https://doi.org/10.52131/irasd-jom.2026.v8i2.3100

*i*RASD Journal of Management
Volume 8, Number 2, 2026, Pages 33-43
Journal Homepage:
https://journals.internationalrasd.org/index.php/jom

Compliance with Best Corporate Governance Practices by Local Authorities: An Empirical Analysis of Institutional and Operational Challenges

Elisha Mutize[1], Enathi Qanga[2], Ireen Dzingai[3], Admire Mthombeni[4]

[1]Lecturer, Management Accounting and Finance Department, Walter Sisulu University, Mthatha Campus, South Africa
Email: emutize@wsu.ac.za

[2]Head of Department, Auditing Department, Walter Sisulu University, Mthatha Campus, South Africa
Email: eqanga@wsu.ac.za

[3]Department of Applied Business Sciences, Manicaland State University of Applied Sciences, Mutare, Zimbabwe
Email: ireendzingai403@gmail.com

[4]Postdoctoral Research Fellow, Graduate School of Business and Leadership, University of KwaZulu-Natal, South Africa.
Email: mthombeniA@ukzn.ac.za

ARTICLE INFO

Article History:
Received: April 06, 2026
Revised: May 20, 2026
Accepted: May 22, 2026
Available Online: June 30, 2026

Keywords:
Audit Compliance
Corporate Governance
Corporate Scandals
Agency Theory
Local Authority

Funding:
This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

ABSTRACT

This study identified and analyzed the key institutional and operational challenges faced by a selected local authority in Zimbabwe in ensuring corporate governance compliance. The Agency theory underpinned the current study. Researchers applied a mixed methods research approach which used a structured questionnaire and a semi-structured interview guide to gather data from study participants within a selected Local authority in Zimbabwe. A cross-sectional survey design was used. The target population comprised 260 employees from the selected Local Authority's various departments. A sample of 155 employees was selected using the Krejcie and Morgan formula, whilst six (6) interviews with key informants were conducted, guided by the saturation principle. The findings show that institutional challenges, including weak and fragmented governance frameworks, poorly composed and politicized boards, and inadequate enforcement mechanisms, significantly undermine compliance. Meanwhile, operational challenges such as limited human capital resources, limited financial resources, poor financial disclosure, and poor grievance handling procedures cripples the day to day implementation of best corporate governance practices. As such, the study recommended that there should be mechanisms for strong enforcement of regular compliance audit, stiffer penalties for corporate governance breaches and strict monitoring and evaluation by the Corporate Governance Unit in the office of the President and Cabinet. Local Authorities must also invest in training and development for their board members and other employees to improve their understanding of corporate governance principles and corporate ethics.

Corresponding Author's Email: mthombeniA@ukzn.ac.za

Citation: Mutize, E., Qanga, E., Dzingai, I., & Mthombeni, A. (2026). Compliance with best corporate governance practices by local authorities: An empirical analysis of institutional and operational challenges. *iRASD Journal of Management, 8*(2), 33–43. https://doi.org/10.52131/irasd-jom.2026.v8i2.3100

1. Introduction

In many African and other developing nations, there is an increase in corporate governance malpractices by local authorities, and Zimbabwe has not been an exception. These corporate malpractices by Public Enterprises have led to corporate governance reforms globally so as to ensure best corporate governance practices (Solomon, 2020). The

OECD has established the principles to promote good corporate governance, including transparency, accountability and fairness while the IFRS provides a standardized framework for financial reporting, enhancing transparency and comparability across companies and countries. The Enron Scandal highlighted the importance of corporate governance in preventing fraud and protecting stakeholders, as it used complex financial instruments and special purpose entities to hide debt and inflate profits (Costa, 2017). This has led to corporate governance failure through lack of effective oversight by the board and audit committee. As a result of the scandal, Enron filed for bankruptcy, thousands lost jobs and investments and executives faced criminal charges. This has however led to significant reforms, including the Sarbanes-Oxley Act (SOX) of 2002, which aims at protecting investors by improving corporate governance, transparency and accountability with the key provisions of enhanced disclosure, effective internal controls, setting of independent audit committee, certification of reports by (CEO) Chief Executive Officer as well as whistle blower protection amongst others. These corporate governance reforms aim to strengthen good practices while minimizing conflicts of interest, protecting shareholder rights and ensure that corporate decision-making is in the best interest of the company and its stakeholders (Jiang & Kim, 2024).

