

PRESIDENT

President pushes cabinet to fast-track NDP6 implementation

p. 09



LEGACY COMFORT

Legacy comfort: Why your best employees are hiding your staffing crisis

p. 16



ECONOMIC

Namibia's rural-urban gender divide poses long-term economic risk

p. 22



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BRIEF

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Possible SA prime phase-out may create headaches for Namibian banks

FRIDAY 30 JANUARY 2026

MAIN STORY

Possible SA prime phase-out may create headaches for Namibian banks

The possible phasing out of the prime lending rate in South Africa would not undermine Namibia's monetary policy alignment, but could introduce structural and operational challenges for the domestic banking sector, according to Simonis Storm Economist Almandro Jansen.

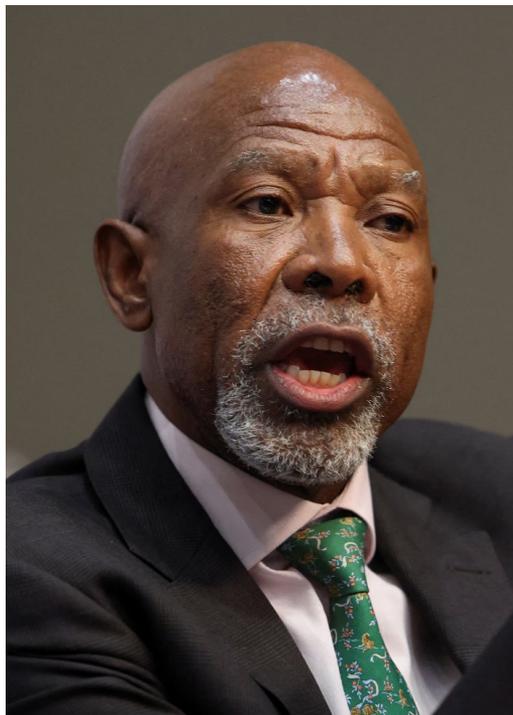
The debate follows indications from the South African Reserve Bank (SARB) that the long-standing prime lending benchmark may be scrapped.

Jansen told The Brief that Namibia's monetary framework is anchored in maintaining the one-to-one exchange rate peg with the South African rand, rather than mirroring specific retail lending benchmarks.

As a result, the Bank of Namibia focuses primarily on aligning its policy rate with that of the SARB to manage capital flows and preserve reserve adequacy.

He said Namibia's ability to maintain monetary alignment would remain intact even if South Africa moves away from prime, provided close coordination of policy rates is maintained.

"Namibia's monetary policy framework is fundamentally anchored in preserving the one-to-one exchange rate peg with the South African rand, rather than in the specific structure of retail lending benchmarks used by commercial banks,"



Crucial Dates

- **Bank of Namibia Monetary Policy announcement dates:**
 - * 18 February 2026
 - * 22 April 2026
 - * 17 June 2026
 - * 12 August 2026
 - * 21 October 2026
 - * 02 December 2026
- **Namibia Oil and Gas Conference 18–21 August 2026 in Windhoek**

Jansen said.

However, he cautioned that a structural shift in South Africa's interest rate framework would have important second-round effects for Namibia.

He noted that Namibia's banking sector is deeply integrated with South Africa through ownership structures, funding channels, pricing systems and risk management frameworks.

A divergence in retail reference rates, he said, would increase operational complexity for banks, weaken cross-border product comparability and potentially blur monetary policy transmission across the Common Monetary Area.

Over time, this could place pressure on Namibia to reassess its continued reliance on a prime-based pricing convention.

From a policy perspective, Jansen said the critical issue is whether changes in the policy rate continue to pass through clearly and proportionately to retail lending rates.

"The most material issue is not whether Namibia retains or abandons prime per se, but whether changes in the policy rate continue to pass through predictably and proportionately into retail lending rates," he said.

If South African banks adopt benchmarks that transmit policy changes more directly, while Namibian banks remain anchored to prime, the effective stance of monetary policy could begin to diverge in practice, despite formal alignment of repo rates.

Jansen said this could complicate policy communication and weaken signals intended for households and businesses.

He said such a shift would require the Bank of Namibia to prioritise functional alignment over institutional mimicry,

potentially modernising its domestic reference-rate framework to preserve comparable financial conditions across borders.

