

Patronage, Psychology and Performance of the Public Enterprises' Sector: A Case of Zimbabwe.

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ABSTRACT

This is an investigation of the effects of patronage appointments on the performance of the Zimbabwean state enterprises and parastatals (SEPs) sector. Arguably, over the years, patronage has generally attracted extensive research since the enactment of the Pendleton Act of 1883 in the United States of America. Nonetheless, it remains a very controversial issue in the semi-public sector. Consequently, there is a dearth of research on the relationship between patronage and SEPs performance. Suffice it to note that the Zimbabwean SEPs sector has had three (3) decades of poor performance, prompting several studies on the sector. The study is a qualitative research initiative based on primary data obtained through interviews of purposively identified key informants and secondary data comprising published studies, official government reports, and newspaper articles. The study advances the argument that patronage is a necessary evil, and studies of patronage appointments should focus on the management of the phenomenon as opposed to its eradication. The results reveal that patronage is indeed present in the Zimbabwean SEPs sector and that if not well managed it has severe ramifications for the performance of the sector. The study concludes that no amount of demonization of the phenomenon works but managing it transparently and objectively may produce positive results.

Keywords: Patronage; Agency theory; State Enterprises and Parastatals; Performance

INTRODUCTION

Patronage as a phenomenon has proven to be resilient and adaptive across all nations of the world (Kopecky, Mair & Spirova, 2012; Kopecky, Sahling, Panizza, Scherlis, Schuster, & Spirova, 2016; Panizza, Peters & Larraburu, 2018). It also permeates across democratic and non-democratic, authoritarian, patrimonial, or neo-patrimonial states as well as structures of bureaucracies and semi-public institutions (Arreola, 2015, Lewis, 2007; National Commission on the Public Service, 2003; Suleiman, 2003; Quaresima, 2019). Toral (2022) argues that patronage provides a link between bureaucrats and politicians, enabling the use of sanctions and rewards to align priorities and increase mutual trust. Toral (2022) further postulate that, besides rent-seeking, political appointments can augment the level of accountability, efficiency, and effectiveness of the bureaucrats, for better public service delivery, hence it is a very necessary evil. Though there is no absolute consensus on whether it is good or bad, it has been empirically proven that agencies employing many political appointees, performed lower than those with relatively low numbers of political appointees (Gilmour & Lewis, 2006). Arguably, over the years, patronage has generally attracted extensive research since the enactment of the Pendleton Act of 1883 in the United States of America (Bearfield 2009; Dahlström, et al. 2012; Nistotskaya & Cingolani 2015; Sorauf, 1959). Nonetheless, it remains a very controversial issue in the semi-public sector (Kopecky, et al., 2016). Consequently, there is a dearth of research on the relationship between patronage and SEPs performance creating a lacuna, and this study significantly attempts to initiate debate on the dynamics of political patronage in this germane sector, especially in young democracies and neo-patrimonial states. Suffice it to note that the Zimbabwean SEPs sector has had three (3) decades of poor performance, prompting some studies to investigate the poor performance. Nonetheless, many of the studies concentrated on corporate governance issues and there is not much on the effects of patronage appointments in the

Zimbabwean SEPs sector given its unique environment. Hence, the study is aimed at benefiting policymakers, politicians, bureaucrats, and academics only to mention but a few.

As the title aptly denotes, this study investigates patronage appointments and the performance of the Zimbabwean state enterprises and parastatals (SEPs) sector. It is a qualitative research initiative based on primary data obtained through interviews of purposively identified key informants and secondary data comprising published studies, official government reports, and newspaper articles. Conceptually, this study adopts the definition by Panizza, Peters & Larraburu (2018), who define patronage appointments as “the power of political actors to discretionally install individuals in (non-elective) positions within the public sector, irrespective of the motives for the actual appointment, the capabilities of the appointee, and the legality of the decision.” The rationale behind the choice of this definition is that it encapsulates the definitions by Kopecky et al, (2012) & Kopecky et al, (2016), scholars considered authorities on the subject matter. Furthermore, the study adopts the distinction between clientelistic and non-clientelistic types of patronage politics advanced by Kopecky, Skerlis, & Spirova, (2008). With the analysis of in-depth interviews with 14 experts drawn from politics, government, bureaucracy, and quasi-government circles, and secondary data in the form of published studies, official government reports, and newspaper articles, the study advances the argument that patronage is a necessary evil, and studies of patronage appointments should focus on the management of the phenomenon as opposed to its eradication. Analytically, the study proffers a model for patronage appointments and performance dynamics. Empirically, it applies this model to investigate the effects of patronage on the Zimbabwean SEPs sector performance and the role of the line minister. Theoretically, the study contributes to theory building by comparing and contrasting the findings of patronage studies carried out in other countries and regions.

LITERATURE REVIEW

Patronage and Meritocracy Debate

Determining which is better for performance between patronage and meritocracy remains an unresolved debate and extant literature is awash with mixed arguments from both political scientists and public administration scholars alike (see Brierley, 2018; Golden & Min, 2013; Grzymala-Busse, 2007; Kopecky, et al. 2016; Kopecky, Skerlis & Spirova, 2008; Oliveros, 2016; Oliveros & Schuster, 2018; O'Dwyer, 2006). Meritocracy at face value seemingly implies a government by those with the talent, to produce the best possible results and deliver optimized public goods and services to the citizens (Kopecky, et al. 2016). In this regard, meritocracy, therefore, offers seemingly a fair system, which results in better outcomes for both the individual and society (UNDP, 2017).

However, Peters (2001, p.87) argues that merit appointment also suffers some potential disadvantages. For instance, it often results in the appointment of value-free or neutral non-partisan bureaucrats who will administer public policies regardless of their impact on society. On the other hand, individuals elected by patronage (the spoils system) are more likely to be positively inclined towards the programme of a political party in power than the purportedly neutral appointees of a merit system, who may be indifferent, if not hostile, to that programme. In the final analysis of the argument, Peters (2001) asserts that a committed bureaucracy necessarily requires political appointees selected for a combination of political disposition and administrative talent, as opposed to political views only or otherwise. Toral (2022), by proffering evidence from the Brazilian Municipal governments' analyzed data, suggests that patronage appointments help to establish a strong link between the politicians and bureaucrats, which in turn enhances accountability and mutual trust for improved service delivery. Whilst the majority and most prominent studies on patronage appointments focus on party patronage (Kopecky, Skerlis & Spirova, 2008, Kopecky, et al., 2012 & 2016), interestingly, Staranova & Ryber (2021) propose a novel typology, which assesses the relative prominence of collective (political parties) against the individual (line ministers) actors in patronage appointments by advancing modalities of party/politician change and their bearing on the civil service turnover. The typology focuses on the line minister as a unit of analysis as opposed to the collective political party or entity. This approach augers very well with the Zimbabwean situation where there haven't been significant changes in government in the last 4 decades save for cabinet reshuffles that usually take place every five years after elections or as and when the

president sees it necessary. Staranova & Ryber (2021) found that if patronage is a personalized power resource of line ministers, party competition justifications are inadequate in clarifying variation in patronage.

Admittedly, these studies made a quite significant contribution to the patronage debate, but there remains room for in-depth case studies into specific countries. Kopecky, et al., (2016) echoed the same sentiments as they noted that the dataset of their regional studies covering Eastern, Southern, and Western Europe, Latin America, and Africa, provides new avenues for the within-country analysis of patronage as indeed, the data suggests the existence of important differences across policy areas, types of institutions and organizational hierarchies. Therefore, the investigation of patronage appointments in the Zimbabwean SEPs sector adds new in-depth country results to the already existing body of knowledge. The main argument deciphered from the extant literature tends to suggest that patronage appointments may promote or hinder the institutional performance of state agencies, hence deserves to be examined with an open mind as opposed to looking at it from a negative perspective.

