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A REVIEW ON THE IMPORTANCE OF STANDALONE ADVISORY BOARDS IN STATE OWNED ENTERPRISES

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ABSTRACT

Organisations that require regular expert advice could create a separate advisory board to complement their main statutory boards. When established correctly, these independent advisory boards can support and enhance an organization's main statutory boards. The present analysis investigates the role that independent advisory boards play in improving governance, accountability, and strategic decision-making inside state-owned enterprises (SOEs). Focussing on the distinct governance obstacles encountered by State-Owned Enterprises (SOEs), the research subject primarily revolves on the impact of political dynamics and the deficiency of specialised knowledge on state boards. The study investigates how advisory boards can be effective in dealing with SOE governance and performance issues.

As part of the process, a thorough evaluation of the literature is conducted, synthesising previous research on the function and effectiveness of advisory boards in SOEs. The results show that advisory boards may improve risk management, foster openness, and offer insightful outside viewpoints—all of which can lead to improved

governance outcomes. Nevertheless, obstacles including power imbalances, insufficient rewards for independent directors, and problems with the makeup of the board may restrict their efficacy.

The research findings indicate that although independent advisory boards have many benefits, their effectiveness is contingent upon their thorough incorporation into current governance frameworks and the resolution of certain underlying issues.

The study's results underscore the necessity for policymakers to consider advisory boards as a tactical instrument to enhance SOE governance. Future studies can include comparative studies between various contexts, empirical studies on the effects of advisory boards, and examination of optimal board integration and composition strategies.

INTRODUCTION

The OECD (2015) states that a bigger, and more independent board that is able to give senior management access to crucial knowledge, skills, and information is better suited to carry out a board's advising duty. This indicates that companies with independent advisory boards have a special group of professionals whose primary responsibility is to advise the statutory board and the executive team. However, a research by Rohrbeck and Kum (2018) found that the size and complexity of a firm positively varies with the advising function of the board. This implies that the organization's makeup matters in terms of size and complexity.

The major focus of this review is the significance of advisory boards in state-owned firms. In the majority of developing nations, state-owned enterprises are often large, intricate companies that occasionally exhibit subpar performance and governance issues. Furthermore, the majority of the statutory boards of state-owned enterprises are made up of non-technical people who may not be industry or business experts. The majority of board members are chosen primarily on the basis of their political affiliation, with little consideration paid to a candidate's experience in the business or sector of the State-owned Enterprises (SOE). As a result, Liff (2019) contends that in order for the directors to properly fulfil their advising duty, they must possess greater industry and commercial understanding. They must consistently receive and disseminate timely, high-quality information in order to stay abreast of advancements in the business and industry.

According to Alshareef and Sandhu (2015), advisory boards are intended to supplement internal strategic thinking, comprehension, and expertise in more difficult circumstances by bringing in outside specialists. Therefore, it is important to strike a balance when a firm creates a distinct advisory board so that people with expertise and talent may be included (Block & Gerstner, 2016). This implies that advisory boards require a precise mandate outlining their goals, terms of reference, and membership in order to function effectively. Furthermore, Aras and Crowther (2016) contend that the chairman of such a board should establish a tone for advisory discussions that is appropriate and relevant in order to meet the performance needs of the organisation. This advisory board functions best when its chairman cultivates and builds strong working relationships with management and the primary statutory board members. As such, the purpose of this expertise is to supplement the management and the statutory board of directors' strategic thinking, comprehension, and knowledge in the short term until it is disbanded at the conclusion of its mandate.

According to Björklund and Dahlström (2016), the advisory board's external specialists provide the board and management a variety of insights and abilities that go beyond their regular purview. Despite this, the current statutory boards lack a great deal of the experience that an advisory board may offer, including knowledge of brand ambassadors, in-market strategies, reputation management, public relations, international markets, scientific advancements, and upcoming technology. As a result, the consultative and strategic roles of statutory boards are sometimes obscured by their conventional function as stewards of an organization's assets.

