductive research approach in which constructing management practices and activities influencing the effectiveness of organisations is a product of an active joint venture between the researcher and organisational members (Boynton and Zmud, 1984, 17).

Research Approach and Strategy

This was an interpretivistic research study in line with familiar features of qualitative research design, as described by Eisenhardt (1989, 535), and other qualitative researchers, such as Glaser and Strauss (1967, 106); Lincoln and Guba (1985, 41); Coffey and Atkinson (1996, 47); Creswell (2003, 9); Charmaz (2006, 46); Silverman (2006, 118) as well as Bogdan and Biklen (1998, 173). In general, the study applied typical inductive (interpretive) reasoning as an iterative theory refinement tool to analyse and develop patterns and trends to explain management practices and activities influencing the effectiveness of organisations in Namibia. The inductive approach
began with observations that are specific and limited in scope, and proceeded, in light of accumulated evidence, to a generalised conclusion about the key management practices and activities influencing the effectiveness of organisations in Namibia.

**Study Measures and Criteria**

For delineating business organisations in Namibia, a comprehensive list of Namibian organisations had to be obtained from the Employment Equity Commission (EEC) (Employment Equity Commission 2008). A list comprising 622 companies that had submitted annual affirmative action reports to the EEC during the financial year ended 31 March 2008, was used as a proxy of business organisations in Namibia. Since a list from the EEC was used as a proxy, the purpose for existence of EEC warrants explication: EEC is a Namibian statutory body, established through the Affirmative Action (Employment) Act No.29 of 1998 (Republic of Namibia 1998). The main objective of the EEC is to redress what is referred to as the conditions of disadvantage in employment, arising from past discriminatory laws and practices, experienced by persons in designated groups (Republic of Namibia 1998, 2). In achieving its statutory provisions, the EEC requires that all Namibian companies, which employ more than 23 persons annually, submit affirmative action reports and other employment data. Failure to submit such reports is a contravention of the law. For this reason, all bona-fide Namibian business organisations ought to register with the EEC. Therefore, the EEC list was considered as a complete proxy of business organisations in Namibia.

The list of organisations obtained from the EEC comprised all types of organisations. Therefore, it was first necessary to standardise organisations into related clusters in order to select companies that met specific preliminary selection criteria. Firstly, only organisations from the Namibian tertiary industry were eligible. The tertiary economic industry is the biggest economic sector in Namibia (Namibia Statistics Agency, 2015, 13), hence the focus on organisations from the tertiary industry. The tertiary economic industry is a segment of the Namibian economy concerned with the provision of a wide variety of personal and business services (intangible goods) rather than tangible products, and it comprises several sub-industries. These sub-industries include the wholesale and retail trade, tourism, financial services, transport and communication services, real estate and business services (Republic of Namibia 2008a, 15). The second preliminary criterion was that only organisations in the Namibian tertiary industry that employ more than 200 permanent people were selected. Since there are various types of organisations in the Namibian tertiary industry in terms of size and sub-industries, selecting organisations that employ more than 200 employees was necessary in order to standardise the selection of companies.
Figure 1 depicts the measures (criteria) that applied in selecting organisations in this study.

As depicted in Figure 1, five measures, taken from the broader measures of financial, social and ethical/legal performance, were used to score and rank organisations in the categories of effective or less effective organisations. The five measures comprised profitability, return on equity (ROE), employment creation, tax payments and ethical behaviour. These measures were rated on a weighted scale basis. As Bhargava, Dubelaar, and Ramaswami (1994, 235) suggested, a choice can be made among the competing measures to select “the most important” measure. The importance of the measure can be based on the value created to shareholders and stakeholders as well as realities in the operating context (Bhargava et al. 1994, 235). Therefore, the basis for applying certain measures and their relative importance to stakeholders in the Namibian context, are explained next.

**Profitability:** Apart from shareholder returns, one of the ultimate goals of a company is profitability (Collins and Porras 1994, 8; Friedman 1970, 6; Gitman 2003, 17; Sundaram and Inkpen 2004, 350; Zhou, Ho Park, and Ungson 2013, 476). Therefore,
profitability in this study represents one of the measures that track the financial performance of the Namibian organisations.

**Return on equity:** ROE has the same attributes as that of profitability, i.e. tracks the financial performance of companies. ROE epitomises the efficiency in meeting the core financial objectives of companies.