"This would not represent a loss of monetary autonomy," Jansen said. "In a pegged exchange rate regime, credibility depends not only on matching policy rates, but also on ensuring comparable financial conditions across borders."

For households and businesses, he said the removal of prime would mainly affect how borrowing costs are structured and communicated. The current prime-based system, he noted, obscures the drivers of interest rates by combining policy stance, bank funding costs and borrower risk into a single reference point.

A shift to policy- or base-rate-linked pricing would improve transparency, but could lead to more frequent interest rate adjustments and higher perceived volatility. Lower-risk borrowers could benefit from sharper pricing, while higher-risk borrowers may face more explicit risk premia.

"Under a more market- or policy-linked benchmark, lending rates, particularly variable-rate loans, are likely to adjust more frequently than under the traditional prime system," Jansen said.

The renewed debate follows comments by SARB Governor Lesetja Kganyago, who said the prime lending rate, fixed at 350 basis points above the repo rate since 2001, may be nearing its end as part of efforts to improve transparency.

Speaking at the World Economic Forum in Davos, Kganyago said the SARB is reviewing the benchmark as part of broader reforms aimed at enhancing transparency in the interest rate framework.

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Namibia's fuel prices to drop by N\$1 for petrol and 50c for diesel in February

Fuel pump prices in Namibia will decrease from 4 February 2026, following lower international oil prices and a stronger Namibia dollar, the Ministry of Industries, Mines and Energy has announced.

In a statement issued after completing its February fuel price review, the ministry said international crude oil and refined petroleum product prices declined during January 2026, largely due to increased

global oil supply by major producers, which outpaced demand and led to rising inventories.

The ministry said subdued global demand growth, coupled with lower geopolitical risk premiums, placed further downward pressure on prices. At the same time, the Namibia dollar appreciated against the United States dollar, in which oil is traded internationally, reducing import parity prices for both petrol and

diesel.

According to the ministry's calculations, the average price of Petrol 95 between 1 and 23 January 2026 was USD 74.30 per barrel, representing a 4.12% decrease from the December 2025 average of USD 77.49 per barrel.

Diesel 50ppm averaged USD 79.44 per barrel over the same period, a decline of 2.48% from USD 81.47 in December 2025, while Diesel 10ppm averaged USD 79.48 per barrel, down 2.47% from USD 81.49 recorded the previous month.

The ministry said the Namibia dollar averaged N\$16.41 per US dollar during the January review period, reflecting a 2.43% appreciation compared to the December 2025 average exchange rate of N\$16.82 per US dollar.

"These market conditions resulted in lower import parity prices for petrol and diesel, leading to over-recoveries on fuel prices and enabling a downward adjustment in pump prices," the ministry said.

The pricing model recorded over-recoveries of 127.48 cents per litre for unleaded petrol 95, 80.17 cents per litre for Diesel 50ppm, and 89.77 cents per litre for Diesel 10ppm during the review period.

Despite the over-recoveries, the ministry said it had resolved to increase the dealer margin for service station operators by 14 cents per litre, from 222 cents to 236 cents per litre.

As a result, petrol prices will be reduced by N\$1.00 per litre, while both diesel grades will decrease by 50 cents per litre.

At Walvis Bay, the new pump prices will be N\$19.58 per litre for Petrol 95, N\$19.63 per litre for Diesel 50ppm, and N\$19.73 per litre for Diesel 10ppm. Prices across the rest of the country will be adjusted in line with these changes.

The ministry said it remains committed to ensuring that fuel prices reflect international market conditions while balancing economic sustainability for consumers and the fuel industry.

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Vendor lock-in (Part 2): Why digital transformation so often fails

By Thomas Hamata

In the previous article, I explored how many digital transformation projects in Namibia begin with promise and end in dependency.

A system is commissioned.

A vendor is appointed.

Efficiency is promised.

Years later, the organisation is trapped.

Change requests become business as usual.

Internal capability never forms.

Costs escalate.

Critically, ownership of a core system shifts to a third-party vendor.

With that, what began as “modernisation” eventually becomes an expensive, long-term business liability.

This follow-up article goes one level deeper.

Because vendor lock-in is not necessarily the root problem, but rather the outcome of a failure that happens much earlier on - in how digital transformation is governed, understood, and led.