Historical background of SEPs in Zimbabwe

According to Khan, (2008), as World War II came to an end, developed and developing countries adopted the idea of creating public enterprises, which today are referred to as state-owned enterprises (SOEs) or state enterprises and parastatals (SEPs) or Government-linked corporations (GLCs). Khan (2008) further argues that, from the perspective of developing countries, the initial intention was to deal with market failures and scarcity of investment capital, foster economic development, decrease the rate of unemployment and assume control over the general direction of the economy. However, the SEPs sector experienced a phenomenally unprecedented expansion and management maladies started manifesting in the creation of unjustified establishments with bloated staffing levels, most of which were not in any way related to the SEPs' human capital needs. This could be confirmed by the evidence led before the parliament by the former Zimbabwean Minister of Transport and Infrastructural Development,

“Mr. Speaker, I can tell Honorable Members that when I instructed to restructure Air Zimbabwe’s management structure, I had discovered that small as it is, with only about five airplanes, there were 28 Directors including the Acting CEO. That is not commensurate with the size of Air Zimbabwe. That is why we had to come up with a restructuring exercise because when you look at it, one plane is supposed to be supported by about 85 members. This would mean that Air Zimbabwe, with five airplanes, should have only 400 employees but they were around 800. Of those, most of them were at the managerial level. If you have 28 Directors and a CEO, you can see what that means. So, I want to thank the Committee because their observations were correct.”

Therefore, this congeals a perception that many undisciplined politicians especially in some developing countries, treat SEPs as effective conduits for unbridled job creation and an appropriate instrument for up- scaling patronage distribution for no other benefit but rent-seeking purposes.

It is believed that the idea of SEPs in Zimbabwe was adopted from the British system of governance. Such a system is said to have been founded on socialist ideals, which stemmed from the concept of the ‘welfare state’ (Mandaza, 2014, p. 2). The First Republic of Zimbabwe, under the leadership of the now late former President, Robert Gabriel Mugabe, inherited a SEPs sector, which used to be apparatus established for advancing and protecting the selfish interests of the white settler community. When Ian Smith broke ties with the British Government following the introduction of his infamous “Unilateral Declaration of Independence in 1965”, he harnessed the SEPs sector to pacify the effects of sanctions imposed on his white settler government (Herbst, 1990). Agricultural SEPs supplied the much-needed subsidies on inputs and uninterrupted access to financial services as well as affordable credit facilities by the white settler commercial farmers (Rukuni & Eicher, 1994). Further to controls and establishment of subsidies, the settler government also expeditiously created SEPs in industries or domains considered strategic and paramount to the economy but shunned by private corporates or players. Subsequently, SEPs explored electrical

power generation, the meat production industry (Cold Storage Commission), cotton production as well as research and extension (1936), and the board, which controlled granaries and distribution, now known as the Grain Marketing Board (GMB) (1937), the iron and steel manufacturing, Rhodesian Iron and Steel Corporation (presently known as the Zimbabwe Iron and Steel Company, (ZISCO) (Stoneman, 1976). By the time Zimbabwe gained Independence in 1980, the country had about 20 SEPs already functioning mainly in favour of the white settler interest (Zhou, 2001). Generally, the first black Zimbabwean government at independence in 1980, adopted a huge state apparatus, with a very significant history of authoritative involvement in the market (Bratton, 1980). Zhou (2001, p.229) coins such engrossment as the “interventionist development orthodoxy.” As a matter of urgency and soon after independence in 1980, the First Republic adopted the existing SEPs and introduced new ones in agriculture, telecommunications, transport, power, energy, water, banking, and finance (Moyo, 2014, p.10). This move according to the new political outfit then, was meant to bring development in areas, in which private investors or corporates seldom prey. Most significantly, SEPs were introduced to counter market deficits or distortions and inject capital into areas private companies fail to raise adequate capital, foster rapid economic development, lessen unemployment, and champion national control throughout the economy (Khan, 2008; Ministry of State Enterprises, 2012; Zhou, 2000; 2012).

At independence, the SEPs sector and the Public Service at large were run by whites who occupied all senior as well as junior management positions in government. Meanwhile, the black majority agitated for racial balance in top management positions both in government and the SEPs sector. As Murapa (1984, p.62) categorically notes, “29 000 of the approximately 40 000 civil servants inherited by the new government in 1980 were blacks, with the majority being teachers or clerical assistants and the 10 570 Established Officers, only 3 368 were black, with no blacks holding positions above the senior administrative level.” The new government, therefore, in keeping with the politics of reconciliation, tolerance, and accommodation, adopted a strategy of achieving racial parity without necessarily replacing or firing white civil servants (Bratton, 1980). New Ministries such as Manpower Planning and Development and Community Development and Women Affairs were created in which ‘Africanization’ became more rapid and effective (Bratton, 1981).

According to Bratton (1981, p.452),

At independence, the ZANU (PF) leadership constituted a thin veneer atop a largely untransformed state apparatus. The Cabinet found itself in a fragile position because institutions wholly or partially controlled by groups of dubious loyalty were imposed between leadership and its popular base.

The Public Service Establishment expanded by 10% between April 1980 and April 1981. An interview with a senior Public Service Commission official confirmed that during the first year of independence, the number of top public servants who were black leaped to almost 50% of filled posts (Bratton, 1981). According to Zhou (2001), the new Nationalist State viewed the government as the only entity with the adequate capacity to initiate and drive socio-economic development. This resulted in the creation and correspondingly phenomenal enlargement of the public enterprise sector over the past three to four decades. However, there immediately emerged a challenge in that the new African appointees were young and inexperienced, and were in dire need of learning the ropes before they could make any meaningful contribution while on the other hand, senior white civil servants were now cautious bearing in mind that their days were numbered (Bratton, 1981). This marked the onset of patronage appointments as the state apparatus sought to drive the development process and to create an opportunity for blacks to participate in the public and semi-public sectors of the economy as equal partners with their white counterparts. Therefore, patronage appointments helped accelerate the Africanization/Blackanization program, which became very rapid by any standards to a level where performance got compromised (Bratton, 1981). Being as it may, SEPs that were projected to produce profits to boost capital for development suddenly became a drain on the scarce government resources as Wilson (1993, p. 44) dramatically illustrates that, “rather than contributing to economic development, public enterprises sat like huge white elephants over the African landscape voraciously consuming what had been produced by others”

As formerly provided by the respective Act of Parliament under the British system at the beginning of the twentieth century, the Minister of Government of the line ministry for the concerned SEP, acted as a shareholder on behalf of the government (Mandaza, 2014, p. 4). He or she was authorized to appoint Board members and managers of the SEPs under his or her purview. This corporate governance arrangement still exists in modern-day Zimbabwe and Mandaza, (2014, p. 4) refers to it as “a legacy of patronage and mismanagement”. However, according to the Office of the President and Cabinet (2017, p.8), there has been a modification, that is; in addition to line ministries as direct shareholders, ownership or shareholders’ functions are also exercised by the Office of the President and Cabinet (OPC), Ministry of Finance and Economic Development (MoFED) and the State Enterprises Restructuring Agency (SERA). In some cases, line ministries further delegate their ownership or shareholder functions to Special Purpose Vehicles (Office of the President and Cabinet, 2017). SEPs were established to provide services to the public and they ultimately became apparatuses of public administration (Dube, 2011), and tools for the advancement of public policy in institutions established by the laws of the country (Stroh et al., 1997).