The occurrence of corporate malpractices across the continent of Africa has necessitated corporate governance reforms to ensure that these scandals are kept at minimum. Corporate governance faces unique challenges, including weak regulatory frameworks and limited institutional capacity. However, for countries in East Africa such as Kenya, Tanzania, and Uganda have made significant strides in strengthening corporate governance frameworks, but challenges still persist. For instance, the Nairobi City Council scandal of 2018, which highlighted governance challenges and financial mismanagement despite the existence of the Public Finance Management Act (2012) and the Kenya's Code of governance for State Corporations (Mwai, 2023). According to Andole (2016), in Nairobi, Kenya increased urbanization and natural population growth has resulted in an increase in solid waste generation which was not accompanied by an equivalent increase in capacity to handle the waste generated. This has caused solid waste management issues and also illegal waste dumping which Local Authorities were unable to contain and control.

Despite implementing corporate governance legislative reforms that includes the Public Entities of Corporate Governance Act (PECG) Chapter 10:31 in 2018, Zimbabwean local authorities are still faced with widespread corporate malfeasances (Tichaona, 2024). Enactment of such legislation was meant to curb the occurrence of corporate scandals; however, the continued occurrence of malfeasances in local authorities has led to compromised service delivery. According to the Auditor General's 2020 report, 42% of governance issues were related to the absence of key policies, non-compliance with laws, and mismanagement of assets (Jamane, 2020). Urban dwellers in Zimbabwe are negatively affected by the inadequate service delivery brought by poor corporate governance practices within some Local Authorities of Zimbabwe. This problem has been widespread with some Zimbabwe's local authorities. Despite the proliferation of corporate governance reforms at both global and national levels evidence from Zimbabwe indicates persistent governance failures within some local authorities. Legislative instruments such as the PECG Act (Chapter 10:31) were introduced to enhance accountability, transparency, and ethical conduct however, empirical evidence suggests that corporate malpractices, weak compliance and poor service delivery continue to prevail. While previous studies have largely focused on the existence and design of governance frameworks, there is limited empirical research that examines specific institutional and operational challenges that hinder the effective implementation of these best corporate governance practices. Furthermore, existing literature tends to generalize governance issues across the public sector without providing context-specific, in-depth analysis at the municipal level, particularly in selected Zimbabwean local authorities. It is against this background that the study seeks to examine specific institutional and operational challenges that hinder the effective implementation of best corporate governance practices by a selected Local Authority in Zimbabwe

2. Literature Review and Theoretical Framework

2.1. Literature Review

2.1.1. Corporate Governance

Corporate governance defines a system of how organizations are controlled and directed. Corporate governance is also concerned with processes, systems, controls, accountabilities and decision making at the centre and being of greater importance in an organization (Shaba & Usman, 2024). Similarly, Zuva and Zuva (2018) sees corporate governance as a set of customs, processes, laws, policies, affecting the way an entity is controlled and administered. In this view, corporate governance sets boundaries of the function, structure, and role of a board of directors recognizing how companies are organized. The Organisation for Economic Co-operation and Development (2004), points out that corporate governance as involves a set of relationships between a company’s management, its board, its shareholders and other stakeholders. Solomon (2020) alludes that corporate governance is system of checks and balances, both internal and external to companies, which ensures that companies discharge their accountability to all their stakeholders and act in a socially responsible way in all areas of their business activity.

2.1.2. Local Authority

Sumner and Smith (2024), described a local authority is an organization that is officially responsible for all the public services and facilities in a particular area. Rahman and Akter (2024), also defines local authority as a municipal corporation or committee, a district board, a cantonment board or a body of port commissioners, or any other authority constituted for the purpose of local self-government or village administration. Local authorities in Zimbabwe derive their powers from various statutory provisions. They are categorized into different types, including Urban Councils, Local Boards, Town Councils, Municipal Councils, and City Councils. These authorities are established to govern, represent, and deliver essential services to the public.

2.1.3. Principles of Corporate Governance

It is recognised that corporate governance contributes to the economic growth of corporations, their long-term sustainability, improve investor confidence and is a deterrent to corruption and unethical business practices (Woods & Stokes, 2019). Best corporate governance practices can enhance corporate responsibility and improve companies’ reputation, which in turn can attract local and foreign investors (Sami, 2023). There are several challenges across Africa that frustrate the quest for good governance. Corporate Governance dictates some principles that should be adhered to also by Local Authorities (Solomon, 2020). These principles include but not limited to accountability, monitoring and evaluation, transparency, ethical responsibility and fairness (Solomon, 2020).