**Number of gainful employment opportunities created:** Unlike companies, say in the developed economies, Namibian companies are not bound to the shareholders only but also to other strategic constituents. For instance, company profitability is appreciated equally by government and society alike due to the potential to align with national employment targets and anticipated tax revenues (Zhou et al. 2013, 476). Therefore, in a country such as Namibia where the unemployment rate is at 51.2 per cent (Republic of Namibia 2008b, 3), the number of permanent employment opportunities created constitutes a significant measure of effectiveness.

**Tax contributions:** Like the measure gainful employment creation, tax contributions also denote contributions to community improvement and societal transformation. Namibia is a developing country. As such, the country requires substantial social investments, such as modern physical infrastructure, good road networks, schools and hospitals. This means that governmental spending on these social aspects has to be acquired from, inter alia, tax contributions.

**Ethical/legal conduct:** As the NamCode (2014, 4) state, there is a link between good governance and compliance with legal requirements. In conducting business activities, organisations should strive towards good corporate citizenship by doing what is right, legal, fair and honest (Wiley 1995, 2). Since business is premised on enterprise and integrity, legal/ethical behaviour is an essential component of business, regardless of context (Rossouw, Van der Watt, and Malan 2002, 297). Therefore, the number of High, Supreme and Labour Court decisions, which constitute the Superior Court decisions of the Namibian Judiciary system, was used as a proxy to assess legal/ethical behaviour of organisations over a 10-year period. Results from a perusal of 1 219 court decisions signified the extent to which companies in this study manifested ethical behaviour. These court decisions were obtained from the data maintained by the Southern Africa Legal Information Institute (SAFLII 2011).

In light of the preceding discussion on the relative importance of measures to stakeholders in Namibia, the weights of the measures used in this study are indicated in Table 1 below.
Table 1: Weights and measures used to assess organisations

<table>
<thead>
<tr>
<th>Measure</th>
<th>Weight</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profitability</td>
<td>10%</td>
<td>Regarded universally as one of the ultimate goals of a company</td>
</tr>
<tr>
<td>ROE</td>
<td>10%</td>
<td>Like profitability, one of the ultimate goals of a company</td>
</tr>
<tr>
<td>Employment creation</td>
<td>40%</td>
<td>Namibia-specific problem to which all economic role players should contribute</td>
</tr>
<tr>
<td>Tax payments</td>
<td>10%</td>
<td>Tax contributions denote community improvement and societal transformation</td>
</tr>
<tr>
<td>Ethical behaviour</td>
<td>30%</td>
<td>Prevalent corruption and fraud cases in companies negate hi-performance</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors’ abstraction

Overall, data on company profits, ROE and tax payments were extrapolated from the companies’ published annual financial statements. Data on gainful employment was obtained from the companies’ annual affirmative action reports submitted during the 2007/08 financial year to the EEC. Data on good corporate and ethical behaviour was obtained from perusing 1 219 court decisions maintained over a 10-year period by the SAFLII (2011).

Selection of Organisations as Effective or Less Effective and Selection of Study Participants

Using the criteria explained under the study measures and criteria section, 12 organisations were eventually selected as effective organisations and six as less effective. Since specific criteria informed the selection of organisations as effective and less effective, the type of sampling that applied in the study was purposive sampling. Purposive sampling, also known as judgment, selective or subjective sampling, is a non-probability sampling method in which the researcher relies on own judgment (informed by the purpose of the study) to select cases (Maxwell 2005, 88).

The organisations that were selected comprised two effective organisations and one less effective organisation per each of the six sub-sectors of the Namibian tertiary industry. In general, organisations that ended first and last in the respective six tertiary industry sub-sectors, as per the criteria and point allocation system depicted in Figure 1 and Table 1, were adjudicated as either effective or less effective. Subsequently, three research participants in each of the 18 company cases, meaning the 12 effective and six less effective cases, were selected which accounted for the total of 54 interviewees in the study. In each organisation, the board chairperson, the CEO and a non-managerial employee were selected as research participants. The diverse participants were
necessary to enable a wide range of insights to emerge as well as their potential to yield information-rich data. The board chairperson and CEO were selected because they were considered as elites and ultra-elites in their organisations. Harvey (2011, 433) defined elites as people who have significant decision-making powers within or outside the organisation. A non-managerial employee was selected for purposes of triangulating views obtained from board members and CEOs.

Data Collection

From September 2011 to April 2014, a total of 54 interviews were conducted with research participants in the field. On average, each interview lasted about one hour. The researcher sent the study participants a letter in which they were formally invited to participate in the study. The letter explained the purpose of the study in broad terms and invited the participants to an interview. At the commencement of each interview, the participant was welcomed, the purpose of the interview explained and the interview process outlined. Confidentiality was highlighted and participants were allowed to ask questions, which were dealt with immediately.