CORPORATE GOVERNANCE IN STATE OWNED ENTERPRISES

Due to the possible macroeconomic consequences of inadequate corporate governance frameworks, the term "corporate governance" has become widely used among economists (Claessens & Yurtoglu, 2013). The function of boards as the central instrument of sound corporate governance in SOEs is particularly noteworthy (Adams, 2016). An organization's board of directors has the power to affect how well and efficiently goods and services are delivered (Wilkinson, 2017). Nonetheless, managing a state-owned company is an enormous responsibility for a local, regional, and national leadership government (OECD, 2020). The supply of public goods and services in an economically and sustainably viable manner greatly depends on this endeavour. These are autonomous organisations that the government owns either entirely or in part in order to achieve the various socioeconomic goals of the state. Through their commercial operations, a few of these SOEs should, nonetheless, be carrying out a dual developmental and commercial mission. This indicates that maximising financial returns or profits from its primary business and activities is one of the SOE's mandate's economic objectives.

The institutional architecture and regulatory regimes that SOEs implement, both in and outside of their own nations, are shaped by their significance as actors and can spark discussions about alternate approaches to development. Nonetheless, political concerns, competing goals, and the lack of an efficient owner are some of the significant difficulties brought on by public ownership of SOEs. Concerns regarding poor profit incentives, politicised decision-making, limited autonomy, and ineffective performance monitoring are brought up by these difficulties. A research by Nethononda and Chakauya (2023), however, revealed that state-owned enterprises in South Africa lack standing advisory boards that are expressly in charge of offering independent advice services to the statutory board against the backdrop of these SOE issues. The advisory board function is carried out by the SOEs without the need for a separate board created under a dual system. Instead, SOEs employ the unitary system, in which the board of directors is viewed as a crucial strategic tool that offers the company both strategic and consultative services. Accordingly, the unitary system consists of a single system designed to supply resources, success information, and professional advice to the Chief Executive Officer (CEO) and senior management (Palaniappan, 2017).

Hence, the significance of having a dual system board system—a separate advisory board established to offer the main board both broad and specialised advisory expertise—is explained in this review study. As a result, the purpose of this study is to fill the research gap from Nethonondo and Chakauya's (2023) investigation into the suitability of freestanding advisory boards in SOEs by asking the following question: What are the roles, value, and advantages of an independent advisory board in an SOE? What are the challenges of having independent advisory boards in government-owned businesses?

METHODOLOGY

A thorough literature analysis was used as the research technique in this study, providing a solid framework for synthesising the body of knowledge about the function and efficacy of freestanding advisory boards in SOEs. This process involved a number of crucial procedures, such as the identification of relevant material and the selection of criteria from academic journal articles, research reports, and industrial publications. In order to discover important results, gaps, and trends in the body of existing research, the chosen literature was subjected to a thematic analysis that aimed to pinpoint the primary roles, benefits, and values of freestanding advisory boards in SOEs. The search parameters were narrowed down to subjects pertaining to SOEs, corporate governance, and advisory boards. Literature that was unsuitable for with these research parameters were not included. The synthesis of the literature's insights allowed for the drawing of conclusions on the significance of independent advisory boards in SOEs as well as the difficulties that advisory boards in organisations face. A critical assessment of the literature's shortcomings, including potential biases, gaps in empirical data, and the applicability of findings in other circumstances, was part of the process. Overall, the technique used for this literature analysis offered an organised means of examining the intricacies of advisory boards in SOEs, making it possible to pinpoint optimal procedures, obstacles, and suggestions for more study.

LITERATURE REVIEW

The following sections discusses the importance of having independent advisory boards in state-owned enterprises by discussing its the roles, advantages and values. The discussion concludes by weighing-in on the challenges and limitations of standalone advisory boards in SOEs.

ROLES, ADVANTAGES AND VALUE OF STANDALONE ADVISORY BOARDS IN STATE-OWNED ENTERPRISES

Advisory boards are seen to be a crucial component of the makeup of an organisation’s boards. According to Courtney et al. (2020), an advisory board is made up of a group of people who are appointed and have different areas of knowledge. Their role in an organisation is to provide a specific function such as providing technical help and access to information related to the organization's goal. The individuals on this board are frequently chosen with great care due to their expertise in the field or ability to speak for certain stakeholders whose lives are touched by the organization's activities. The relationships and viewpoints of board members frequently enhance the calibre and longevity of an endeavour (Courtney, et al., 2020). An advisory board is a system made up of different, interconnected sub-systems (people) that interact with the current statutory board in a complementary and reciprocal manner. The board system meets on a regular basis to talk about a decision or problem at the group level. The specific path of action that emerges may be understood as a result of the system taking into account individual perspectives and all of their similarities and distinctions. The following are the main roles, advantages and values of standalone advisory boards:

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Improving the governance and performance of SOEs

Across the globe, standalone advisory boards are becoming a more and more common way to enhance the performance and governance of state-owned businesses. Without the official statutory authority of a regular corporate board of directors, these advisory boards are usually composed of industry insiders and external specialists who offer the management team strategic counsel and supervision (Hughes, 1995). Advisory boards, however, have no control over the administration of an institution. Furthermore, a stand-alone advisory board cannot take the place of a statutory board. The main board is still in charge of general management supervision, performance monitoring, strategy approvals, and risk assessments. This indicates that the primary goal of an advisory board is to provide the main board with expertise that is clearly defined by group responsibility and final decision-making power.

Independent advisory boards can improve SOE openness and accountability. These boards may aid in ensuring that the company is acting in the best interests of its stakeholders, which include the government, the workforce, and the general public, by offering an extra degree of inspection and monitoring. This can be crucial in SOEs because, compared to privately held businesses, there may be a greater chance of conflicts of interest and incentive mismatches.

Additionally, the advisory board approach can aid in addressing a few of the typical governance flaws found in a lot of state-owned businesses, such as an uneven board membership, a lack of independent scrutiny, and inadequate performance evaluation. While government officials and internal executives frequently predominate on state-owned company boards, freestanding advisory boards can be set up to include a higher percentage of external, independent members who are not subject to political pressures. This can improve the board's capacity to hold management responsible and offer frank, critical criticism (Lu & Zhu, 2020). Because of the complexity of government ownership and management, state-owned firms frequently confront particular governance issues (Simpson, 2014). The creation of an independent advisory board is one possible way to resolve these issues (Schiehll et al., 2017). Within state-owned businesses, advisory boards may be a useful tool for advancing social responsibility and business ethics (Hughes, 1995). Advisory board members can offer an unbiased opinion on significant matters of corporate governance and accountability because of their independence and outside viewpoint. Thus, in state-owned businesses, advisory boards may have a big impact.

Independent and impartial oversight

The capacity of freestanding advisory boards to provide outside viewpoints and expertise to supplement the internal management team's knowledge and experience is a crucial function in the setting of state-owned businesses (Simpson, 2014). Insiders may find it challenging to properly traverse the specific problems that state-owned firms typically confront, such as political influence, bureaucratic procedures, and conflicting stakeholder interests. State-owned firms can have access to a wider range of talents and insights to support their strategic decision-making by forming a diverse advisory board comprising people from academia, the private sector, and other pertinent backgrounds.

In many countries, state-owned businesses are vital to the economy, frequently acting as key catalysts for expansion and prosperity (Ximena & Liu, 2015). However, because of their hybrid nature—which combines public policy concerns with commercial objectives—these companies may encounter particular governance issues (Simpson, 2014). Forming independent advisory boards that can offer unbiased supervision and knowledgeable direction is one way to improve the administration of state-owned businesses. Research to date indicates that advisory boards can benefit state-owned businesses in a number of ways. This advisory function can be especially helpful in state-owned businesses, where the governing board may consist mostly of political appointees or government officials, who may not have the necessary outside viewpoint or industry expertise to effectively oversee operations (Simpson, 2014). By bringing in outside specialists who can provide unbiased, objective advice, advisory boards can assist in closing this gap (Hughes, 1995).

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Usually comprised of independent directors with a wide range of experience and connections, these advisory boards can supplement the monitoring offered by influential controlling shareholders or government officials on the main corporate board. State-owned businesses may benefit greatly from this depth of knowledge and outside viewpoint, as they often have to make difficult policy decisions and deal with complicated strategic choices. Normally, it would be challenging to formally hire these specialists on short notice from the market.

Because they may offer unbiased and independent monitoring, standalone advisory boards in state-owned firms can be extremely valuable. These boards have the ability to critically evaluate the plans, operations, and decision-making procedures of state-owned businesses since they are independent of the management structure of the organisation. This outside viewpoint can assist uncover possible problems, refute presumptions, and offer different perspectives that would not be found within the company. The ability of freestanding advisory boards to bring in a wide spectrum of knowledge and experience is one of its main advantages. As such, financial, legal, industrial, and public policy experts can be added to an advisory board, giving SOEs access to a wider pool of expertise to help them make decisions. This variety of viewpoints can be especially helpful in tackling the intricate problems encountered by state-owned businesses, which frequently function in highly regulated and politically delicate situations.