2.1.4. Transparency

Transparency in corporate governance refers to the clear, accurate, and timely disclosure of a company's policies, decisions, performance metrics, and stakeholder impact (Salehi et al., 2022). This ensures that boards, company executives, various stakeholders and the public have access to the information needed to evaluate a company's management. This is a huge task that Local Authorities should adhere to since these represent the government’s delivering arm. Therefore, the principle of transparency means that government officials must act to the best interest by abiding to the relevant corporate governance legislative framework. According to Maropo (2018), if Local Authorities abides to transparency, it fosters stakeholder trust by putting citizens where they contribute to the improvement of service delivery.

2.1.5. Fairness

Fairness is a fundamental principle that underpins corporate governance that involves treating all stakeholders equitably and impartially, without favouritism or discrimination (Corbett-Nolan, 2024). Effective corporate governance strives for good business ethics (Mthombeni et al., 2024). All shareholders and stakeholders should be considered and treated equally, regardless of their respective shareholdings or position on the corporate ladder (Maranga, 2022). Businesses that exercise favouritism suffers loss of investor confidence, suppliers, consumers and public trust. A board that strives to build an engaged and diverse organisation, actively conducts succession planning, develops a reflective and incentivised compensation policy and considers the interests of all of the company's constituencies are exercising a good understanding of fairness (Maranga, 2022).

2.1.6. Accountability

Accountability, in terms of ethics and governance, is equated with answerability, culpability, liability, and the expectation of account-giving (Rani, 2024). Corporate accountability refers to the obligation and responsibility to give an explanation or reason for the company's actions and conduct (Yan & Zhang, 2020). This means that boards must present a balanced, understandable assessment of the company's position and prospects. (Rani, 2024) points out that accountability consists of developing suitable systems that allow for decision-making in a way that promotes honesty and productivity.

2.1.7. Responsibility

Responsibility refers to the state or fact of being responsible, answerable, or accountable for something within one's power, control, or management (Adams & Stone, 2024). (Bowman & West, 2021) contends that a person who bears a public office is expected to exhibit some sense of responsibility in the execution of their official duties and display uncompromised ethical behavior. It is the kind of standing that those at the helm of Local Authorities needs not to practice criminal abuse of office.

2.2. Theoretical Framework

This study is based on the Agency Theory. The Agency theory gives a lens that helps in the interpretation of corporate governance challenges as identified in this study. Through political interference, it poses goal conflict that usually occurs when principals and agents in which decisions are influenced by political interests and not developmental service delivery that is expected by residents and other various key stakeholders.

2.2.1. Agency Theory

A key assumption of agency theory is that the objectives of the principal and the agent can conflict. Mallin (2018) pointed out that managers are supposed to be the agents of a corporation's owners. Bolton and Thrower (2021), cited that managers must be monitored and institutional arrangements must provide some checks and balances to make sure they do not abuse their power. The costs resulting from managers misusing their position, as well as the costs of monitoring and disciplining them try to prevent abuse, have been called agency costs (Said, 2025). Therefore, general view of agency theorists is that if the activities of the agent (director) is not controlled or restrained or the interests of the agents and the principals do not coincide then the agency relationship will be marked by agency problems (Panda & Leepsa, 2017). In the case of Local Authorities, where the relationship between the principal (the government) and agent (the company management) is involved, agency theory is the most relevant. The principal's interest is how to maximize wealth by increasing the company's value. The Government, as the shareholder, requires Local Authorities to follow a specific corporate governance system. On the other hand, the agents tend to choose how to maximize their reward and keep their position. The resultant agency problems include reduced effort on the part of executives; on-the-job perks; empire-building; and entrenchment of investments through the selection of projects designed to reward existing managers (Gelter & Puaschunder, 2021).

Agency problems arise when there is a separation between ownership and control, creating a relationship in which one party (the principal) delegates authority to another (the agent) to act on their behalf, but the two parties have differing interests and access to information. In the context of this study, the Government and residents of local authorities act as the principals, as they are the ultimate stakeholders who expect efficient service delivery, accountability, and value for public resources. Agents in this study include board members, directors, and other senior members within Local Authorities who are entrusted with key decision-making roles as well as the key decisions in the day-to-day running of Local Authorities. They are entrusted with the responsibility of implementing policies, resource management and ensuring compliance with corporate governance principles as enshrined in corporate governance frameworks. Agency problems however arise when at times those entrusted with key roles pursue personal interests, pursue political interests, engage in corruption, tender manipulation rather than acting in the best interests of the organisation. This is further compounded by weak monitoring mechanisms, poorly composed boards, limited transparency as shown in the study’s findings. Interference of politics further complicates the agency relationship by the introduction of influences that distorts decision making hence undermining authority.