The interviewing strategy centred on asking questions that circumvented self-reporting and “halo effect” answers. For example, questions such as “which management practices and activities do you believe contributed to the effectiveness of your organisation” were avoided in favour of questions that aimed at untangling practices and activities that contributed to the effectiveness state of the organisation as perceived by the participants. These included questions such as “from your perspective, which management practices are currently used in your organisation to achieve intended organisational objectives?” Halo-effect is the common human inclination in making inferences about vague, ambiguous and hidden information based on tangible and known information (Rosenzweig 2007, 65).

Data Analysis

The study analysed data in a phased and reiterative approach. Some features of the strategies described by Schurink (2003, 4) as analytic induction were employed to analyse and narratively report data. In line with Strauss and Corbin’s (1998, 119) theoretical framework on coding, line-by-line coding was used to code data. Frequent conversation topics, namely words and phrases regularly used by participants, were highlighted and interpreted as a basis for developing management practices and activities influencing the effectiveness of organisations in Namibia.

Study Findings and Discussion

Figure 2 below portrays management practices and activities identified to be influencing the effectiveness of organisations in Namibia. Subsequently, a discussion follows to contextualise the findings. The structure of reporting the results is as follows: first, the theme associated with management practices or activities identified is provided,
followed by a brief meaning of the theme; then, one or two quotes are provided to demonstrate rootedness of themes in data.

**Figure 2**: Management practices and activities influencing the effectiveness of organisations in Namibia

**Source**: Authors’ construction

By working through the data, it became apparent that management practices and activities influencing the effectiveness of organisations in Namibia coalesce into four high-level Namibia-context specific influences. The Namibia-context specific influences buttress the situational (contingency) perspective that considers different situational factors in the operating context as the main determinants of the effectiveness of organisations (Hafsi and Farashahi 2005, 483; Oghojafor et al. 2012, 72). By identifying the Namibian-specific influences, the study’s contribution crystallises into contextual insights that support the debate that contextual influences play a bigger role in the successful management of organisations than previously sought.

There appears to be a dynamic interaction between the Namibia-context specific influences and other management practices and activities shown in Figure 2. For instance, political influences interact with and influence recruitment processes,
relationships with unions as well as the theme of ethical and moral leadership. Similarly, risks of expressing opinions influence the ability to engage the human fundamentals as well as to entrench authentic and transparent communication in organisations. The dynamic interaction and relationships between Namibia-context specific influences and other management practices and activities are shown in similar colour codes in Figure 2.

The four context-specific influences developed in this study comprise political influences; risks (fear) of expressing opinions; scarcity of skills and experience; and size of economy and population. The four context-specific influences and their linkage to other management practices and activities are discussed next.

Political Influences

Based on the study data, politics seem to have spilled over into the business domain. Due to Namibia’s recent political independence in 1990, ostensibly, politics have had an effect on all spheres of life in the country. However, political influences seem to be destroying the balance between accountability and autonomy required for an effective principal-agent basis as a standard of effective business management. In the participants’ own voices, political influences were perceived as follows:

Because you are not only dealing according to the best business principles, but you also need to consider the political and social environment that you are operating in, so it is even more difficult and more challenging (Management participant).

But my only problem is just that political interference, because the CEO cannot always do what he wants to do, he always needs to consider the Minister or the political environment that they are operating in (Management participant).

Risks of Expressing Opinions

Linked to the preceding theme of political influences is the theme “risks of expressing opinions.” Risks of expressing opinions emerged from data, and were repeatedly observed during data collection. For instance, the quotes below epitomise the possible risks of expressing opinions:

You see, I think one of the biggest differences is fearfulness and holding back; not being open to have honest debates (Employee participant).

I may not say it in front of you out of fear that I might lose my job (Employee participant).

Because of Namibia’s small population, many people actually know each other. As a result, there might be the fear to express opinions because of the possibility of easily being identified. As a consequence, bottled up in people’s hearts and minds might be valuable ideas that could unlock the effectiveness of organisations, but these ideas
remain unspoken and hidden, which negatively influences the effectiveness of organisations.