Greater flexibility and responsiveness

Compared to the more formal and inflexible statutory corporate board model, the advisory board structure also provides state-owned firms with increased flexibility and response. Advisory board members are not restricted by the legal responsibilities and obligations of regular statutory board members; instead, they may concentrate on offering strategic counsel, exchanging industry expertise, and putting the organisation in touch with helpful networks and resources (Schiehll et al., 2017). Since state-owned businesses are sometimes hampered by bureaucratic procedures and the requirement to conform to larger government goals, they are especially well-suited to fostering innovation and managing quickly shifting market conditions.

Independent advisory boards may provide insightful direction on risk management and strategic decision-making. In order to negotiate difficult market situations, spot new trends, and make well-informed decisions about partnerships, investments, and operational adjustments, SOEs may benefit from their unbiased research and suggestions. This can be especially helpful during uncertain times or when there is a major organisational change.

Advisory boards, in contrast to a standard board of directors, are meant to supplement the principal governing body's supervision function; they are not endowed with fiduciary or decision-making duties (Courtney et al., 2020). Advisory boards, however, are free to meet less frequently, on an as-needed basis, and to concentrate on a narrow range of topics due to their lack of statutory and fiduciary obligations. As a result, advisory boards are free to focus more on their primary duties and have less formalities. They are also not required to make frequent formal disclosures about their work, compensation, term limits, committee composition, and legislative election procedures.

To make sure the advisory board is genuinely contributing value and not just acting as a rubber stamp for management choices, careful consideration must be given to its makeup, hiring procedure, and management style (Courtney et al., 2020). Additionally, state-owned businesses need to find the ideal balance between maintaining the formal board of directors' ultimate power and responsibility and utilising the expertise of the advisory board. In general, the rising use of independent advisory boards by state-owned businesses indicates that these complex organisations require more flexible, expert-driven governance structures in order to function in a dynamic and competitive global marketplace.

Distinct and separate advisory functioning board

Although most literature puts these groups of people together as governing boards, advisory boards can be treated separately to emphasise their unique importance from other governing boards like board of directors (BODs) and supervisory boards. Consequently, advisory boards are now recognised as a widely acknowledged phenomena that may be described as "an organised, collaborative way for organisations to involve outside experts" (van Helvert-Beugels, 2018, p. 4). Nonetheless, some scholars have previously made a distinction between forced and voluntary advisory boards as separate categories of advisory boards. In the former case, investors and venture capitalists may demand that companies establish an advisory board with the primary objective of overseeing the company (Soderlund et al., 2017; Weber, 2017).

By serving in an advising and oversight capacity, a board's main responsibility is to guarantee that management is operating in the best interests of the shareholders. As such, Adams and Ferreira (2007) examined the effects of the board's double responsibilities to monitor and advice managers. The study illustrated that a CEO must weigh the pros and cons of sharing information with the Board in light of this dual function. Better advice is given if the CEO divulges information, but the board will also be more aware and can closely monitor the CEO. The CEO could be reluctant to provide information to it as a result. As a result, management-friendly boards may be best. Thus, a CEO may not have to give up information when the two tasks of monitoring and advising are divided.

According to the model developed by Adams and Ferreira (2007), shareholders may choose a dual board structure over a single board structure under some situations. Though the two board’s duties can be kept apart in a dual board structure, this arrangement may also be duplicated by using board committees to keep the roles apart. For instance, the audit committee in the United States and the United Kingdom's solitary board systems can be seen as performing certain duties associated with a advisory Board. According to this model, this could also provide some insight into the policy discussion surrounding audit committees.

Moral hazard issues occur in a single board model when the CEO's chosen initiatives diverge from the shareholders'. For example, when the board successfully monitors, the board effectively controls project selection, and the CEO loses important control benefits and is unable to implement their favoured initiatives. In contrast, the board can advise the CEO in cases where it lacks influence over project selection. However, the key premise is that when the CEO gives the board more accurate information about the company's investment prospects, the quality of the Board's advice will increase.