However, the performance of SEPs started plummeting and the annual trading account deficit for SEPs increased radically after independence in 1980, escalating from 7 percent of sales in the year to June 1980, to over 50 percent in the late 1980s (Mandaza, 2014). This resulted in the then Head of State having to appoint a Commission of Inquiry into SEPs performance, known as the Justice Smith Commission. The Commission was set up to investigate performance challenges and make recommendations on steps to be taken to address the problem. The Justice Smith Commission, in one of its recommendations, stressed the need to restrict the purview of ‘ministerial responsibility’ and its related evils, like ‘political patronage and mismanagement’. This resulted in the promulgation of the Parastatals Commission Act, 1987, a piece of legislation designed primarily to deal with oversight issues of the operations and conditions of service in Parastatals, dismissal of workers from services within these bodies, disciplinary proceedings, and settlement of disputes. The Act established a Parastatals Commission, which served from 1988 to 1990 and managed to formulate guidelines to regulate the relationship between the parent Ministry, the Board, and the Chief Executive Officer of a state enterprise or parastatal (Mandaza, 2014). Even though the Minister remained with his or her role of ministerial responsibility under the Act of Parliament establishing the enterprise or parastatal, the new guidelines provided a framework through which such powers were fettered through a Board appointed based on such professional and managerial criteria as were relevant to the nature and functions of the concerned SEPs. Furthermore, Chief Executive Officer is supported by a management structure appointed by the Board based on merit after the due processes of advertising the post and a transparent selection exercise leading to such appointment. Currently, SEPs in Zimbabwe derive their existence mainly from the Constitution Chapter 9 Articles, 194-198, the Companies Act Chapter 24, the Public Finance and Management Act, and several enabling Acts of Parliament (Moyo, 2014). The difference between state enterprises and parastatals is brought about by the legislation, which governs their structure and functions. For example, unlike state enterprises, parastatals do not have share capital or shareholders. Zimbabwean SEPs are structured into 3 broad groupings, which are; Regulatory, Commercial, and Non-commercial entities.

Appointment procedures for board members, CEOs, and other executives

Section 194 sub-section (2) of the Constitution of Zimbabwe Amendment (No. 20) Act 2013 provides that, “Appointments to offices in all tiers of Government, including government institutions and agencies and government-controlled entities and other public enterprises, must be made primarily based on merit”. This entails, as far as the supreme law of the land is concerned, boards and management must be appointed on merit before other concerns like political affiliation, equality of men and women, inclusivity with regard to people living with disabilities, and maintenance of regional balance are considered. According to Section 11 of the Public Entities Corporate Governance Act [Chapter 10:31], the line minister under which a particular enterprise or parastatal falls, is charged with the duty to appoint board members and of course with the endorsement of the President. The section provides principles, which guide ministers in carrying out the appointments. Sub-section (6) of the same Section, reiterates that ‘Members of Boards of public entities shall be appointed for their knowledge of or experience in administration, management or any other field which is relevant to the operation and management of the public

entities concerned. Section 11 (7) provides that, “A line minister shall ensure that, so far as practicable (a) there are equal numbers of men and women on the board of every public entity for which he or she is responsible, and (b) all Zimbabwe’s regions are fairly represented by the members of the board of every public entity for which he or she is line Minister; and (c) the members of the board of every public entity of which he or she is the line Minister have an appropriate diversity of skills, experience or qualifications for managing the entity, including skills, experience or qualifications in the fields of law, accountancy and one or more of the engineering disciplines; but all appointments to such boards shall be made primarily based on merit.

Table 1. Southern African SEPs Ownership and Appointment of Boards

COUNTRY	OWNERSHIP STRUCTURE	APPOINTMENT OF BOARDS & MANAGEMENT
Botswana	Lineministersact as Shareholders on behalf of the Government(Magang & Magang, 2016).	Board appointments are the responsibility of the line minister in whose Ministry the enterprise falls (Magang & Magang, 2016).
Malawi	All SEPs report to a line minister and the Department of Statutory Corporations in the Office of the President & Cabinet (Government of Malawi, 2018)	The boards are composed of politicians and professionals typically appointed by the President to be directors. Members of Government Departments are appointed as ex-officio or non-voting members (Government of Malawi, 2018)
South Africa	Ministry of Finance (World Bank, 2018)	The relevant Minister leads the Director appointments in consultation with Cabinet and the board, in turn, appoints the CEO. The President is the ultimate authority (World Bank, 2018).
Zambia	Ownership functions are shared between the Ministry of Finance & National planning and an Administrative Ministry assigned to the SOE based on sector. The Ownership Unit acts as the shareholding Minister’s Agent (World Bank, 2008).	The Shareholding Minister (in Zambia, the Minister of Finance) is responsible for acting as owner and exercising Government’s ownership rights. He/she nominates members of the Board of Directors. The Ownership Unit also acts for the Shareholding through advising on all board appointments. (World Bank, 2008)
Zimbabwe	Ownership and control of SEPs are shared among many Agencies. The line minister in which the enterprise falls, Ministry of Finance & Economic Development and Office of President & Cabinet, State Enterprises Restructuring Agency (World Bank, 2017)	The line minister nominates candidates for board appointment to the President for endorsement. The Board in turn appoints the CEO and the rest of the management executives (Section 11 of the Public Entities Corporate Governance Act [Chapter 10:31]).

Source: Generated from literature review

SEPs Sector Performance in other countries

In developed as well as emerging economies of the world, SEPs contribute quite substantially to Gross Domestic Product (GDP) and employment (OECD, 2006). Singapore offers one of the best examples of how SEPs can drive the economy and based on the 2008 to 2013 market capitalization data, SEPs which are commonly known as

Government Linked Corporations (GLCs) accounted for 37 percent of the stock market value in Singapore and Asia. India, according to Shapiro (2009) maintains about 240 SEPs which boast of producing around 95 percent of India's coal, 66 percent of its total oil production, 83 percent of its natural gas, and approximately one-third (1/3) of its steel and aluminum finished products. In Malaysia, the return on equity of 20 large GLCs rose from 7.7 percent in 2009 to 10.5 percent in 2010 and at the same time, the total shareholder return grew by 16.4 percent from 2004 to 2011 (Putrajaya Committee, 2011). In China, though some sources don't seem to agree on the exact contribution of SEPs, it is evident that China has built a strong economy through SEPs and most sources suggest that around 30 percent of its national GDP comes from SEPs (Mutondoro, 2015). South Africa has close to 500 SEPs including subsidiaries (Balbuena, 2014). However, the major economic contribution of SEPs comes mainly from 30 corporations, with only four of them accounting for 91 percent of the assets, 86 percent of turnover, and 77 percent of SEPs employment (Government of South Africa, 2011).

In Zimbabwe, the situation is quite different, it appears that the contribution of SEPs to the economy is dwindling (Muzapu et al., 2016). In 1980, Zimbabwe inherited about 20 SEPs in total, spread across all sectors. As of the beginning of the year 2017, there were 107 SEPs (World Bank, 2017). During the formative years and around the 1990s, Zimbabwean SEPs contributed around 40% to 45% of the country's GDP, however, the sector's contribution has gradually declined to as low as 16% (African Development Fund, 2016; Mandaza, 2015, p.4; Ministry of Finance, Mid Term Fiscal Policy, 2015; Ministry of State Enterprises and Parastatals, 2010; Office of President & Cabinet, 2017). Worse still, most of the SEPs are failing to break even and owe their sustenance to the central government, thereby draining the fiscus (Mandaza, 2015; Ministry of State Enterprises and Parastatals, 2012; Moyo, 2014; Mutanda, 2014; Rusvingo, 2014; Zvavahera 2014). The situation is so bad that the Zimbabwean government, through SERA, is restructuring the sector by either privatizing those that can do better as private entities or merging some with identified private players (Office of President and Cabinet, 2017, p.20).