1. You cannot lead what you do not understand

Most struggling digital transformation projects share one common denominator:

No one at senior level truly understands digital transformation.

Not as software procurement or as “IT’s responsibility.” But as organisational redesign enabled by technology.

Digital transformation demands fluency in:



Sustainable transformation success will, in my view, belong to organisations that understand this early.

* Technology risk

* Data risk

* Change risk

* Dependency risk

* Financial and operational risk

Yet many initiatives are led by capable executives who have never been exposed to these realities.

With that, a knowledge vacuum forms which third party vendors are mistakenly expected to step in and fill.

From that moment, failure becomes structural and almost guaranteed.

Every major digital transformation programme should be anchored by a deliberately curated, cross-functional capability - bringing together people with a working understanding of digital transformation risk, business analysis, architecture, data, change management, and operational realities.

This capability should not sit informally on the margins of a project, nor be outsourced entirely to vendors. It should be institutionalised through clear structures - whether as a dedicated transformation office, an IT or digital transformation

subcommittee of the board, or a formally mandated cross-functional steering group.

Where this capability is absent, programmes tend to proceed without sufficient challenge, evidence, or alignment to business value. Decisions are then made in silos, risk is discovered late rather than accounted for early, and delivery becomes disconnected from desired outcomes.

2. Transformation without structure is gambling

In the first article, I showed how projects often proceed despite vague benefits and unclear outcomes.

The missing link is discipline.

Digital transformation projects, by virtue of their size, cost and complexity, require structured decision-making and must be run through formal, mandatory frameworks.

Every major digitalisation initiative should require, at minimum:

- * A documented business case
- * Baseline process mapping (current state)
- * Future-state design
- * Structured, detailed business requirements
- * Strategic alignment analysis
- * Cost and scope controls
- * Benefits realisation plans
- * Independent monitoring

These artefacts exist to ensure organisations know what they are building, why they are building it, and how success will be measured and ensured - long before time, money and effort is expended.

A business case forces clarity on purpose.

Baselining exposes current inefficiencies.

Requirements prevent shifting expectations.

Strategic alignment protects strategy.

Monitoring prevents silent failure.

Benefits tracking enforces accountability.

Without them, “system delivered” becomes the only success metric; and organisations often realise only after go-live

that they have paid for a system they cannot easily change, exit, or justify, let alone make proper use of.

3. Knowledge must never leave the building

One of the most damaging patterns described in the previous article was the concentration of expertise over a core business system outside the organisation.

Design logic.

System architecture.

Integration rules.

Data structures.

All externally controlled.

This is no longer outsourcing so much as it is the unintentional architecting of long term (and costly) third party dependency.

Any system that supports core operations must have internal technical understanding and ownership.

This requires:

- * In-house staff embedded in its design and build
- * Structured skills transfer from the third-party vendor
- * Proper technical documentation
- * Source code escrow, where possible
- * Strong intellectual property clauses

Without these, organisations do not actually “own” their systems; they rent them. This distinction matters because it sits at the heart of many local digital transformation failures.

As you can now see, these failures can be traced back to the same root cause: treating technology as something to be bought and implemented, rather than governed, owned, and continuously stewarded.

By this, I mean retaining internal expertise, ownership, and the ability to adapt or exit systems without undue dependence on vendors.

Sustainable transformation success will, in my view, belong to organisations that understand this early.



President pushes cabinet to fast-track NDP6 implementation

President Netumbo Nandi-Ndaitwah has urged Cabinet to accelerate the implementation of the Sixth National Development Plan (NDP6), warning that limited time remains for the Eighth Administration to deliver measurable results for Namibians.

Opening the first Cabinet meeting of the 2026 calendar year on Monday, Nandi-Ndaitwah said only four years remain in the current five-year mandate to advance the objectives of Vision 2030. She called on ministers to use time decisively and ensure that policy decisions translate into effective, results-based service delivery.

“At the same time, we must remind ourselves that there are only four years remaining of the five-year mandate entrusted to the Eighth Administration to advance and realise Vision 2030. Time is therefore not on our side. Every day, every hour and every decision must count,” the President said.

Reflecting on the past year, Nandi-Ndaitwah said government had made notable progress during its first year in office, which has helped build public confidence.