Other malpractices such as corruption and tender manipulation demonstrate opportunistic behaviour by agents who sometimes exploit their positions for personal gain, thereby increasing agency costs. Weak boards and ineffective oversight structures signify poor monitoring mechanisms, that gives room for managers and council officials to act with low accountability. Similarly, poor disclosure and lack of transparency create information asymmetry in which principals are unable to access accurate and timely information necessary to effectively make an evaluation the actions and performance of agents. These corporate governance challenges tend to undermine accountability thereby reduces organisational efficiency which further affect public trust in local authorities. Agency theory does not only explain corporate governance challenges happening in Local Authorities but also gives a framework for understanding how robust monitoring systems, transparent disclosure practices and independent structures can help reduce agency conflicts as well as improving service delivery outcomes.

2.2.2. Challenges in Ensuring Corporate Governance Compliance by Local Authorities

Mthombeni et al. (2024) alludes that although corporate governance gives a framework that helps to promote and foster accountability, transparency and fairness, its implementation is sometimes voluntary and not mandatory. Commonly, local authorities are guided by principles such as “apply or explain” or “comply or explain,” which allow some flexibility in how governance standards are implemented. However, this flexibility can result in uneven application across institutions, leading to inconsistencies, gaps in oversight and challenges in ensuring that governance practices are followed in a uniform way. Understanding the challenges in ensuring compliance helps identify strategies to strengthen governance and improve service delivery by local authorities.

a. Poorly composed boards

One of the major challenges in implementing corporate governance compliance is the composition of boards (Saeed, 2025). The chosen boards for Local Authorities should have the right number of members and the required abilities and experience to effectively review and monitor management's performance (Mthombeni et al., 2023). Additionally, it must be of an adequate scale and possess the proper degree of autonomy and dedication. The King III report recommends that in addition to a balance between executive and non-executive directors, there should also be a demographic equilibrium (Akwasi Adu, 2023). Non-executive directors have a balancing effect which lessens the possibility of conflicts of interest in entities (Babacan, 2025). They also bring expertise and knowledge from outside the company that executive directors lack, provide a broader perspective, and make third parties feel more at ease. The disadvantages include the potential for them to favour the best-run businesses, lack independence, struggle to push their opinions on management, and have a finite amount of time to be effective in their responsibilities.

b. Political interference

One of the most serious issues in implementing corporate governance compliance is political intervention (Nikani, 2022). Almost all municipal governments in developing nations, including Zimbabwe, have this problem (Berman, 2019). On the other hand, argue that excessive government intervention by the ruling parties and bureaucracy is to blame for the problem with the local authority rather than a disagreement over ownership. Additionally, they contend that while being under state authority, local authorities can still be successfully managed to deliver high levels of performance. Hermanu et al. (2025) concluded that this viewpoint is correct after researching three Indonesian public entities. A study argued for the corporate governance code to incorporate concepts that purposefully insulate local authorities from political interests in addition to rules and regulations. In order to avoid conflicts of interest, this was done.

c. Limited transparency and disclosure

Organisations under the jurisdiction of the state must adhere to strict standards of transparency (Adam, 2024). This generally involves providing important financial information about an organization, along with other relevant matters. Local governments should meet the same rigorous standards for accounting, disclosure, compliance, and auditing as publicly traded companies (Mthombeni, 2021). State-owned enterprises should also maintain high levels of transparency. Local authorities are required to follow these standards when sharing information, whether significant or minor, particularly on issues that are of major concern to the public or to the state as an owner. The information that should be disclosed includes a clear statement to the public of enterprise objectives and their fulfilment, enterprise financial and operating results, the remuneration of board members and key executives and board member qualifications, selection process, roles on other company boards and whether they are considered as independent by the local authorities' board (Moyo, 2021). Local Authorities should also provide information on key issues that are pertinent to employees and other stakeholders. However, as a result of corruption, political interference, transparency and disclosure has been lacking in some Local Authorities (Moyo, 2021).

d. Corruption

Corruption is the abuse of entrusted power for private gain. It encompasses a wide range of behaviours, including bribery, embezzlement, and fraud, that undermine public trust and damage institutions. Essentially, it involves using a position of authority for personal benefit instead of fulfilling duties ethically and impartially. According to Rwodzi (2024), the sad truth about corruption's negative effects is that they cannot just be quantified in terms of the money that corrupt public official's waste. Corruption can also be measured in terms of the lack of basic services that could have been provided if those funds had been used as intended by the relevant authorities (Langseth, 2016). Akinwunmi (2025) espoused that a fall in the standard of local governance may be a sign of a breakdown or absence of administrative ethics. For instance, when a local authority upholds the standards of administrative morality such as honesty, responsiveness, efficiency, effectiveness, transparency and accountability, the costs of moral or ethical decay in the form of corruption could be minimised greatly which is a clear sign of good governance (Augustine, 2025). The existence of a high potential for benefits, poorly designed and managed policies, programmes, and activities, failing institutions, poverty, inadequate pay, a lack of accountability and transparency, a lack of political commitment and resources, and a lack of or insufficient anti-corruption measures are just a few of the causes of corruption (Sithole, 2013).