Political appointees and the implications for SEPs performance

Mandaza (2014), arguing from a historical point of view, states that, since Rhodesia and Zimbabwe owed the establishment and development of SEPs to British precedence, it is obvious that both the colonial and post-colonial governments condensed these enterprises principally into conduits for political and economic patronage. This, therefore, rendered them loss-making and parasitic apparatuses of public administration. Most SEPs and parastatals in Zimbabwe are indeed performing poorly, but blaming that on patronage can only be of substance should it be supported by empirical evidence.

Theoretical perspective

This study challenges meritocracy as the only effective way of staffing the bureaucracy as well as SEPs executive staff. Hence, this empirical inquiry refers to both Weberian and Agency theories. The Weberian theory clearly states that the bureaucratic office is filled by a free contractual relationship, which in principle entails free selection. For instance, candidates are selected based on their possession of technical qualifications and most rationally. This is tested by examination or guaranteed by diplomas or degrees certifying technical training, or both. In a nutshell, they are appointed on merit, not elected (Costas, 1958, p.403). However, this theory falls short of explaining why meritocracy isn't the only consideration drawing from what practically obtains on the ground, hence the Agency theory comes as one of the attempts to explain the relationship between politicians and the bureaucracy as well as the SEPs sector.

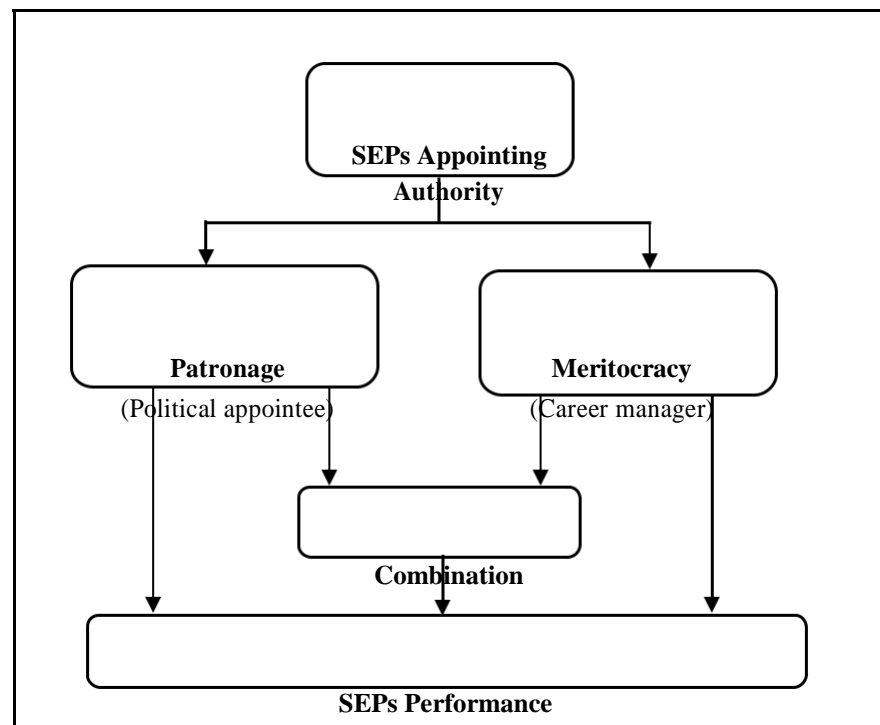
Agency Theory in explaining the public administration setup or model holds that politicians act as principals and public managers (in the case of the study at hand) are agents. It follows that principals delegate authority to agents for them to execute policy or government functions on their behalf. However, there is a challenge in this relationship for there is often a clash of interests. The agent(s) may share different goals with the principal(s), information asymmetries are a common feature in the relationship and the principal may not be sure that the agent is serving his or her interests. Hence a challenge arises as to how the principal ensures that the agent serves no other

interest than that of the principal. Political principals also face challenges of “adverse selection, moral hazard, and agent opportunism” Shapiro (2005, p.271). Thus, from such a background, principal-agent theory likely views appointments in terms of delegation, where adverse selection and moral hazard problems justify the need for control, albeit without focusing much on the adverse effects of excessive political control on the bureaucracy (Allern, Bischoff & Kristinsson, 2011, p.11).

Conceptual Framework

This study makes a case for patronage as an inherent feature of a multi-party democratic system of government, which is by and large a necessary evil. It then follows that a model has to be developed to guide politicians in taking full advantage of the phenomenon, nevertheless, great care must be taken not to compromise the performance of key SEPs and the entire administration. As alluded to earlier on, the study is mainly situated in the Agency Theory where the politician is the principal and the public manager is the agent. The reason is that the existing literature demonstrates that ruling party politicians in any country have the mandate to deliver on promises made to the electorate and as such the onus is upon them to ensure that, not only loyal but competent people are appointed to direct government business towards the fulfillment of the promises made to the people.

Figure 1: Conceptual Framework



Source: Derived from the literature review

As shown in Figure 1, extant literature points out that political parties or their representatives have the power to appoint public managers (in this case being referred to as the ‘Appointing Authority’) and as such, they make a deliberate choice between a political appointee (patronage) or career manager (meritocracy) instead (Kopecky & Mair, 2006; Kopecky & Scherlis, 2008; Kopecky, Scherlis & Spirova 2008). It also has been noted that the higher the number of political appointees in an agency the higher the chances an agency underperforms. From the literature review of comparative studies, it came out clear that patronage exists in almost every country but differs in nature and depth. The nature of patronage is analyzed by noting the party’s involvement in making

political appointee decisions. Where the decision is a preserve of the few political elites it is termed political patronage and such normally gives way to nepotism, cronyism, and corruption in most cases (Kopecky, Scherlis & Spirova, 2008). Where the decision is made by the party as an organization, it is known as party patronage and this is regarded as desirable albeit with caution for the opportunity cost involved in hiring less qualified cadres at the expense of competent career managers. Kopecky and Scherlis (2008) argue that contrary to the assertions by protagonists of patronage, not all or most patronage appointments are corrupt. A large number of political appointments in modern-day democracies are in most cases transparent and above board, hence must not be viewed as corrupt or illegitimate.

METHODOLOGY

Several scholars on research methodology stress the need for empirical social science research to be anchored on a well-articulated philosophical orientation (see Creswell, 2009; Saunders, et al, 2016). Furthermore, Creswell (2009) suggests that it is prudent for individual researchers to be explicit from the onset as to what are philosophical ideas shaping up their proposed inquiry. Such information, as envisaged, will assist in explaining the rationale for their choice of a particular research design and strategy. Therefore, the overall philosophy behind this study is a social constructivism worldview, which asserts that reality is socially constructed and normally occurs within a historical context therefore, social and human research should not seek only to measure, but also to understand patterns in a given context (Guba & Lincoln, 1994).

In terms of research design, this study adopted an inductive qualitative research design, for the reason that the Zimbabwean situation with regard to patronage in the semipublic sector remains an underexplored area. The goal was to rely as much as possible on the views of the participants regarding the phenomenon. Under the circumstances, a case study was adopted as the strategy underpinning the inquiry, thus, the study as the topic denotes is a case of Zimbabwe's SEPs and the appointment of public managers in that sector alone.

Ontologically, the study is interpretive in the sense that the inquirer believes that there is no universal truth but that individuals seek an understanding of the world around them and ultimately develop subjective meanings of their experiences (Creswell, 2009). Normally, subjective meanings are diverse and unlimited.

Epistemologically, "the relationship between the researcher and the researched or the relationship between the inquirer and the known" was that the researcher had to interact with those being studied by way of face-to-face interviews (Denzin and Lincoln, 1998, p.26). Therefore, the key informants were purposively selected for their proven experience in the public sector and knowledge of the subject matter. A total of fourteen (14) key informants were interviewed for sessions that lasted between one (1) and two (2) hours. The decision to end at 14 was, however, arrived at as the data collected reached a point of saturation and on the other hand, the participants were high-profile figures who were difficult to secure an appointment with. Some of the sampled prospective participants were not comfortable with the subject matter and accordingly opted out of the study. The key informants were drawn from Cabinet Ministers, former Ministers, Permanent Secretaries, former Permanent Secretaries, Board Chairpersons, and former Chairpersons and CEOs as well as former CEOs. The rationale for selecting high-profile figures was that these are the key players at the strategic level of SEPs and hence are in a position to authoritatively relay information about what they have experienced or are experiencing in the governance and management of the SEPs in Zimbabwe.