**Scarcity of Skills and Experience**

Based on the data, there seems to be a general lack of appropriate skills and work experience in Namibia. The lack of skills and experience appears to have adverse effects on organisational management. As a matter of fact, people with no formal education, junior and secondary educational levels constitute 81 per cent of Namibia’s employed population, whereas those with a certificate or degree constitute 15 per cent (Namibian Statistics Agency 2016, 44). People with Masters degrees and PhDs constitute one per cent of the population. Therefore, it appears that the levels of human, educational and social development in Namibia are low compared to, for instance, the developed countries classified as high on human and social indexes. Low human and social development levels have obvious adverse effects on organisational management.

The study participants perceived the lack of skills and experience as follows:

So, to get the kind of people with the appropriate experience and the appropriate qualifications is pretty difficult. Because you will find that there are a lot of people who have documents that say they can do whatever they can do, but the reality is that a lot of the time they cannot (Board participant).

We need to realise that we are working in a country where there is an acute shortage of skills. Therefore, one will not always find the right mix or the optimum mix of skills that you would want to employ or attract. That is why it becomes so critical that you as management or the chief executive or the managing director understand[s] exactly the shortcomings or the development needs of his or her subordinates (Management participant).

**Size of Economy and Population**

Due to a small economy and population, negative tendencies such as anti-competitive practices, price fixing, market sharing, cartel agreements and other vertical restraints might negatively affect the effectiveness of organisations. Organisations may do as much as possible to be effective but if the market is limited, the effect on organisational outcomes can be adverse.

The following quotes from data amplify the influence of a small economy and population on the effectiveness of organisations in Namibia:

In this town in Windhoek, and in this country Namibia, the only competition that you have, that maybe somebody else is doing business in this country is sitting in Swakopmund, three hundred and sixty kilometres away from here. They do not care if they do not treat you right because you will not drive to Swakopmund to get your
product, you still go to them; that’s why Namibian customer service is that bad (Board participant).

The same explanation—very little competition. You can only get it at that place, you are not going to drive to South Africa to get it because it is too much hassle, so you are going to pay the extra ten bucks and you are going to get it here; so that is the problem of a small market (Board participant).

Besides the four Namibia-context specific influences discussed above, the study identified 10 other management practices and activities to be influencing the effectiveness of organisations in Namibia. These 10 practices and activities added theoretical contributions to at least six current theories on organisational management, specifically within the organisational development and design domain. Contributions were made to the resource-based theories, good corporate governance principles, organisational resilience theories, stakeholder relationship theories, decolonisation of mindset theories, and psychological models. The management practices and activities, and the extent to which the study made theoretical contributions, are discussed next.

**Theoretical Contributions**

**Resource-Based Theories**

The themes depicted in Figure 2, namely: “careful recruitment practices and activities”; “ability to engage the human fundamentals in the organisation”; “entrench active and transparent communication”; and “implement fit-for-purpose human capital development” incline towards contributions to resource-based theories. Resource-based theories accentuate the role of human resources and management capabilities as drivers of the effectiveness of organisations (Zoogah et al. 2015, 15). The premise of the resource-based view is that people and their collective skills, abilities and experience are recognised as a significant contributor to organisational performance and competitive advantage (Barney 2001, 99). The resource-based view suggests that the major part of the organisation’s strength or weakness stems from the calibre of its human resources and the quality of their working relationships. In a resource-based view, organisational performance is seen to depend more on effective utilisation of human capital than physical capital (Nyambegera 2002, 1078).

The four themes that incline towards contributions to resource-based theories are discussed next.

In the context of this study, careful recruitment practices and activities refer to recruitment processes that guard against negative tendencies such as political interferences, favouritism, nepotism and corruption that erode the quality of people recruited and retained in the organisation.
Political figures must be avoided. I know we cannot get that right all the time but really they must be kept to a bare minimum. Because they have a political constituency to respond to. Corporate governance is strictly about doing the right thing at the right time for the right reasons and it is about fairness and transparency (Management participant).

On the other hand, ability to engage the human fundamentals in the organisation refers to a concerted organisational effort to be “human” to others in the organisation by, amongst others, creating friendly and fitting workplaces in which people are fully engaged and can unleash their full potential.

If you have all the management capabilities, but you do not have the capability to work with the hearts of people, you will not make it. People must believe in you, they must see that you are sincere and that you are not playing games, you must be genuine (Management participant).

The extent to which an organisation entrenches authentic and transparent communication in the organisation to, in particular, accelerate strategy execution, embodies the theme “entrench active and transparent communication” in this study.