3. Data and Methodology

The study adopted a mixed-methods approach grounded in the pragmatism paradigm to identify and analyse the key challenges faced by selected local authorities in Zimbabwe in ensuring corporate governance compliance in practice. Pragmatism philosophy was considered appropriate as it allowed integration of quantitative and qualitative evidence to generate context-sensitive and practical solutions for addressing governance challenges. A cross-sectional descriptive survey design was employed to capture perceptions and experiences for employees from a selected Local Authority and other key stakeholders at a single point in time, enabling analysis of the institutional and operational factors that hinder compliance with best corporate governance practices.

The study targeted 260 employees of the Local Authority from across the five departments. These departments include Central Administration, Treasury, Housing, Engineering and the Health Services Department. Using the Krejcie and Morgan Sample Size of 1970, a sample of 155 respondents was determined. The researchers used stratified random sampling in the quantitative phase to ensure proportional representation across the chosen and selected departments. For qualitative data, six (06) interviews were conducted until saturation was achieved. For the qualitative phase, purposive sampling was used to select key informants with in-depth knowledge and experience of corporate governance practices and compliance challenges.

Data collection was done through structured questionnaires and semi-structured interviews. The questionnaire was specifically developed for the present research and was informed by literature review on corporate governance. In this instance, the five-point Likert scale was constructed through literature on Local Authorities. A pilot study with (05) five respondents was conducted to check on content validity. These 5 respondents did not form part of the final sample. The questionnaire was also subjected to expert opinion by academics and practitioners who understood corporate governance of Local Authorities. The analysis of quantitative data was done using SPSS version 23, in which descriptive statistics were used to examine the institutional and operational challenges. A manual analysis was conducted for theme grouping of qualitative data.

4. Results and Discussion

The study sought to identify the challenges faced by a selected Local Authority in Zimbabwe in ensuring best corporate governance practice. Results presented in Table 1 shows that although various legislative frameworks have been put in place, various challenges that include institutional, political and operational have continued to weaken effective implementation of best corporate governance practices.

Table 1
Challenges faced in ensuring Corporate Governance Compliance in Local Authorities

Descriptor	N	Min.	Max.	Mean	Mean response	Std. Dev.
Inadequate institutional frameworks hinder effective governance	145	2	5	4.21	Agree	.890
Insufficient financial disclosure and grievance mechanisms undermine transparency	145	2	5	4.49	Strongly Agree	.740
Limited Resources impede effective governance	145	2	5	4.31	Agree	.820
Poorly Composed Boards	145	2	5	4.31	Agree	.880
Corruption undermines good governance	145	3	5	4.67	Strongly Agree	.650
Political Interference	145	3	5	4.64	Strongly Agree	.690
Overall	**145**	**2.67**	**5.00**	**4.44**	**Agree**	**.780**

Source: Researcher (2026)

The descriptive statistics presented in Table 1 are corroborated by the interview findings. Different views were offered by the respondents after being asked about the challenges that are faced by Local Authorities in ensuring best corporate governance practices in Local Authorities.

Respondent A offered that:
"…The main issue is that those that occupy higher offices in the organisation sometimes do not follow the law governing corporate governance…"

Another respondent, Respondent B, coined that:
"…we are lacking institutional capacity and resources. Also, sometimes good reforms and policies are introduced but there is no training and professional development, hence implementation of those good policies remains imaginary…"

Similarly, Respondent C remarked:

"…I find that interference of politics in the running of Local Authorities is the biggest challenge. Administrative decisions are at times politicised hence this renders corporate governance reforms ineffective…"

These remarks reflect how the interference and meddling of politics in the affairs of Local Authorities results in poor implementation of corporate governance reforms. The findings shows that although corporate governance reforms have been put in place, their effective implementation remains in political barriers.In Table 1, the descriptive statistics indicates considerably high mean scores that ranges from 4.21 to 4.67 and an overall mean score 4.44, which suggests that respondents generally agree to the fact that political challenges, institutional challenges and operational challenges acts as constraints to the implementation of effective and best corporate governance practices. The results show that weak and inadequate institutional framework (Mean = 4.21; SD = .89) has also been a notable challenge. This points to the fact that the policy environment that guides Local Authorities is weak and being poorly enforced. These findings corroborate with Chigudu (2020) who found that public sector institutions in the developing countries lack corporate governance frameworks that are capable of translating national reforms to a local level implementation. This therefore shows a structural gap that exist between policy formulation and its implementation which suggests that corporate governance challenges are not just operational but also institutional.