In terms of ethical considerations, the inquiry considered three (3) key issues namely, informed consent, confidentiality, and consequences (Kvale, 1996; Puvanesvary, Rahim, Naidu, Badzis, Nayan & Aziz, 2008). Before the interview, the inquirer provided background information about the study, obtained their written agreement to take part in the study, and also highlighted to them that participation was voluntary (see appendix for the introductory letter and sample agreement form). Pseudonyms (codes) were used and in some instances, the characteristics of the informant were altered so as to protect the individual's privacy. Since it was difficult to

anticipate the potential ramifications of an interview report to the interviewees, the interviewer made it clear that it was within the interviewee's right to permit or not authorize the publication of their contribution.

Some of the interviews were voice recorded and transcribed while in some cases respondents were not comfortable with voice recording hence the researcher manually took notes and typed the responses verbatim.

The data were analyzed with the aid of NVIVO-12 computer software. The researcher generated a data-capturing template designed in line with the research objectives of the study. The data capturing template was imported into the NVIVO-12 application software together with the transcribed responses from the interviewed key informants of the study. Grouped responses were captured for each objective and corresponding research questions and the data capturing template was used to mine data, which answered specific questions under each research objective. The NVIVO-12 software produced visualizations in the form of nodes, word maps, word trees, and thematic tables and graphs, which assisted in analyzing data and giving specific references to contributors and important summaries.

RESULTS

The results presented here reflect the general experiences of fourteen (14) identified key informants concerning their personal knowledge, experiences, perceptions, and feelings on the subject matter as people who have served or are still serving either as Ministers, Permanent Secretaries, Board Chairpersons, and Chief Executive Officers. The study sought to get an in-depth appreciation of patronage in relation to the performance of SEPs and tender solutions on how patronage can possibly be managed for better performance in the Zimbabwean SEPs sector. The study examined (i) the processes leading to the appointment of SEPs board of directors and management; (ii) what factors do appointing-authorities consider when making appointment decisions to particular SEPs; (iii) the extent patronage has influenced SEPs' performance in Zimbabwe; and, (iv) benefits of patronage, if any, which can be harnessed for improved SEPs performance in Zimbabwe.

In terms of the demographics, the key informants were predominantly male i.e. females constituted only 29% of the total. This is indicative of the fact that the SEPs sector Board and management gender distribution is tilted in favour of men, stemming from a history of gender inequalities, which existed prior to independence and immediately through the post-independence era. The girl child was disadvantaged in terms of access to education, hence very few women qualified to occupy such positions immediately after independence. The ages of the participants ranged between 51 to 70 years. In terms of education, 12 of the key informants had at least a Master's Degree with half of them having a Ph.D. This speaks to the issue of the general level of education of people occupying the offices of Minister, Permanent Secretary, Board Chairperson, and Chief Executive Officer, which is highly impressive. This implies that the respondents were somewhat educated and enlightened on the subject matter. However, this does not say something about the relevance of the qualifications to the particular entity and position occupied as one of the key informants, R10_FM who is a former Minister argued that,

"...where we have experts in engineering, we should have such people being appointed to boards of Zimbabwe Electricity Supply Authority (ZESA) and its subsidiaries. Or why should we have a career educationist appointed as board chairperson of say Air Zimbabwe while appointing a technician as chair of Zimbabwe School Examinations Council (ZIMSEC)? We should have the right people at the right places if our parastatals are to deliver..."

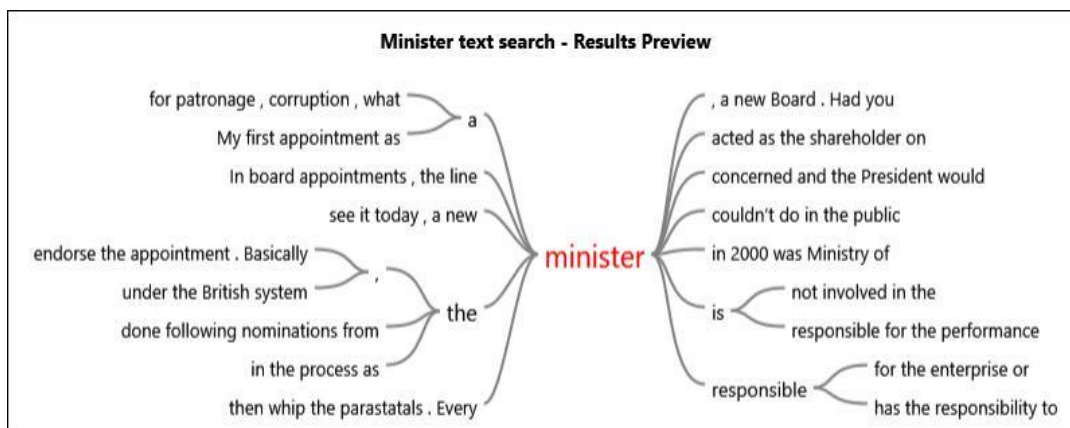
Such a statement indicates that, as much as we have people with impressive qualifications and experience, some of them are ill-placed for one reason or another and that compromises the quality of SEPs boards, which in turn has a negative effect on the overall performance of the entities.

Patronage and the role of the Minister

The findings revealed that patronage is prevalent in the appointment of boards of directors in the SEPs sector of Zimbabwe. When inquired on how members were appointed to SEPs boards, all the respondents indicated that the line minister is responsible for recruiting, selecting, and recommending the appointment to the head of state for endorsement. They pointed out that a majority of the appointments were not based on merit but on cronyism and partisan considerations. Respondent R2_FM, a former Minister, criticized his fellow Ministers for abusing their offices and appointing their colleagues and relatives at the expense of organization viability and had this to say, “...I heard that expression more recently, *hunzi ah no, munhu unofanira kuvhima nembwa dzako. Hauna kumbo zvinzwa here?* (Interpreted as; a hunter must hunt with their own trusted dogs. Haven’t you come across such an expression?) *It’s patronage, which has gone to the extreme...*” This was buttressed by another key informant, R1_FPSC_DC, a former Permanent Secretary and Deputy Public Service Commission Chairman, who mentioned, “...see it today, a new Minister, a new board...” Respondent R3_FM echoed the same sentiments and said; “...but sometimes when a new Minister comes, he or she wants to sweep the room clean and start afresh and you know, there is no progress...” Respondent R5_BC weighed in by saying, “...There has been a culture in this country that every time a Minister is changed. When he/she comes in, changes the board and when the board is changed, it in turn changes the Chief Executive Officer... So, you find that happening over and over almost in every five or so years there is a complete change...” Respondent R4_FM also argued that, “...More often than not, most Ministers who prefer to work with a team of their choice, have a tendency of interfering with the operations of the boards. I have noted this during my experience working in both the private sector and parastatals boards before subsequently becoming a Minister. This normally results in weak boards whose independence is compromised and such boards are bound to dance to the tune of the line minister, albeit at the expense of the organization’s interests...” The analysis of the data reveals that the main actor in the patronage appointments in the SEPs sector is the line minister and it suggests a passive involvement of the ruling party as an organization in the whole process. If the party as an organization were actively involved in the process, it would not allow the new minister to change the board. Suffices it to note that there has not been a change of government during the period under review, but Cabinet reshuffles, which correspondingly led to changes in boards and management of SEPs. According to Kopecky Sherlis, & Spirova, (2008) this type of patronage appointment is deemed clientelistic and referred to as political patronage. Visualizations on of a word tree text search query (Figure 2) generated from the data by NVIVO-

12 software confirm the line minister to be central to the whole process of board appointments in SEPs under their purview.