He takes out a day, a whole, in fact 2 to 3 days. He meets people here in Windhoek and then for the rest of the regions he will meet them via video conferencing, because we have video conferencing facilities, but in addition to that he has also made it a point that on an annual basis he has got what we call road shows. He goes throughout the country to see for himself what is actually happening, speak to the people on the ground but at the same time also speak to the communities and other national and regional leaders in the community to establish what their needs are (Board participant).

The theme “implement fit-for-purpose human capital development” refers to the extent to which a company implements customised training and development programmes that are informed by managerial clarity on the strategic intent and observes employee performance shortcomings rather than generic human development programmes for the sake of development.

I think in-house training is extremely important because if you can see that someone is actually doing, getting training in-house, doing the job correctly, and being trained accordingly. I think in-house training makes out a big part, or takes a big part in getting your people responsible (Management participant).

Good Corporate Governance Principles

The theme “ethical and moral leadership” shown in Figure 2, inclines towards theoretical contributions to good corporate governance principles. The concept of good corporate governance principles refers to a system of rules, practices and processes, as set by the institution’s board of directors, through which an organisation is directed and

From the data, the theme “ethical and moral leadership” refers to the extent to which the organisation emphasises ethical and moral leadership as departure points. On a daily basis, senior leadership engages in decisions that affect the lives and well-being of others and, therefore, must practise high-level ethical and moral leadership.

You have to see how far a person can go, secondly, you do not only have to talk the talk you have to walk the talk, do not just be telling people to clean the floors if you cannot clean the floors yourself, have the ability to clean the floors yourself (Employee participant).

The fact that the senior leadership in the Bank or in the group has a very good standing in Namibia across all boundaries as a leadership team of people that have high values, on a personal level people like Mr X is highly involved in social work, and I think they have created a lot of trust from the market to just support what is Namibian (Management participant).

Organisational Resilience Theories

The theme “managerial patience” suggests theoretical contributions to organisational resilience theories. Organisational resilience theories refer to the capability of a strained body to recover from or adjust to external shocks (Watanabe, Kishioka, and Nagamatsu 2004, 140); the perseverance and toughness to emerge from devastating circumstances without losing hope (Pretorius 2008, 13).

In the context of this study, managerial patience refers to a greater understanding and awareness of one’s unique operating circumstances and context, especially the major adverse conditions and obstacles in the operating environment. In this study, managerial patience also refers to perseverance and toughness to emerge from severe circumstances without losing hope. Namibia emerged in 1990 from a polarising and brutal colonial history. As a consequence, the mindsets of people working in organisations could have been shaped by colonial legacies and discriminatory practices. Due to this particular historical context, Namibian organisations should embrace an organisational ability to transform historical and other external environmental challenges into advantages; to have the resilience to persevere despite challenging conditions arising from the past history.

I can only think of patience. I think in terms of management, one needs to be a lot more geared to the human element, certainly in Namibia, than you would find in Germany. There, if somebody does not perform he gets fired, finished, because I can find a lot of qualified and skilled people out there (Board participant).
You are supposed to be able to coach and mentor. And how do you use somebody with two MBA’s or something to coach or mentor somebody who ended up in grade 9? It can be very frustrating (Management participant).

Stakeholder Relations Theories

The themes “active social investment” and “maintain beneficial union relationships” incline towards theoretical contributions to stakeholder relations theories. Broadly, stakeholder relations theories refer to the minimal satisfaction of interests of all the organisation’s stakeholders (Ashraf and Kadir 2012, 81; Hossein et al. 2011, 5).

Much is expected from business in society in the 21st century. It is not only about financial performance, but also about other meaningful community and societal higher-purpose contributions. One study participant put it this way:

To me it does not mean huge profitability, to me it means that you have an impact in the economy, and by economy I am referring to whatever goes hand in hand with the economy, in other words, socio-economy, social upliftment and all of those things that happen to us as a country (Board participant).

In Namibia, for instance, business organisations are seen as the “engine for economic transformation and growth” (Republic of Namibia Trade Directory 2007, 12). Therefore, organisations are required to perform their tasks effectively, without forgetting the community and major stakeholders.

The other theme, “beneficial Union relationships” refers to the extent to which the organisation entrenches good relationships with the Union. It is evident from the data that participants perceived this theme as follows:

I have a unique one that I am just implementing here in Namibia, if you are operating in an emerging market, you must understand that you need to engage with all the stakeholders, and that means you need to engage with the Unions, whether you like them or not (Management participant).

Decolonisation of Mindset Theories

The theme, “harness both good indigenous knowledge systems and Western knowledge systems” depicted in Figure 2, represents contributions to decolonisation of mindset theories. Colonisation of mindset refers to the possession (capture) of the mind through subtle mental habits, social systems and practices of remnants of colonial and racist ideological tendencies (Dascal 2005, 2).