Limited financial disclosure was found to be another challenge in implementing best corporate governance (Mean = 4.49; SD = .74). This shows that, although governance reforms are in place, their implementation remains scanty and weak. This aligns with the findings by Maune (2015), who argued that poor disclosure by some Local Authorities in Zimbabwe contributes to distrust amongst residents and councils hence eroding public confidence in corporate governance processes. The implication is that transparency mechanisms in Local Authorities are not working well which therefore affects the effectiveness of corporate governance frameworks.

Through this study, it was found that resource constraints (Mean = 4.33; SD = .82) stands as another impediment to corporate governance compliance. Such a challenge limits the Local Authorities ability to fully implement corporate governance reforms. Consistent with this finding is the finding by Manyika and Marima (2025) who obtained that resource shortages have ofeten undermined implementation of reforms in Local Authorities which led to low level of compliance with corporate governance. This shows that the implementation of corporate reforms heavily depends on resource availability.

Furthermore, the other challenge of implementing best corporate governance is poorly composed boards (Mean = 4.31; SD = .88). Results indicate that boards are made up of members who are at times appointed to serve political interests. This board politicisation weakens board independence, accountability and creates conflict of interests. This is supported by Chigudu (2020), who found that political patronage in public institutions weakens governance structures and also undermines effective decision-making. This observation shows that corporate governance failure is related to institutional design and well as leadership design. Corruption (Mean = 4.67; SD = .65) and political interference (Mean = 4.64; SD = .69), had highest scores which shows high levels of agreement. These findings are aligned to the findings by Munyede and Mapuva (2020) and that of by Moyo (2021) who contends that corruption and politics have been deep rooted in Zimbabwean Town Councils which has led to low transparency, accountability and effective service delivery. This indicates that although corporate governance reforms have been put in place, their implementation has been affected by political barriers.

5. Conclusion

The study concludes that Zimbabwe has made very significant strides in establishing corporate governance frameworks that are similar and consistent with Organisation for Economic Co-operation and Development, however, there has been poor implementation by Local Authorities. Compliance with best corporate governance practices has been impeded by factors such as politics, board imbalances and board politicisation, inadequate enforcement mechanisms. Operational challenges such as limited financial and human capital, weak financial disclosure, and ineffective grievance handling procedures were noticed. These have further been compounded corruption and political interference which has eroded accountability and transparency. The study concludes that there is a gap between formal existence of corporate governance policies and their practical application.

5.1. Recommendations

In view of the findings obtained in the current study, the study recommends that there is need to strengthen enforcement mechanisms to ensure compliance with corporate governance practices. Regular compliance audit must be done for Local Authorities and stern and strict penalties for corporate governance breaches. Also, the State Enterprises Restructuring Agency (SERA), through the Corporate Governance Unit in the Office of the President, should continue having a strong stance on reform and monitoring of Public Entities that also includes Local Authorities. Such local Authorities should also invest in ongoing training and professional development of its staff that also include board members.

5.2. Areas of Further Research

The present study was based on a selected Local Authority in Zimbabwe. This affects generalisability of the results to all Local Authorities found in Zimbabwe. As such, future studies may include all local Authorities to ensure that results are generalisable. Moreover, future research could investigate how digital governance systems and e-monitoring tools enhance transparency and reduce corruption in local authorities.

Author Contributions

Elisha Mutize: wrote the introduction, establishing the research context, objectives, and rationale.
Enathi Qanga: conducted and synthesized the literature review.
Ireen Dzingai: prepared the results and discussion section and drafted the conclusions.
Admire Mthombeni: designed the research methodology, including the study design, data collection procedures, and analytical approach.

Competing interests

The authors declare no competing interests.

Funding

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

References

Adam, I. (2024). *Transparency, accountability, and integrity of public procurement systems* (Transparency International Anti-Corruption Helpdesk, Issue. https://knowledgehub.transparency.org/helpdesk/transparency-accountability-and-integrity-of-public-procurement-systems

Adams, R., & Stone, K. (2024). Responsible AI governance: Rule of law-responsibility and accountability. In.