Board and top management advisory service

According to Nethonondo and Chakauya (2023), advisory boards are a product of the stewardship theory, which states that a board of directors should use its knowledge to assist the CEO and management by actively participating in the process of making strategic decisions. In particular, the board should advise top management on the beginning, developing, and implementing of the strategy. In order to assist management on important strategic and operational choices, advisory board members may be chosen based on the depth of their relevant experience and external contacts (Schiehll et al., 2017). In a similar vein, the advisory board perform strategic involvement as guardians of an organization's assets according to the stewardship perspective (Björklund & Dahlström, 2016). Therefore, a statutory board may find that the advisory board is a helpful instrument for refuting its presumptions on technical and specialised matters. By doing this, the statutory board may avoid groupthink and acquire the specialist knowledge needed to provide appropriate and proper guidance. But non-monetary rewards exist for managers as well, such success, recognition, and intrinsic satisfaction from performance (Tziner et al., 2013). In spite of this, the degree to which the organisation is set up to support a high-performance culture in management determines the effectiveness of this strategy (Alqudah et al., 2022). As a result, the advisory board is seen as a strategic tool that the CEO and management use to execute, develop, and start strategy (Liff, 2019). As a result, the OECD (2015) suggested that a large, more independent board should carry out the advising function for maximum effectiveness.

Bridge between statutory board and the controlling shareholders

Advisory boards can act as a liaison between the controlling shareholders and the statutory board, offering a third-party avenue for the debate of important matters (Schiehll et al., 2017). This can be crucial in state-owned businesses because of the possibility of conflicts of interest or information asymmetries resulting from the government's dual position as a majority shareholder and policymaker. Advisory boards may aid in ensuring that a greater range of stakeholder interests are taken into account during the decision-making process by providing independent advisers a voice.

Bridge between the state-owned enterprise and the broader business community

Advisory boards can further act as a conduit between the state-owned company and the larger business community. The advisory board may aid in improving the enterprise's credibility and access to outside resources and networks by comprising people with solid industry connections and reputations (Schiehll et al., 2017).

Positive impact on the innovation commitment

Research indicates that independent advisory boards may positively impact state-owned businesses' dedication to innovation (Schiehll et al., 2017). This is a crucial factor to take into account since these organisations are frequently asked to balance achieving larger social goals with navigating quickly shifting market circumstances and technological changes. However, advisory boards' efficacy in state-owned businesses is not without its difficulties. For instance, the main corporate board's independent directors might not have as strong of a motive to oversee management, which might restrict their governance impact. This implies that an advisory board's final efficacy will be determined in large part by its makeup, structure, and connection to the main board.

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Overall, the results of this review demonstrate that creating independent advisory boards within state-owned businesses may be a useful strategy for strengthening accountability and transparency, as well as for facilitating better governance and decision-making. Through the utilisation of these boards' independence and competence, SOEs may improve their performance, reduce risks, and better serve the public interests that they are responsible for upholding. Moreover, state-owned businesses may benefit greatly from the creation of an independent advisory board. Advisory boards have the potential to strengthen corporate governance and social responsibility, increase the enterprise's reputation and connections, supplement the primary governing body's monitoring, and bring in outside experience and viewpoints.

The next section discusses some possible challenges for having standlone advosry boards in SOEs.

CHALLENGES OF STANDALONE ADVISORY BOARDS IN STATE-OWNED ENTERPRISES

State-owned businesses have distinct governance issues to deal with, especially in regards to the function and efficacy of their advisory boards. Although advisory boards can offer useful outsider insights and experience, they frequently fail to fulfil their original function in state-owned firms when they operate independently

(Simpson, 2014). The fundamental conflict between the advisory board's function and the power structures in state-owned businesses is one of the main obstacles. Since their roles are frequently viewed as less important or powerful than those of the executive team, independent directors on the advisory board may not have as strong of an incentive to actively monitor and influence decision-making (Lu & Zhu, 2020).

Moreover, the makeup and hiring practices of advisory boards in state-owned businesses have the potential to undermine their efficacy. Research from industrialised countries indicates that these boards frequently do not have the right proportion of non-executive and executive directors, nor do they have defined standards for who is appointed to the board (Simpson, 2014). In state-owned businesses, well-thought-out and powerful advisory boards can still be extremely important. State-owned businesses should think about integrating their advisory boards more tightly with the entire governance structure to avoid the frequent difficulties of independent advisory boards and to provide a clear separation of roles and authority (Simpson, 2014). Furthermore, the advisory board's capacity to offer insightful guidance and supervision may be reinforced by concentrating on the makeup of the board, the selection procedure, and performance review (Hughes, 1995). The composition of this board should be decided upon using the advisory board objectives as a benchmark. Like any other board, a combination of expertise and knowledge may enhance board performance, thus it should not be ignored. It is unclear if the advantages that SOEs receive from the performance of their advisory boards will outweigh the costs of having two boards.