Underlying much of the arguments and rhetoric of decolonisation of mindset is the assumption that a person, a nation or a state had, before colonisation, a recognisable and stable identity. As such, decolonisation seeks to rescue that identity and restore it to its original, authentic, pure ante-colonial mental state. However, to restore, for instance, an
“African identity” and history that is mainly based on oral tradition spanning over years (Olusoji and Ogunkoya 2015, 4) to its original state, is not an easy task. Therefore, less radical forms of decolonisation of mind, such as some sort of acknowledgement of valuable elements in the systems of the coloniser and the colonised, are suggested. This is where the theme “harness both good indigenous knowledge systems and Western knowledge systems” comes in. Due to the nature of the Namibian economy, which includes some features of a developed and some of a developing economy, it is significant to integrate both Western and indigenous knowledge systems into business practices, so as to avoid a disconnect.

But I say you cannot divorce business principles from life or how we grew up or how we managed our relationships or children, from basic business principles, and I think that is an important thing to remember, especially in developing countries; our families are much closer than in Europe and in the United States of America (Management participant).

Psychological Models

The theme, “effective performance management and reward systems” depicted in Figure 2, represents contributions to psychological models. Psychological models seek to explain the reasons why people behave as they do; provide insight into why people act as they do in the context of work and include theories related to motivation, reciprocity, positivity and group belonging (Zoogah et al. 2015, 9).

In this study, the theme “effective performance management and reward systems” refers to the extent to which the organisation implements effective performance management systems and practices, which allow for identification of employee needs and fair rewards. People must first be recruited effectively in the organisation and then be effectively evaluated on performance. Effective recruitment without effective employee performance evaluation might be meaningless.

Every year my executive team and I revisit and update our Purpose, Vision and Values from which the focus areas are derived, which lead to an annual work plan including a budget. At the same time, the performance agreements incorporating the various aspects which need to be concentrated upon, are finalised (Management participant).

Conclusions and Implications

The research has demonstrated that investigating management practices and activities influencing the effectiveness of organisations in Namibia, is a fruitful field in the organisational development and design domain. The research has also shown that an inductive research approach might be a viable research option to investigate management practices and activities influencing the effectiveness of organisations in the sub-Saharan African context.
Rather than to claim definitive conclusions, the “lesson” to be gleaned from this research is that there seem to be circumstance-contingent management practices and activities, unique from those typically cited in the developed countries, that are influencing the effectiveness of organisations in Namibia. This viewpoint corroborates with the situational (contingency) theory of management, which suggests that different situational factors such as country-specific variables, leader and manager personality, the firm’s ownership and sector (i.e. private or public), and their hierarchy, are the main determinants of the effectiveness of organisations.

Another “lesson” that can be garnered from this research is in accord with Zoogah et al. (2015, 21) who argued that the interaction of resources and capabilities with institutional factors, the market and regulators, comprises a key set of contingencies that affect the effectiveness of organisations in African environments. Especially the themes “careful recruitment practices and activities”; “ability to engage the human fundamentals in the organisation”; “entrench active and transparent communication”; and “implement fit-for-purpose human capital development” resonate with the effective management of human resources as key to the effectiveness of organisations in Namibia.

Instead of relying on generic strategies that may not be applicable in certain environments, this paper contributes to knowledge by drawing the attention of management of organisations to design circumstance-contingent (specific and tailor-made) strategies to improve organisational efficiency. The lessons learnt from this study have implications for those teaching, consulting and leading Namibian organisations, in particular, and those in similar developing countries, in general, to be sensitive to context-specific realities. Rather than championing a universal and generic outlook on the effectiveness of organisations, sensitivity to context-specific realities, as key dynamics affecting the performance of organisations, are advised.

**Recommendations**

It is recommended that more research be done around management practices and activities influencing the effectiveness of organisations in the following five areas, in which studies could build on the work done in this study:

- Empirically investigate ways of how to contain the negative effects of politics and the lack of adequate skills and work experience on effective organisational management in developing countries.
- Investigate ways in which to effectively harness the human resource and intellectual capital as main influencer of organisational performance in developing countries.
- Employ quantitative research approaches, such as surveys, to robustly test the level of entrenchment of the management practices and activities developed in this study.
Empirically investigate ways to develop and implement strategies to reshape people’s mindsets that appear to have been negatively affected by colonial legacies in developing countries.

References