Akinwunmi, O. (2025). Role of Political Parties in Democratic Consolidation in Nigeria. In.

Akwasi Adu, D. (2023). *An examination of how sustainable business practices and firm performance are influenced by board diversity and executive compensation: The case of UK FTSE 350 non-financial firms* [Doctoral dissertation, University of Limerick].

Andole, O. H. (2016). *The state of solid waste management in Kenya*.

Augustine, A. A. (2025). Auditing in Local Governments: Panacea for Accountability, Transparency, and Ethical Standards in Grassroots Governance and Service delivery in the 21st Century. *International Journal of Management and Economics Invention*, *11*(03), 4124-4135. https://doi.org/10.47191/ijmei/v11i3.15

Babacan, C. E. (2025). Directors' Conflict of Interest Duties Under the Companies Act 2006: Compliance Measures and Consequences of Non-Compliance. *İbn Haldun Üniversitesi Hukuk Fakültesi Dergisi*, *3*(1), 49-86.

Berman, D. R. (2019). *Local Government and the States*. Routledge. https://doi.org/10.4324/9780429507038

Bolton, A., & Thrower, S. (2021). *Checks in the Balance* (Vol. 193). Princeton University Press. https://doi.org/10.2307/j.ctv1qz69gd
Bowman, J. S., & West, J. P. (2021). *Public Service Ethics*. Routledge. https://doi.org/10.4324/9781003203148
Chigudu, D. (2020). Public sector corporate governance: Zimbabwe's challenges of strategic management in the wake of sustainable development. *Academy of Strategic Management Journal*, *19*(1), 1-13.
Corbett-Nolan, A. (2024). Fairness in Boards and Governance. In *Fairness in the NHS* (pp. 37-49). Routledge. https://doi.org/10.4324/9781003410560-5
Costa, A. P. P. d. (2017). Corporate Governance and Fraud: Evolution and Considerations. In *Corporate Governance and Strategic Decision Making*. IntechOpen. https://doi.org/10.5772/intechopen.68489
Gelter, M., & Puaschunder, J. M. (2021). COVID-19 and Comparative Corporate Governance. *SSRN Electronic Journal*, *46*, 557. https://doi.org/10.2139/ssrn.3772965
Hermanu, A. I., Sundari, T., & Radjasa, O. K. (2025). Efficiency Analysis of International Research Collaboration: A DEA Approach on Indonesian University Research Partner Countries. *Higher Education Quarterly*, *79*(1), e70008. https://doi.org/10.1111/hequ.70008
Jamane, L. (2020). *Implementation of the Auditor-General's recommendations in South African state-owned enterprises* [Thesis or dissertation; degree level not supplied, University of Johannesburg]. South Africa.
Jiang, F., & Kim, K. A. (2024). Understanding corporate governance in China. *The British Accounting Review*, *56*(5), 101459. https://doi.org/10.1016/j.bar.2024.101459
Langseth, P. (2016). Measuring corruption. In *Measuring Corruption* (pp. 7-44). Routledge.
Mallin, C. A. (2018). *Corporate Governance*. Oxford University Press. https://doi.org/10.1093/hebz/9780198806769.001.0001
Manyika, T., & Marima, N. E. (2025). Institutionalizing Governance reforms for curbing corruption in Zimbabwe’s State-Enterprises. *Journal of Management Sciences, Innovation, and Technology*, *1*(1). https://doi.org/10.63726/jmsit.v1i1.308
Maranga, V. G. (2022). *Corporate Governance in Kenya: The Dilemma of Achieving Equality in Board Management* [Doctoral dissertation, University of Nairobi].
Maropo, O. J. (2018). *The lack of accountability and transparency in local government in South Africa* [Doctoral dissertation, University of the Free State].
Maune, A. (2015). Corporate Governance in Zimbabwe: An Overview of Its Current State. *Asian Economic and Financial Review*, *5*(1), 167-178. https://doi.org/10.18488/journal.aefr/2015.5.1/102.1.167.178
Moyo, N. J. (2021). *Corporate Governance in Zimbabwe's Public Entities*. https://doi.org/10.4324/9781003168317
Mthombeni, A. (2021). Corporate governance reform strategies for State-Owned Enterprises (SOEs): An integrated review of related literature. *Indonesian Journal of Business and Economics*, *4*(2). https://doi.org/10.25134/ijbe.v4i2.4888
Mthombeni, A., Obert, S., Juet, N., Bronson, M., & Sydney, M. (2023). Challenges and Prescriptions to Corporate Governance Issues Facing State-Owned Enterprises (SOEs): A Zimbabwean Perspective. *Indonesian Journal of Innovation and Applied Sciences (IJIAS)*, *3*(3), 252-263. https://doi.org/10.47540/ijias.v3i3.985
Mthombeni, A., Sifile, O., Manuere, F., Nyamudzodza, J., & Mbizi, R. (2024). Corporate Governance Reform and Sustenance of State-Owned Enterprises (Soes) in Zimbabwe. *Malaysian Management Journal*, *28*, 25-66. https://doi.org/10.32890/mmj2024.28.2
Munyede, P., & Mapuva, J. (2020). Exploring Public Procurement Reforms in Rural Local Authorities in Zimbabwe. *Journal of Public Administration and Governance*, *10*(1). https://doi.org/10.5296/jpag.v10i1.15156
Mwai, J. W. (2023). *A Critique of Corporate Governance Practices at the National Crime Research Centre in Kenya* [Doctoral dissertation, University of Nairobi].
Nikani, A. (2022). *Government Intervention in Cross-Border Mergers and Acquisitions and Its Impact on M&A institutions: A case of South Africa*. https://doi.org/10.2139/ssrn.4122537
Organisation for Economic Co-operation and Development. (2004). *OECD Principles of Corporate Governance 2004*. OECD Publishing. https://doi.org/10.1787/9789264015999-en