She pointed to improvements in Grade 11 and 12 results, while acknowledging that

national education outcomes remain below desired levels.

She called for intensified efforts to ultimately achieve a pass rate of 90% or higher.

The President also welcomed the introduction of the subsidised tertiary education funding model, saying initial feedback indicates broad satisfaction with the registration process, despite expected early challenges.

“This year, we introduced a subsidised tertiary education funding model. I congratulate the Ministers of Education and Finance, together with their teams, particularly the Task Force, on its implementation. You have worked tirelessly and your efforts have paid off. The system is now operational and, by and large, people are satisfied with the registration process,” she said.

Calling for a “business unusual” approach,

Nandi-Ndaitwah said traditional methods of planning and decision-making are no longer adequate in a rapidly changing global environment.

She urged leaders to be candid about the challenges facing the country, while maintaining unity and a shared sense of purpose.

“In this environment, Namibia’s position remains clear and unwavering. We must uphold our principles. We believe in the sovereignty and territorial integrity of nations, equality among states, and the peaceful resolution of conflicts through dialogue, diplomacy and respect for international law,” she said.

Namibia’s NDP6 is the government’s five-year economic and social policy framework that guides development priorities, spending and reforms over the current planning cycle.



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Buy local was a movement — Now Namibia should build a system

By Sarah Goroh

In 2020, as the world stood still and supply chains faltered, Namibia experienced a rare moment of national clarity.

The “Buy Local, Grow Namibia” campaign reminded us of something we often forget: we do have products worth buying, businesses worth backing, and producers capable of meeting real demand.

For many citizens, it was the first time they discovered just how much is already being made at home, and how good it is.

This article builds on an earlier call for locally owned industries, and continues the conversation on what it will take to make Buy Local sustainable beyond campaigns.

Movements inspire change, but systems sustain it.

More than five years later, the uncomfortable truth is that the “buy local” energy has faded. The stickers disappeared. The conversations quietened.

The urgency dissolved. It feels as though supporting Namibian products became a pandemic trend rather than a long-term national commitment.

We cannot afford to treat local production as a crisis response. We should be proactive, deliberate and consistent.

Local pride is not enough without local power

It is easy to say “support local.” It is



“

For many citizens, it was the first time they discovered just how much is already being made at home, and how good it is

harder to create the conditions that make local products competitive, visible, and widely available. Local producers often operate within an environment that makes it difficult to scale.

The real question is not whether Namibians are willing to buy local. The real question is: are we building an economy where local products can win on their own merit — in price, quality, consistency, and availability?

Because a buy-local mindset without a build-local system becomes a cycle of frustration. Consumers want affordability. Retailers want reliable supply. Producers want market access. Everyone wants growth, but the structure to sustain it remains thin.

The second phase must become the main phase

One of the strongest parts of the 2020 campaign was the plan for “phase two”: workshops on standards, barcodes, retail requirements, and preparing

producers for broader markets. That was not a side activity. That was the heart of sustainability.

If local products are to compete seriously, more producers must be supported to meet Namibia Standards Institute (NSI) requirements, secure proper product identification, improve packaging, and understand what major retailers need. These are not luxuries, they are the basics of entering formal supply chains.

This is how local businesses become permanent suppliers.

If we want buy-local to last beyond campaigns, this capacity-building must become ongoing and nationwide, not occasional, and not limited to a few producers.

Demand must be engineered, not hoped for

Another lesson from 2020 is that demand does not automatically flow to local producers simply because they exist. It must be shaped and sustained.

Retailers have influence. They decide what is visible and what is buried. If the private sector truly believes in Namibia's future, then supporting local should not be seasonal marketing, it should be a long-term business strategy.

At the same time, the public sector can play a powerful role by strengthening local supply chains through predictable purchasing. Not as charity, but as economic design. A country that wants industries cannot leave demand to chance.

Buying local should lead to building industries at scale

Ultimately, Namibia cannot "buy local" into prosperity if local production remains small and fragmented. If we want meaningful change, we should move from simply supporting products to building industries — industries that can manufacture, process, package, and

supply at a level that consistently meets the nation's needs.

This is where scaling matters. Scaling is what lowers costs, improves quality, stabilises supply, and creates jobs in large numbers. It is what turns a small producer into a national supplier, and a local product into a competitive brand. Without scale, local production remains vulnerable. With scale, it becomes an economic pillar.