Figure 2: Role of the line minister in patronage appointments

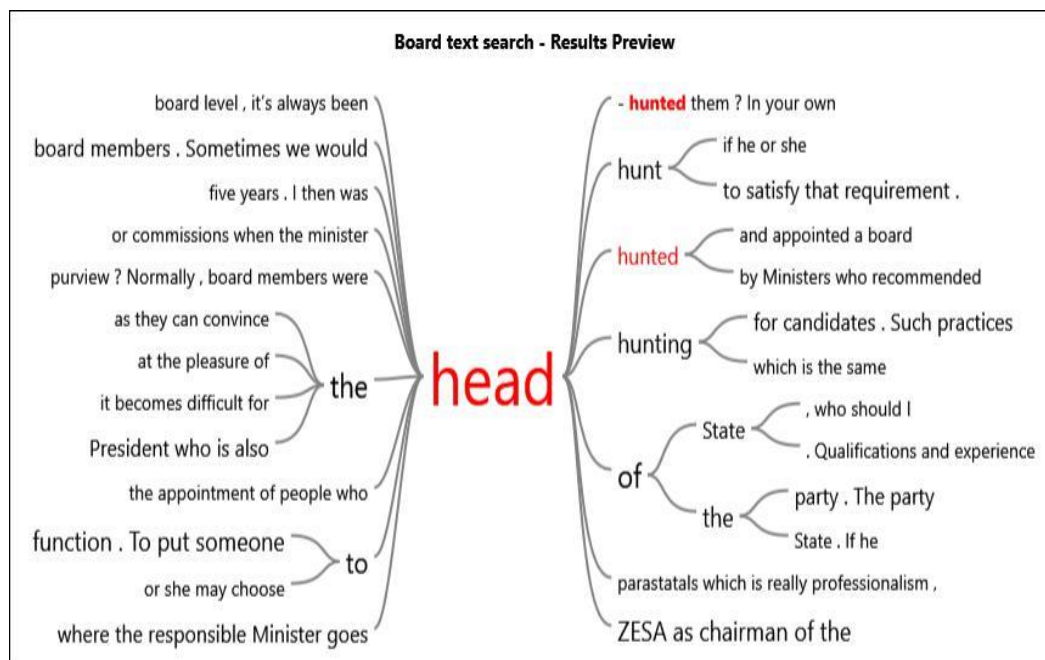


Source (Generated from NVIVO-12 aided analysis of the data)

Recruitment methods

When queried on how the ministers recruited candidates for board appointment, 12 of the respondents indicated that the recruitment method popular with the ministers is headhunting. The text search query for the words ‘head hunted’ indicated in Figure 3 below corroborates the thematic findings on recruitment methods. The visualization of the words ‘head hunted’ on the NVIVO-12 generated word tree, captures converging views of the study’s key informants agreeing that the recruitment of SEPs Board chairpersons and members was chiefly by headhunting. Though Section 11 (8) of the Public Entities Corporate Governance [Chapter 10: 31] persuades line Ministers to make use of a directory or database established in terms of section 44 (“Regulations”) (2) (c) as a viable option in addition to canvassing candidates outside the such database, headhunting remains the best preferred and popular with Ministers. According to the key informants, this was interpreted to mean that ministers took advantage of the technique and cherry-pick their relatives and cronies from their ethnicity, and political or social circles regardless of merit. A look at the recruitment methods gave insight into whether the process had merit or otherwise. There was no mention of interviews or some formal selection process intended to assess a candidate’s suitability save for the fact that the minister would forward names of people he/she feels are suitable to the head of state for endorsement.

Figure 3: Headhunting as the most preferred recruitment method



Source (Generated from NVIVO-12 aided analysis of the data)

Factors Considered Important in the Appointment of Boards

The results from the thematic analysis of factors considered important by the appointing authorities rank qualifications and experience followed by political affiliation while gender and regional balance rank the least mentioned with 3 and 2 mentions, respectively. This corresponds in part with Section 11 Sub-section (7) of the Public Entities Corporate Governance Act [Chapter 10: 31] wherein stated that,

“...A line minister shall ensure that, so far as practicable –

(a) There are equal numbers of men and women on the Board of every public entity for which he or she is responsible; and

- (b) *All Zimbabwe's regions are fairly represented by the members of the board of every public entity for which he or she is the line minister, and*
- (c) *The members of the board of every public entity of which he or she is the line minister have an appropriate diversity of skills, experience, or qualifications in the fields of law, accountancy, and one or more of the engineering disciplines;*

But all appointments to such boards shall be made primarily on the basis of merit...)

Table 2: Thematic Analysis Output on Criteria

Themes emerged	Mentions	Total No. of Mentions
Qualifications & Experience	R10_FM, R11_BC, R12_CEO, R13_CEO, R14_FPS, R2_FM, R2_FM, R3_FM, R3_FM	9
Political affiliation	R1_FPSC_DC, R10_FM, R11_BC, R12_CEO, R13_CEO, R14_FPS, R2_FM, R4_FM	8
Nature of parastatal	R11_BC, R12_CEO, R3_FM	6
Gender balance	R13_CEO, R4_FM, R5_BC	3
Regional balance	R12_CEO, R4_FM	2

Relevant qualifications and experience emerged as the most important factor for an ideal situation. However, political affiliation tended to reign supreme as some of the boards were found to be comprising members with either below minimum qualifications or possessing irrelevant qualifications to the position held but connected to the line minister. This was confirmed by R13_CEO, a Chief Executive Officer who said, “...*A Board is very critical to an organization's performance hence; it is of paramount importance that it comprises a diversity of skills and competencies among the members. However, since the recruitment and selection process for board members is done by a Minister under which a particular enterprise belongs, there was neither a clear policy nor a standard procedure. It depended on the particular Minister involved in the hiring process. What I observed was most Ministers made attempts, though not good enough, to set up a board with a variety of skills and specializations. In some unfortunate incidents, you would find a Minister choosing to work with his/her colleagues or even relatives who possessed less than the required minimum qualifications. In some cases, political considerations would outweigh the other factors like possession of relevant qualifications and experience....*” Another important consideration, which came out clearly from the responses by the key informants was that the appointing authorities valued the nature of parastatals before making any appointments as evidenced by the following response captured verbatim from R3_FM, a former Minister,

“...there are parastatals, which you can fit anybody. If you take a scientific parastatal for instance Scientific and Industrial Research and Development Centre (SIRDC), you can't just put somebody who is not a scientist, especially at the level of CEO. It really depends by and large, I think it's really ideal to put people who have relevant expertise at the helm of these parastatals for them to function. To put someone to head ZESA as chairman of the board when that someone is not an Electrical Engineer you will be wasting time for that person will be told what to do by engineers when he has no idea...” This was also corroborated by another key informant, R2_FM, who said, *“...Well, it depends on the kind of Parastatals you are talking about. You know there are strategic parastatals, there are social parastatals, and there are economic parastatals. It really depends on who should go there. I think the most important thing is to know which place the parastatal takes. If you take, say Zimbabwe Defence Industry, you can't put anybody and everybody there because that person is believed to be a technocrat because of the nature of the industry. There has to be people who understand what that industry is all about...”* An in-depth analysis of the results reveals that respondents mentioned qualifications and experience as ideal but not mostly considered in real practice. These results are similar to what was found in the SADC region as studies done in Botswana, Malawi,

South Africa, and Zambia confirmed this, though at varying degrees of prevalence (Magang & Magang, 2016; Muntingh, 2020; Turok, 1981).