While there are many different obstacles that standalone advisory boards in state-owned enterprises must overcome, these bodies can still be very helpful in navigating the intricate world of managing state-owned enterprises if governance structures and board dynamics are carefully taken into account.

CONCLUSION, LIMITATIONS, IMPLICATIONS, AREAS FOR FURTHER STUDIES

The review comes to the conclusion that independent advisory boards are essential to improving accountability, governance, and decision-making in SOEs. These boards offer insightful outside knowledge and viewpoints that might lessen the difficulties brought on by SOEs' sometimes intricate and politically charged structure. The primary role, benefit, and value of independent advisory boards is the improved governance that results from their ability to supplement statutory boards' supervision with specialised expertise that strengthens SOEs' overall governance framework. By acting as a liaison between the controlling shareholders and the statutory board, as well as between the SOE and the larger business community, advisory boards fill gaps in communication and encourage stakeholder involvement. Independent advisory boards have a favourable effect on innovation commitment and foster corporate ethics and social responsibility inside SOEs. Nevertheless, despite their potential advantages, advisory boards frequently encounter difficulties that compromise their efficacy, including power imbalances, a lack of prestige in comparison to executive teams, and problems with the composition and selection procedures. All things considered, the creation of independent advisory boards is viewed as a tactical tool that, when properly addressed, may greatly improve the efficiency and transparency of state-owned businesses.

Due to potential bias in literature selection and availability, this review study is restricted in its breadth, perhaps omitting important research or viewpoints that may offer a more thorough knowledge of the subject. The review's conclusions might not apply to all SOEs in the same way because governance frameworks and issues differ greatly depending on the nation, sector, and organisational setting. Since there are no empirical data in the review, it lacks the robustness required to bolster our results. Although the review covers the advantages of advisory boards, it might not go into enough detail on the subtleties and complexity of the difficulties they encounter. The review's practical usefulness may be limited since it does not offer comprehensive suggestions on how to integrate and execute advisory boards within current governance frameworks. Since the governance environment is always changing, the evaluation could not have taken into consideration more current advancements or modifications to SOE advisory board procedures. These drawbacks imply that, despite the review's insightful contributions, more investigation and empirical work are required to confirm its conclusions and improve knowledge of advisory boards' functions in SOEs.

According to the research, establishing independent advisory boards may greatly improve SOE governance procedures, which will improve accountability and decision-making. This demonstrates the importance of taking these structures into account when reforming governance for stakeholders and policymakers. The assessment also emphasises the value of multiple viewpoints in strategic decision-making, suggesting that SOEs can gain by combining a range of specialities to successfully negotiate challenging regulatory frameworks and market situations. The assessment also demonstrates how advisory boards may help SOEs become more transparent and accountable, which is important for upholding public confidence and achieving social goals. Finally, the review's findings indicate that advisory boards may be extremely helpful in risk management by offering outside evaluation and direction, which is especially crucial in politically delicate situations.

Future research should concentrate on empirical analyses that use case studies or quantitative analysis to evaluate the real influence of advisory boards on the governance and performance of SOEs. As an alternative, studies comparing advisory boards' efficacy in various developing nations or sectors may shed light on industry best practices and environmental variables that affect their performance. It would be helpful to comprehend the durability and effectiveness of advisory boards in changing circumstances through long-term research that examine how they have changed and impacted society over time.

Additional investigation may be conducted to examine the successful incorporation of advisory boards into current governance structures, as well as the distinctions between the functions and duties of statutory and advisory boards. Additionally, examining the ways in which advisory board membership (such as independence, or variety of experience) influences efficacy may yield insightful information for SOEs seeking to maximise their advisory frameworks. Further research on the particular difficulties faced by advisory boards in SOEs, as well as possible strategies or models for resolving these difficulties, would be helpful. In addition, research on the function and efficacy of advisory boards that incorporates viewpoints from a range of stakeholders, such as government officials, managers, and workers, might improve our knowledge of their significance. Through a thorough examination of these implications and potential topics for future study, researchers may advance a more sophisticated comprehension of the advisory board's function in improving the governance and operational efficiency of state-owned businesses.

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