And once we reach that scale, Namibia's industries will not only serve local shelves, they can serve regional markets too. A stronger production base gives Namibian products the ability to compete across borders and enter new opportunities within Africa, especially as continental trade opens up.

Scaling also strengthens our ability to add value to what we already have. While the nation mines strongly, we still have significant room to grow in downstream processing where long-term jobs are created. Exporting is vital, but we could shift from exporting minerals mainly as raw inputs to exporting more advanced, processed products. Investing in local beneficiation—processing, refining, and manufacturing linked to the mining sector, will help keep more wealth, skills, and jobs in the country. And where ownership is not fully local, value addition becomes even more important to ensure Namibians benefit through industrial growth and employment. This value-addition mindset should extend across the economy, not only in mining.

It is time to stop treating local production as a small side story

Namibia may have a small population, but we still need a strong economic backbone. We cannot continue importing most essentials and assume that the global and regional environment will always

remain stable.

The truth is that reliance comes with risk. When costs rise externally, we absorb the shock internally. When disruptions occur elsewhere, we feel them here. When industries grow in other countries, jobs grow there not here.

That is why building a sustainable buy-local culture is not only about patriotism. It is about economic protection. It is about ensuring that local businesses become strong enough to carry the country through uncertainty, not just benefit during a campaign.

The future is built through consistency

Our greatest challenge is not a lack of potential — it is consistency.

We rally during a crisis, then relax afterwards. We launch initiatives, then move on. We celebrate local during campaigns, then return to business as usual. This pattern cannot produce transformation.

If we are serious about a sustainable future, we should treat local production as a permanent national priority, one that

is measured, strengthened, and supported beyond slogans.

Buy Local should not be a once-off campaign. It should become an economic culture—visible in our retail spaces, supported through producer readiness, strengthened through consistent demand, and built into how we think about growth.

The encouraging truth is that Namibia has already seen what is possible. With consistency, capacity, and scale, we can build industries that create jobs, strengthen resilience, and compete beyond our borders. The future is within reach, but it should be built intentionally.

Because the future we want will not arrive through good intentions alone.

It will arrive when we commit to local production, not as a campaign, but as a long-term system.

**Sarah Goroh Award-winning Writer | Life Coach | Strategist | Youth Advocate | Project Director – Global Reputation Forum*





Stalled road projects undermine Namibia's trade and logistics hub ambitions

Unfinished road works are constraining Namibia's ambitions to become a regional trade and logistics hub, the Parliamentary Standing Committee on Economics and Public Administration has warned.

Speaking during a recent site visit and assessment of national road projects, committee Chairperson Ipumbu Shiimi said the committee had identified several

sections of the road network where major construction work had already been completed, but projects had stalled at the final stage. Shiimi said extensive earthworks and foundational structures were in place, yet progress had come to a standstill due to funding constraints.

According to on-site engineers, the affected road sections could be fully completed and operational within nine to

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Our appeal to the Ministry of Works and Transport, the Ministry of Finance and the National Planning Commission is to avail the necessary resources to complete these sections.

ten months if the necessary resources were made available.

“It is important to complete what you have started before committing to other works or projects,” Shiimi said.

“Our appeal to the Ministry of Works and Transport, the Ministry of Finance and the National Planning Commission is to avail the necessary resources to complete these sections.”

He said the committee’s call is rooted in a strategic objective to position Namibia as a key logistics gateway for Southern Africa. Shiimi noted that Namibia’s coastal location offers a natural advantage in providing efficient access to ports for landlocked neighbouring countries.

By enabling faster and more cost-effective transport routes, he said Namibia could significantly increase trade volumes while stimulating domestic economic activity.

Shiimi said the completion

of key trade corridors is expected to drive job creation, as increased traffic would raise demand for logistics services, vehicle maintenance, roadside facilities and related support industries.

He added that the resulting economic activity could contribute to poverty reduction by expanding revenue streams and creating employment opportunities across the country.

“By strengthening these corridors, Namibia will also deepen regional integration and strengthen economic ties with neighbouring countries through reliable and modern transport infrastructure,” Shiimi said.

“Our goal is to make these processes faster and more cost-effective. By doing so, we can promote trade, stimulate economic activity, create jobs and ultimately reduce poverty,” he added.