Gender and regional balance, though politically desirable, are the least considered in practice as some members of Parliament raised complaints about the total disregard of gender and regional balance in board member representation in a good number of SEPs. A key informant, R12_CEO, had this to say, *"...There were no standard criteria for the recruitment and appointment of Boards. As such it is difficult to talk about fairness. Even though the government had put general guidelines like the need to strike a good skills mix to cater for all technical areas in the organization as well as maintaining gender and regional balance, Ministers were not compelled to follow them..."* The sentiments point at the existence of very weak laws and have loopholes which are taken advantage of by unscrupulous politicians. In comparison with the legislation, it appears that there are disparities on what is obtaining and what the legislation prescribes. This could be as a result of the tone of the piece of legislation, which is not direct or forceful as denoted in the meaning of the phrase that *"...shall ensure that, so far as practicable..."* This then becomes relative and application depends on the personality and conviction of the Ministers concerned and how they interpret their situation. Most SEPs boards have proven to be unfit for the purpose as they were either incompetent or only paying homage to the line minister in return for the facilitation of employment at the expense of the overall organization's performance. Line ministers also stand accused of nepotism, cronyism, and corruption, all capsuled in patronage appointments, which have resulted in weak or compromised boards, incompetent management, and failing SEPs.

Is patronage or Meritocracy good for SEPs' Performance?

The results clearly showed that patronage, though proving to be difficult to scientifically measure because of the absence of SEPs' officially published performance information let alone information on patronage appointments, it is not good for performance, especially in commercial and technical public enterprises. It was also evident, from the results, that meritocracy is good for performance especially in organizations in the commercial and technical sectors for example telecommunications and electricity generation only to mention but a few. One of the participant, R2_FM, said, *"...Well, it depends on the kind of Parastatals you are talking about. You know there are strategic parastatals, there are social parastatals, and there are economic parastatals..."* Nevertheless, some of the respondents, based on the agency theory supported taking on board the political appointees to cater for the control of policy direction. Four respondents were of the opinion that patronage may promote SEPs performance provided certain preconditions are met. Respondent R12_CEO had this to say, *"...It hinders performance to an extent it allows unqualified people to be appointed onto boards. Otherwise, if it is meritorious in nature, the negative effects are quite minimum..."* While respondent R2_FM, said, *"...When managed well, patronage promotes performance if the resultant boards or management are well balanced in terms of skills mix, experience etcetera. The problem comes when Ministers recruit their relatives and friends who lack the requisite knowledge and skills..."* R3_FM weighed in and said, *"...Well it depends on the kind of Parastatals you are talking about..."* and this can be perceived as meaning that patronage works for some SEPs and doesn't work for others. Respondent R4_FM was rather evasive and said, *"...I think is yes and no. It's not the system which promotes that but it depends on personalities..."* Therefore, patronage in the Zimbabwean SEPs sector is actually not good for performance because it is not founded on strong institutions but relies on the wishes and whims of independent political actors, and in this particular case, line ministers. Two of the key informants brought out a very interesting argument that the quality of boards has a relationship with the quality of Ministers. They argued that the Constitution of the country states that the President has only 5 slots he can appoint non-constituent members to Cabinet Ministerial positions, which require technocrats and the rest must be members from either the upper or lower houses of the Parliament. Hence, the Head of state has a limited choice of candidates to consider for Cabinet Positions. Respondent R3_FM had the following to say;

"...Let me begin with our system of political appointments. Ministers are not necessarily, in this country; in the region and I suppose in Africa and beyond, I suppose not appointed because they are most suitable and competent.

Sometimes it is a mixture of reasons, once a party, for instance, ZANU PF wins the election, then the president has got the task of looking through the members of the Parliament and saying who can do what?... Because when people vote for somebody, they don't vote for somebody thinking that this person could become a Minister. They just want a Member of Parliament who promises them a, b, c, and d. Some people will get through their way to win an election because they got some financial muscle, they palm-oil a few people and those people go out, and campaign for them... And so it becomes difficult for the Head of State, who should I appoint? ... but in politics normally it's not the competencies of the politician except in certain positions, say in Ministry of Health you would have to look for somebody who has got some medical background. But in Africa you get cases where somebody who is a non-medical person can become a Minister for Health. Someone who has never gone to a Business School, has never studied business can become a Minister of Finance. Someone who perhaps is a civilian, being a Minister for Defence." The argument, therefore, is that Line Ministers have been given so much power and control over SEPs under their purview yet their election into office is not based on merit but on popularity with the electorate. Half the time we often get Ministers who are only politically savvy but incompetent in terms of business management or corporate governance. Such Ministers will either appoint an incompetent board or frustrate a competent one and this results in poor performance. R5_BC had this to say, "...The Minister and his team get involved with the operations of an organization, but often they don't have the skills, they don't have the experience and they don't have the time. So their interference is toxic... So the issue of putting professional people onto boards, and because you got professional people onto boards, they will get professional managers. They are not intimidated by good managers. On the contrary, they want good managers, whereas if you get people who are not very competent, or highly experienced, who are not well trained they create a glass ceiling so that people they employ will be below them in terms of perception and then you got a spiral downwards..." The two respondents share the same thinking that the quality of Ministers affects the quality of boards and in turn, the boards affect management, which will definitely filter through to the shop floor level affecting productivity and performance of the overall organization.

Most respondents were not comfortable with patronage in SEPs, arguing that political appointees should be limited to central government agencies and that patronage is the main reason why most public enterprises are not performing. The results generally show that careerists are held to have the relevant qualifications and experience most of the time and that given a conducive work environment, they are most likely to influence SEPs' performance more positively compared to political appointees. On the other hand, political appointees are believed to normally lack the relevant qualifications and experience. It was also found that many political appointees appear to serve the interests of their principals at the expense of the organization's interests. A considerable percentage of respondents feel that patronage appointees normally have a feeling of indebtedness to the line Ministers who appointed them and at the same time, ministers who desire to work with a team of their choice have a tendency of interfering with the operations of the organization. These results are in sharp contrast with Peters and Pierre (2004) who found that meritocracy also had its misgivings where it every so often results in the engagement of non-partisan, or neutral bureaucrats who administer public policies notwithstanding their impact on society while political appointees are more likely to be positively disposed towards the programme of a political party in power than the professedly neutral appointees or careerists of a merit system, who may be unresponsive, if not antagonistic, to that programme. So, the argument is that patronage appointments are a way of making the bureaucracy more responsive and reasserting political control. It is noted that the exemption of an agency from political direction by the line minister following the introduction of autonomous agencies and the privatization of state enterprises has had the effect of moving institutions way out of the reach of politicians while their directors or boards are de facto political appointees. Paradoxically, they argue that patronage appointments can also be viewed as a ploy to solve the problem of accountability for policy outcomes beyond the government's jurisdiction or sphere of influence. This finding has similarities with what Kopecký and Mair (2006) found.