Panda, B., & Leepsa, N. M. (2017). Agency theory: Review of Theory and Evidence on Problems and Perspectives. *Indian Journal of Corporate Governance*, *10*(1), 74-95. https://doi.org/10.1177/0974686217701467

Rahman, M. S., & Akter, S. (2024). City Corporation (CC): An Analysis of Evolution, Structure, Functions, Election, and Finance. In *Mobilizing Financial Resources of Urban Local Government in Bangladesh* (pp. 47-103). Springer Nature Singapore. https://doi.org/10.1007/978-981-96-2856-8_3

Rani, K. (2024). Sustainable Development Goals through Proper Governance and Accountability. In *Sustainable Development Goals & Business Sustainability* (pp. 91).

Rwodzi, A. (2024). Multiparty Democracy and Militarised Transition. In *Multiparty Democracy in Zimbabwe* (pp. 209-257). Springer Nature Switzerland. https://doi.org/10.1007/978-3-031-51284-1_7

Saeed, M. M. (2025). Corporate governance and international financial reporting standards compliance among Ghanaian-listed companies. *International Journal of Managerial and Financial Accounting*, *17*(3), 331-348. https://doi.org/10.1504/ijmfa.2025.147042

Said, S. (2025). Corporate Governance and Firm Performance: A Review of Theories and Hypotheses. *OALib*, *12*(05), 1-14. https://doi.org/10.4236/oalib.1113393

Salehi, M., Ammar Ajel, R., & Zimon, G. (2022). The relationship between corporate governance and financial reporting transparency. *Journal of Financial Reporting and Accounting*, *21*(5), 1049-1072. https://doi.org/10.1108/jfra-04-2021-0102

Sami, D. I. S. (2023). The role of corporate governance in attracting foreign direct investment study the case of Iraq. In.

Shaba, Y., & Usman, M. F. (2024). Corporate Governance: Exploring Key Concepts, Mechanisms, and Historical Evolution. *Asian Research Journal of Arts & Social Sciences*, *22*(11), 20-29. https://doi.org/10.9734/arjass/2024/v22i11588

Sithole, H. L. (2013). *A critical analysis of the South African health policies and programmes with regard to eye health promotion*. University of South Africa (South Africa).

Solomon, J. (2020). *Corporate governance and accountability*. John Wiley & Sons.

Sumner, G., & Smith, R. (2024). *Planning Local Authority Services for the Elderly*. Routledge. https://doi.org/10.4324/9781032685410

Tichaona, T. K. (2024). *Critical examination of fiscal transparency effectiveness in local government in developing countries: The case of Mutare City Council, Zimbabwe, 2010-2020* [Doctoral dissertation, University of the Western Cape].

Woods, C. L., & Stokes, A. Q. (2019). 'For the game, for the world': An analysis of FIFA's CSR initiatives. *Public Relations Inquiry*, *8*(1), 49-85. https://doi.org/10.1177/2046147x18804286

Yan, M., & Zhang, D. (2020). From corporate responsibility to corporate accountability. *Hastings Business Law Journal*, *16*, 43.

Zuva, J., & Zuva, T. (2018). Corporate governance and organisational performance. *International Journal of Business and Management Studies*, *10*(1), 16-29.