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Legacy comfort: Why your best employees are hiding your staffing crisis

By Tangeni Namene

In Namibian companies with long-serving staff, there's a dangerous pattern unfolding. The most capable employees are quietly masking the fact that the organisation is chronically understaffed.

Not through deception. Through competence.

When your finance manager has been with you for fifteen years, she knows every supplier, every quirk in the accounting system, every workaround for processes that should have been formalized a decade ago.

She absorbs tasks that would require three people in a newer company. And because she does it well, leadership sees efficiency rather than fragility.

This is legacy comfort: the structural blindness that develops when established companies confuse staff endurance with organisational capacity.

The Mechanics of Structural Blindness

Understaffing in legacy companies doesn't announce itself. It accumulates through small, reasonable decisions that compound over time.

Someone resigns. The team covers temporarily. Weeks become months. The company continues functioning. Management interprets this as proof that the position wasn't necessary.

What they miss is that "functioning" and "healthy" are not synonyms.

Responsibilities drift sideways. The procurement officer starts handling some



Capacity isn't simply about having enough people to complete tasks. It's about having enough organizational slack for the company to think, to adapt, to pursue opportunities, to develop its people, to build systems rather than dependencies.

HR queries because she's good with people. The operations manager takes on IT troubleshooting because he's the only one who understands the old system. Job descriptions, if they ever existed, become historical documents rather than operational reality.

This drift happens without formal acknowledgment. No one gets promoted. No one's salary is adjusted to reflect the expanded scope. The work simply finds the people willing to carry it.

Over time, informal arrangements calcify into operational dependencies. The company doesn't run on systems. It runs on specific people who have learned to absorb organizational inefficiencies. The danger isn't that this model works.

It's that it works well enough to prevent intervention.

Why Leadership Misreads the Signals

Leaders in established companies are looking at the wrong indicators of organisational health.

They see work getting completed. They see loyal staff who rarely complain. They see bills paid, clients served, operations continuing. From the boardroom, this looks like a well-run company.

What's invisible from that vantage point is the opportunity cost.

The business development opportunities not pursued because there's no capacity to service new clients. The process improvements never implemented because everyone is too occupied maintaining current operations. The strategic thinking that never happens because senior staff are buried in tactical execution.

Trust obscures the problem further. When you've worked with someone for a decade, you trust their judgment. When they say "I'll handle it," you believe them. And they do handle it. What leadership doesn't see is what gets dropped or delayed to make room. The mental triage happening behind every reassurance.

There's also an emotional calculus at play. Established companies, particularly in smaller markets like Namibia, often have strong interpersonal dynamics. Teams have worked together for years. There's chemistry, shared history, mutual understanding. The idea of bringing in someone new feels disruptive. The known burden of overwork seems preferable to the unknown risk of changing team composition.

Cost considerations add another layer. But the financial argument against hiring is often incomplete. Leaders calculate the salary cost. They rarely quantify the cost of opportunities missed, innovation

foregone, or institutional knowledge concentrated in individuals rather than systems.

The pattern becomes self-reinforcing. As staff become more capable at absorbing additional work, their capacity to do so is interpreted as evidence that additional staff aren't needed.

The Hidden Erosion

The consequences of chronic understaffing don't appear on financial statements.

Burnout doesn't arrive as a crisis. It accumulates as quiet exhaustion that gets reframed as professionalism. The employee who stays late consistently isn't celebrated. They're simply maintaining the baseline. But there's a threshold beyond which dedication becomes depletion.

Sometimes the cost is health. Sometimes it's disengagement. Sometimes it's an unexpected resignation that reveals how much institutional knowledge was residing in one person's head.

Innovation requires slack. Not laziness—slack. The cognitive and temporal space to think beyond immediate demands. When every staff member operates at full utilization, the organization loses its capacity to evolve. Problems get solved the way they've always been solved. Questions about better approaches never get asked because there's no bandwidth to explore the answers.

Knowledge becomes dangerously concentrated. The person who understands the legacy supplier relationships, who knows why certain clients require specific handling, who remembers the context behind operational decisions made years ago—that knowledge lives in individual memory rather than organizational systems. It's efficient until that person leaves. Then it's catastrophic.