Causes of Poor Performance in SEPS

A general question was posed on what key informants of the study thought were the causes of the current SEPs' poor performance. Interestingly, four reasons were proffered. Political/Ministerial interference emerged to be the

number one cause of the poor performance of SEPs, followed by bureaucratic red tape, patronage, and economic sanctions. In terms of political/ministerial interference, the respondents noted that there are again no principles in the code that eliminate political interference, which is one of the most critical problems in SEPs. R5_BC emphatically argued that, “...*The Minister and his team get involved with the operations of an organization, but often they don’t have the skills, they don’t have the experience and they don’t have the time. So their interference is toxic...*” This finding is similar to what Daniri and Prasetyantoko (2008) found. They argued that the SEPs’ performance problems have not been a result of the ownership issue but of the excessive intervention from the country’s ruling parties and bureaucrats. The line minister was held to be the chief culprit in that he/she from time to time interferes with board and management decisions. When that happens, the board and management get frustrated or may adopt poor strategy direction from the line minister, which may not be good for the performance of the enterprise. Bureaucratic red tape was mentioned to be also an impediment to performance when the financial decisions of a public entity are subject to ministerial approval. R5_BC, a former board chairman who sat on both private and SEPs boards said; “...*Now with state-owned enterprises it’s extremely bureaucratic, extremely cumbersome particularly, it’s not getting better now there is Procurement Regulations Act of Zimbabwe (PRAZ), the state procurement organization, which has got laid down procedures. I think last time I counted about 14 stages that you need to follow before you make a decision. By then, here you have got several problems there is hyperinflation, and by the time you get through them you find that the money you had set aside is no longer adequate, if you are importing, the exchange rate has moved. If you are in a competitive sector, there is that competition that has moved ahead of you. Bureaucracy really kills state-owned enterprises, it also chases away good people, and you know, the good skills. Young executives who are bright and want to achieve after a few years get frustrated and leave. So it chases away capital because landers can’t support this inefficiency, chases away human capital, and chases away opportunities...*” Therefore, allotting all the blame for poor performance to patronage without investigating the moderating effect of the SEPs environment may be very misleading.

In most cases, approvals come too late and to make matters worse the Zimbabwean economy has always battled with inflation in the last three decades. A slight delay in decision-making and implementation of the same may cause serious ramifications for SEPs. However, patronage was viewed in terms of being the reason there are weak or compromised boards as incompetent and conflicted persons hold crucial positions in these organizations. Patronage in a nutshell impedes good corporate governance as it interferes with the independence of the board of directors. The relationship between weak boards and poor performance appears to be very strong. Patronage was held to also give way to other vices like nepotism, cronyism, and corruption. The visualizations of the study findings clearly show that if patronage goes unchecked it could cause serious challenges, which may adversely affect the overall performance of SEPs.

Economic sanctions were also mentioned as one of the causes of poor performance. However, it was noted that the poor performance of the SEPs sector began well before the imposition of sanctions, which were introduced in 2002. The sector had long shown signs of a sharp decline in performance as noted in the historical background shared in the previous section of this paper. And just before independence, the SEPs sector was used to fight sanctions by the Ian Smith government and the performance of the sector was good. However, suffice it to mention that sanctions dealt a huge blow to a sector, which already had its challenges and performing at its lowest ebb. The most crucial period in the SEPs history in Zimbabwe is during the first 5 years of independence when patronage was instrumental in bringing about the Africanization of the sector and this is extensively discussed in the historical background section of this paper. Haphazard political appointments, which include the elevation of young black people into board and management positions beyond their capacity had serious ramifications on the performance of the sector. Respondent R8_BC, said, “...*understandably so, mainly because during that time the government had gone through a stage where there were very rapid black promotions in many cases people were promoted beyond their capacity. ...*”

An Ideal Patronage System

The majority of the key informants recommended that the government should consider creating a central database from which those charged with the responsibility for nominations must pick and choose. They also were opposed to the current system where line ministers were in charge of the nomination of candidates. They argued that such a scenario compromises the independence of the board as the members will naturally feel indebted to the line minister who appointed them. They proposed that an independent commission be established to sanction the nominations using merit-based methods and that the ownership structure be streamlined to avoid a situation where different government agencies clash over responsibilities.

However, there was no consensus on the issue of an independent commission as some argued that the parliament is the right arm for the job. The argument was based on the fact that parliamentarians represented the electorate and taxpayers who are viewed as the owners of these entities. Arguably, the competencies of members of parliament to effectively deliver on this came into the spotlight as there are no specified minimum qualifications for one to be legible to contest as a member of parliament. Members of Parliament are most likely to leave the office every five years and as such continuity is compromised. Therefore, an independent commission carried more weight in that the issue of qualifications and experience of commissioners will be without question, guaranteed. A commission will establish a perpetual system of nominations and meritorious selection of suitable members to occupy board positions following each enterprise's needs.

CONCLUSION

The study concludes that patronage exists in the Zimbabwean SEPs sector. However, the type detected is dissimilar to the one defined by Kopecky *et al.* (2016) in which there is the active and direct involvement of the ruling party in the nomination of candidates for political appointments. The study could not establish evidence supporting the ruling party's direct involvement. Instead, line ministers as individual political actors nominate and recommend board appointments to the President for endorsement. This position is supported by the current legislation in the sector.

However, in practice, the findings reveal that the nomination, selection, and appointment process for the SEPs board of directors is not merit-based. Political considerations like affiliation, gender, and regional balance carry more weight in the process. According to Kopecky, Skerlis & Spirova (2008, p.418), this is termed 'Political Patronage' and is mostly obtainable in developing countries. The other type of patronage they coined 'Party Patronage' is the modern type, which is merit-based and includes the appointment of non-partisan individuals as well. Such is practiced mostly in contemporary democracies.

The study concludes that no amount of demonization of the phenomenon can yield any positive results unless the focus is placed on how governments can leverage the positive effects of patronage appointments and minimize the negative effects by coming up with a model for transparent recruitment and appointment system of public managers.

Political patronage currently practiced in Zimbabwe where an individual political actor is given unfettered authority to hire and fire boards will have negative ramifications on the performance of SEPs. It is said to result in compromised, weak, and incompetent boards. When that happens, enterprises are mismanaged and performance goes down. Patronage also facilitates the emergence of related phenomena, namely; nepotism, cronyism, and corruption, which are not good for performance either. This affirms the proposition that political patronage has negative effects on SEPs' performance.

There is evidence that patronage is not appropriate for most SEPs, especially those that are in the commercial and technical sectors. However, if patronage is practiced in a centrally controlled environment and in a

very transparent manner, which is rich in checks and balances (appointments or terminations vetted and sanctioned by an independent Board or Commission), SEPs' performance may improve.

RECOMMENDATIONS

Based on the findings of this study, political patronage where individual political actors are afforded the authority to make discretionary appointments to SEPs must be discouraged and is necessary for control purposes and management of the principal-agent relationship. On the other hand party patronage possessing meritocratic principles should be encouraged whenever necessary for the collective benefit of the institution. A merit-based selection process must be established and an independent entity should be put in place to vet and authorize appointments as well as terminations. The state must build powerful institutions instead of powerful individuals so that there is objectivity in identifying, nominating, and appointing SEPs' boards and management.

Limitations of the Study

Patronage is such a controversial phenomenon as no state is comfortable admitting its practice, especially in the SEPs sector, hence not many people are willing to be a party to such a study. It should be noted that the findings of this study come from a single unique case, and owing to the use of non-random methods of sampling, the generalization of the results of this study is limited to countries of similar circumstances. Performance is normally a product of many factors and it is very difficult to confidently say this particular poor performance is related to patronage. The Zimbabwean SEPs patronage situation has offered an inimitable opportunity for researchers to acquire internally valid approximations. However, for external validity, these evaluations must be tested in a diversity of contexts, such as different tiers of government, different countries, and diverse institutional environments. Nonetheless, is believed that this study's findings deliver a useful yardstick that may serve comparative purposes for future research on patronage and the performance of state enterprises. Perhaps, empirical evidence from other contexts will expand the available knowledge and understanding of the effects of patronage on the SEPs sector and or local government institutions.

Opportunities for Further Research

This study looked at the Zimbabwean SEPs sector as a case study on the effects of patronage on performance. The study employed a qualitative method of inquiry in which structured interviews were adopted as the only data collection tool. Perhaps, a similar study may be done utilizing quantitative methods or mixed methods. The inquiry may be extended to local authorities in Zimbabwe or resources permitting a similar study to be carried out in SADC regional countries for comparative purposes.

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