The organisation ages in place. Without



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regular hiring, no new perspectives enter. The company becomes a closed ecosystem, staffed by the same people doing incrementally more work in fundamentally the same ways. Continuity provides stability. But it also breeds stagnation.

The Namibian Amplification
These dynamics exist everywhere, but smaller markets intensify them.

In Namibia, talent pools are limited. Hiring isn't simply about finding competent candidates. It's about finding people who fit organisational culture, who will stay despite limited career mobility within a small market, who won't disrupt carefully calibrated team dynamics. The recruitment calculus is more complex when every hiring decision has immediate, visible impact.

Loyalty carries particular weight. Long-serving staff aren't just employees—they're often part of the company's identity. This deep loyalty is valuable. But when it becomes the primary metric of organisational health, it can obscure structural problems. A loyal team that's chronically overworked is still overworked.

The fear of hiring wrong is amplified. In larger markets, a bad hire is unfortunate. In smaller markets, everyone knows. The reputational cost is higher. The talent pool

for correction is smaller. So the bar for hiring rises, and positions remain unfilled while leadership waits for the perfect candidate who may not exist.

Interpersonal relationships shape business in ways that pure economic models miss. People have worked together across companies, across sectors, across decades. Business isn't entirely transactional—it's deeply relational. This creates trust and continuity. But it also creates resistance to change. Growth can feel like dilution. New hires can feel like commentary on existing staff.

None of this is failure. It's context. But context that makes the structural blindness more likely and more persistent.

The Reactive Breaking Point

Eventually, something forces recognition.

A key employee resigns. Suddenly the organisation discovers that half its operational knowledge is leaving. There's no documentation. No clear job description. No obvious succession. Hiring becomes urgent, reactive, and expensive. The recruitment happens under duress, without proper scoping, often resulting in poor fit.

Or a significant opportunity arrives—a new contract, a major client, an expansion

possibility. The company wants to pursue it. But there's no capacity. The existing team is already stretched.

Leadership faces a choice: decline the opportunity, or accept it and watch quality deteriorate as everyone scrambles to cover.

Or the erosion becomes visible through small failures. Invoices delayed. Customer queries unanswered. Mistakes in work that used to be flawless. Nothing catastrophic. Just a gradual decline in standards that eventually crosses the threshold of acceptability.

Reactive hiring is expensive in ways beyond salary. It's expensive in time, in stress, in organizational disruption, in lost momentum. And it happens because the need wasn't acknowledged until it became undeniable.

Reframing Capacity

Hiring doesn't have to be reactive. It can be structural.

The question isn't "Can we afford to hire?" The question is "What is our current staffing model costing us in ways we're not measuring?"

What if hiring was framed not as adding headcount, but as designing capacity? Not as an admission that someone is failing, but as recognition that the organization has evolved beyond its current structure?

Capacity isn't simply about having enough people to complete tasks. It's about having enough organizational slack for the company to think, to adapt, to pursue opportunities, to develop its people, to build systems rather than dependencies.

When viewed through this lens, hiring becomes part of organizational design rather than crisis management. It becomes a question of sustainability rather than immediate necessity.

This doesn't mean hiring impulsively. It means hiring intentionally, before the need becomes desperate. It means recognizing

when informal workarounds have become load-bearing organizational structures and asking whether that's a viable long-term model.

It means understanding that a company built entirely around the capabilities of specific individuals is inherently fragile, regardless of how capable those individuals are.

It means designing the organization around what the business needs to function and grow, rather than around what existing staff are willing to absorb.

The Uncomfortable Recognition

Companies don't stop hiring because they don't need people.

They stop because they've normalized strain. The pattern of managing with less has become so familiar it no longer registers as a choice. The gap between organizational capacity and operational demand has widened so gradually that it's become invisible to those inside it.

The uncomfortable truth isn't that these companies are failing. It's that they're succeeding just enough to avoid the question. The work gets done. The business continues. And so the assumption persists that everything is fine.

Until it isn't.

The finance manager who collapsed at her desk came back to work. Same responsibilities.

Same workload. Because her exhaustion was treated as a personal health issue rather than an organizational design problem.

That's legacy comfort. Not malicious. Not even neglectful. Simply blind to what long-serving competence has been quietly concealing.

**** Tangeni Namene is a Namibian entrepreneur working in technology, skills development, and community-focused innovation.***



Herd rebuilding to lift cattle sales by up to 30% in 2026

Namibia's livestock sector is expected to record a modest recovery in 2026, with cattle marketing volumes projected to increase by between 20% and 30% as herd rebuilding efforts begin to stabilise, according to the Namibia Agricultural Union (NAU).

The union said the anticipated recovery follows a prolonged period of contraction caused by drought conditions and erratic rainfall, which continue to represent the main structural risks shaping participation

in the cattle market.

According to the NAU, the recent downturn reflects a cyclical response to environmental pressure, underscoring the sector's vulnerability to rainfall variability and extended dry spells.

"Looking ahead, the herd rebuilding process is expected to continue into 2026, with marketing volumes anticipated to recover modestly, potentially growing by 20% to 30% as herd rebuilding gains stability. This cyclical contraction

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Demand for weaners from South Africa is expected to remain stable, supported by improved feedlot profitability driven by low yellow maize prices and strong carcass selling prices, the union said. Improved local rainfall conditions could further strengthen domestic demand and support prices.

highlights the vulnerability of the livestock sector to Namibia’s highly variable and erratic rainfall,” the union said.

The NAU said cattle prices are expected to remain elevated across all categories in 2026, with weaner prices influenced by both regional and domestic demand dynamics.

Demand for weaners from South Africa is expected to remain stable, supported by improved feedlot profitability driven by low yellow maize prices and strong carcass selling prices, the union said. Improved local rainfall conditions could further strengthen domestic demand and support prices.

“Cattle prices are expected to remain elevated in 2026 across all categories. Demand for weaners in South Africa is anticipated to remain stable, while improved feedlot profitability and better

local rainfall could further support prices.

However, uncertainty surrounding foot-and-mouth disease remains a significant risk,” the union said.

The NAU noted that the sector is still emerging from an extended recovery period following successive droughts, with some regions experiencing three consecutive dry years since 2019. These conditions forced widespread destocking across the cattle industry.

Between January and September 2025, cattle marketing declined sharply, with live exports to South Africa contracting by about 76%.

During the same period, approximately 60% of animals traded through auctions were retained for breeding and oxen production due to limited market-ready supply, the union said.

Namibia's rural-urban gender divide poses long-term economic risk

Minister of Gender Equality and Child Welfare Emma Kantema has warned that Namibia's near-equal split between urban and rural populations poses material economic risks, as persistent gender disparities continue to constrain productivity, labour participation and economic resilience.

Kantema said that while the population is now almost evenly divided, with roughly 50% living in urban areas and 50% in rural areas, access to economic opportunities, services and investment readiness remains highly uneven, particularly for women in rural communities.

She said rural women face compounded constraints, including limited access to finance, markets, infrastructure and formal employment. These challenges, she noted, weaken household income stability and undermine broader economic resilience during periods of economic stress and downturns.

"Rural women face compounded challenges, including fewer economic opportunities, limited access to services and greater vulnerability to shocks and disasters such as flooding, fires, disease outbreaks and infrastructure disruption," Kantema said.

"When shocks occur, women and girls are often the most affected, walking longer distances to access water, managing increased household responsibilities and struggling to sustain their families with resources that diminish

daily."

Kantema said recent national crises have underscored the unequal impact of economic and environmental shocks across the rural-urban divide. She cited the 2023 to 2025 drought, which left an estimated 1.4 million Namibians facing food insecurity.

According to the minister, women and girls were disproportionately affected during this period due to their social and economic roles within households and communities.

She said labour market data further reflects the divide, noting that women account for 51.2% of Namibia's working-age population but only 41.9% participate in the labour market, compared with 51.1% participation among men.

"Our rural-urban divide tells a gendered story," Kantema said. "Women constitute the majority of subsistence farmers and informal traders, yet they often lack access to land, credit and climate information. In times of economic shocks, women are the first to lose income and the last to recover, despite being our greatest untapped resource in building resilience."

Kantema said government is responding through policy and programme interventions aimed at strengthening gender-responsive resilience. These include the National Gender Equality and Equity Policy for 2025 to 2035 and the expansion of social protection systems.

She said the measures are intended to address structural inequalities across the rural-urban divide and ensure women are better positioned to withstand future economic and climate-related shocks.

